CGS International
Asia's Global Investment House

INITIATION

Company Note | Property Development | Singapore | August 27, 2025

## Singapore

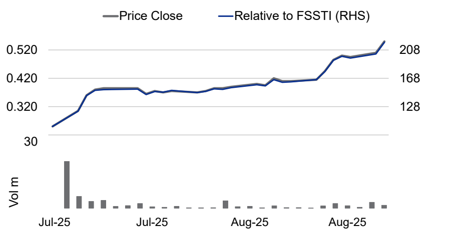
## ADD

| Consensus ratings*: | Buy 1 Hold 0 Sell 0 |
|---|---|
| Current price: | S$0.55 |
| Target price: | S$0.81 |
| Previous target: | N/A |
| Up/downside: | 47.3% |
| CGSI / Consensus: | 107.7% |
| Reuters: | LUMC.SI |
| Bloomberg: | LUCC SP |
| Market cap: | US$134.8m |
| | S$173.3m |
| Average daily turnover: | US$0.57m |
| | S$0.73m |
| Current shares o/s: | 280.0m |
| Free float: | 15.6% |

*Source: Bloomberg*

### Key changes in this note

- N/A



*Source: Bloomberg*

| Price performance | 1M | 3M | 12M |
|---|---|---|---|
| Absolute (%) | 42.9 | | |
| Relative (%) | 43.3 | | |

| Major shareholders | % held |
|---|---|
| Lum Chang Holdings Limited | 71.1 |
| Lim Thiam Hooi | 13.3 |

# Lum Chang Creations

## Value from revitalisation

- We initiate coverage on Lum Chang Creations (LUCC) with an Add call and target price of S$0.81, based on a 12x P/E multiple, in line with peers.
- We expect a 65% PATMI CAGR over FY25-27F, supported by a robust order book of S$122.8m as at May 2025, and net margins of 12-13%.
- We assume FY25/26/27F new order wins of S$75m/S$140m/S$150m, potentially from ongoing tenders, e.g. conservation A&A at Armenian St.

### LUCC's Add rating supported by 65% PATMI CAGR over FY25-27F

LUCC is a Singapore-based contractor in the niche urban revitalisation specialist (URS) industry, with expertise in heritage building conservation, interior fit-out and end-to-end addition and alteration (A&A) works. We estimate PATMI could grow at a CAGR of 65% for FY6/25 to FY6/27F from S$4.7m in FY24 to approximately S$21.3m in FY6/27F, driven by a robust order book and potential order wins in conservation projects and the interior fit-outs space. Our TP of S$0.81 is based on a P/E multiple of 12x, in line with the average P/E ratio for domestic industry peers, supported by its relatively higher net margin of 13%, higher ROE and larger order book than other listed interior fit-out service providers.

### Deep expertise in niche construction

LUCC is the only listed URS service provider in Singapore, with an estimated market share of between 14.4% and 17.0% in 2024, according to an independent market report in LUCC's prospectus. Conservation work requires deep expertise, which makes the barriers to entry higher than other types of construction work. LUCC was behind the conservation work of some of Singapore's most high-profile historical buildings, such as Temasek Shophouse, the National Museum and The Warehouses-CQ @ Clarke Quay.

### We expect order wins of S$75m-150m over FY25-27F

LUCC had an order book of c.S$122.8m as at 31 May 2025, according to its prospectus. We estimate LUCC bagged orders of c.S$142m in FY24 and could secure S$75m-150m in FY25-27F as we expect it to be a beneficiary of the government's conservation efforts earmarked under its Draft Master Plan 2025. Projects mentioned in the plan include **45 Armenian Street, the former St. Joseph's Institution building and the former Bukit Timah Turf City.** In addition, as maintenance, refurbishments and asset enhancement initiatives for commercial space and hotels take place regularly, we are equally optimistic on LUCC's forward pipeline for other projects. LUCC could also benefit from new projects, such as Changi Airport Terminal 5 and the new phases of Marina Bay Sands and Resorts World Sentosa, in our view.

### Potential regional expansion

LUCC has indicated that it plans to expand its business in Malaysia, which could extend its project pipeline to include more retail and hotels, in our view. Key re-rating catalysts: higher-than-expected order wins and margin expansion. Downside risks: 1) unfavourable government policy, including higher ratio for local labour content or levies that may impact margins; 2) more intense competition in the URS space leading to pricing competition and compressed margins, 3) shortage of skilled workforce, causing project cost delays and overrun, and 4) defects in projects resulting in claims and onerous cost provisions.

| Financial Summary | Jun-23A | Jun-24A | Jun-25F | Jun-26F | Jun-27F |
|---|---|---|---|---|---|
| Total Net Revenues (S$m) | 39.4 | 59.0 | 102.1 | 152.2 | 178.6 |
| Operating EBITDA (S$m) | 5.67 | 6.65 | 15.93 | 23.05 | 27.05 |
| Net Profit (S$m) | 4.54 | 4.72 | 12.00 | 18.06 | 21.27 |
| Core EPS (S$) | 0.016 | 0.017 | 0.043 | 0.061 | 0.068 |
| Core EPS Growth | 802% | 4% | 154% | 42% | 11% |
| FD Core P/E (x) | 33.95 | 32.63 | 12.83 | 9.06 | 8.14 |
| DPS (S$) | 0.000 | 0.004 | 0.015 | 0.020 | 0.023 |
| Dividend Yield | 0.00% | 0.81% | 2.79% | 3.57% | 4.18% |
| EV/EBITDA (x) | 26.73 | 21.76 | 8.16 | 5.70 | 4.77 |
| P/FCFE (x) | 85.89 | 16.61 | 12.65 | 10.15 | 8.24 |
| Net Gearing | (29.7%) | (72.5%) | (79.2%) | (79.3%) | (80.8%) |
| P/BV (x) | 15.58 | 11.53 | 4.95 | 4.15 | 3.09 |
| ROE | 59.5% | 40.6% | 54.0% | 49.6% | 43.5% |
| % Change In Core EPS Estimates | | | | | |
| EPS/Consensus EPS (x) | | | 1.16 | 1.48 | 1.50 |

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS


### Analyst(s)

**LI Jialin**
**T** (65) 6210 8663
**E** jialin.li@cgsi.com
**LOCK Mun Yee**
**T** (65) 6210 8606
**E** munyee.lock@cgsi.com

# Value from revitalisation

## What's the angle?

- **Deep expertise in niche construction**

Lum Chang Creations (LUCC) is a Singapore-based contractor in the niche urban revitalisation specialist (URS) industry, with expertise in heritage building conservation, interior fit-out and end-to-end addition and alteration (A&A) works. It was behind the conservation works of some high-profile historical buildings in Singapore, such as the Temasek Shophouse, the National Museum, The Warehouses-CQ @ Clarke Quay, 44 & 46 Club St (owned by American financier Ray Dalio) and Red Cross House.

The niche URS industry is set to benefit from the Singapore government's ongoing efforts to preserve what it calls its "built heritage", with the aim of enhancing the nation's heritage and identity. According to an independent market report by Converging Knowledge ("Urban Revitalisation Industry – Singapore", published on 20 June 2025), LUCC is one of the five major players in the URS industry in Singapore, where the Urban Redevelopment Authority (URA) estimates there are currently close to 7,200 conserved buildings and 75 national monuments. Once identified as a conservation building, the building owners will need to maintain the conserved building in compliance with government guidelines if they intend to explore adaptive reuse of the building.

Conservation work requires deep expertise, which makes the barrier to entry higher than other construction work. Some examples of conservation work include restoration of façades, preservation of timber and wooden elements, stabilisation of structures and restoration of decorative elements.

There are several trends that prompt building owners to engage LUCC and its peers. These include: 1) consistent interest in shop houses; 2) adaptive reuse of heritage buildings as commercial space or boutique hotels, among others; 3) upgrading work for heritage buildings to avoid fire hazards; and 4) the new trend of conserving modernist buildings.

**Figure 1: Major players in the URS industry, identified by an independent market report**

| Company Name | BCA License | AHA | URS Segment | | | Conserved Development Type | | Conserved Building Types | | | | | Non Conserved |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | C&R | Interior Fit-Out | A&A | Comm | Inst & Others | Shop-house | MM | Museum/ Galleries | WH | Others | |
| Sunray Woodcraft Construction Pte Ltd | CW01 CR06 GB1 ME01 ME05 ME06 | x | x | x | x | x | x | x | x | x | | | x |
| Lum Chang Creations Limited | CW01 CR06 CR03 GB1 SB(SS) | x | x | x | x | x | x | x | x | x | x | x | x |
| W'Ray Construction Pte Ltd | CW01 CR06 CR09 CR13 CR16 CW02 GB1 ME01 ME02 | x | x | x | x | x | x | x | x | | | x | x |
| Towner Construction Pte Ltd | CW01 CW02 GB1 | x | x | | x | x | x | x | x | | x | x | x |
| Shin Khai Construction Pte Ltd | CW01 CW02 GB1 SB(SS) | x | x | | x | | x | | x | x | | | x |

SOURCES: CGSI RESEARCH, COMPANY REPORTS
Note: Sunray Woodcraft Construction, W'Ray Construction, Towner Construction, Shin Khai Construction are not listed

- **Full-service interior fit-out solutions provider**

LC Interior, a wholly-owned unlisted subsidiary of LUCC, is a specialist interior contracting firm providing a full range of services spanning design and planning to procurement and installation. While LC Interior was only established in 2018, it has built up a formidable track record and completed projects of various scales and complexities, ranging from office fit-outs and hotel refurbishments, to historic building conservation, as well as residential extensions and renovations. LUCC completed the A&A and interior fit-out works for two residential projects (the One Tree Hill Collection and Upper Wilkie Road projects). Management intends to source for new projects in the high-end residential sector involving high-end landed residential properties, such as good class bungalows (GCBs).

Another subsidiary, 51%-owned LC Brandsbridge, specialises in interior fit-out solutions in retail environments, including regular maintenance, refurbishments, and updates to keep retail spaces fresh and relevant in a competitive market. It caters to various retail formats, including flagship stores, boutiques, shopping malls and pop-up shops.

## What's the growth story?

- **Order book expansion in FY25-27F**

LUCC had an order book of S$142.6m for its conservation and restoration, interior fit-out and A&A services as at 31 Dec 2024 (end-1HFY6/25) and approximately S$122.8m as at 31 May 2025 (end-11MFY6/25). LUCC generally fulfills its order books over a period of three months to two years. According to management, projects of relatively short duration (12–24 months) limit LUCC's exposure to cost fluctuations and supply chain shocks.

Based on our estimates, LUCC likely secured contract wins of around S$41m in 2HFY6/25. We list below LUCC's known order wins in FY24 and FY25, which we believe will support its robust ongoing order book and near-term revenue.

**Figure 2: Recent order wins by Lum Chang Creations (LUCC)**

| Contract wins | Value (S$m) | 2024 | 2025 | Timeline | Comments |
|---|---|---|---|---|---|
| **FY24** | **142** | | | | |
| 44 & 46 Club St | 5 | Awarded | | | conservation and restoration, interior fit-out and A&A works |
| 2 Cavan Road (hotel) | 45 | Awarded | | 24 months from Aug 2025 | conservation and restoration, interior fi t-out and A&A works |
| Bank of East Asia building | 9 | Awarded | | | interior fit-out and A&A works |
| Temasek Shophouse | 65 | Awarded | | | conservation and restoration, interior fit-out and A&A works |
| the National Museum | 19 | Awarded | | 31 months from Mar 2024 | conservation and restoration works |
| Adam Road Presbyterian Church | n.d. | Awarded | | | fit-out works |
| **FY25** | **68** | | | | |
| Bedok Community Hospital | 27 | | Awarded | 6 months from Sep 2024 | interior fit-out and A&A works |
| Seletar Mall | 5 | | Awarded | | A&A works |
| JEM Cinemas | 6 | | Awarded | | interior fit-out works |
| Oriental Plaza | 30 | | Awarded | 18 months from Apr 2025 | A&A works |
| My Golf Kaki @ Downtown East | | | Awarded | | interior fit-out works |

SOURCES: CGSI RESEARCH, COMPANY REPORTS

According to management and our research, it is estimated that monuments are refurbished every 10 to 20 years. Shophouses are renovated and upgraded more frequently following changes in tenancy or ownership. Regular maintenance is required for commercial, office and hotel space adapted from conserved shophouses. Hotels are refurbished around every five years while shopping malls conduct asset enhancement initiatives (AEI) to stay relevant. These projects make up a steady pipeline for LUCC, in our view.

- **Conserved projects in the pipeline**

According to an independent market research report by Converging Knowledge, the outlook for LUCC's order book is supported by the Singapore URS industry's CAGR of 6.8% in terms of potential projects, from around S$380.0m-450.0m in 2024 to a range of S$470.0m-550.0m in 2027F. The growth is supported by improvements in conservation shophouse transactions, strong government support for tourism and culture and the potential for more (new) conservation buildings identified for adaptive reuse.

We list below potential conservation projects that are undergoing studies by the relevant government agencies or highlighted in the government's recent Draft Master Plan 2025. We believe LUCC could bid for some of these projects:

- **45 Armenian Street** (the former "Substation") will be undergoing proposed A&A to add a new three-storey annexe to the existing three-storey conservation building.
- **The former St. Joseph's Institution building** is being studied for potential conversion into a new Singapore Design Museum.
- **The former Catholic High School buildings** (51 Waterloo Street, 8 Queen Street and 222 Queen Street) are being studied for arts, cultural and community purposes.
- Six buildings and heritage elements from the **Old Police Academy** site in Mount Pleasant will be integrated with a new public housing estate.
- **Dakota Crescent,** which features a central courtyard and the iconic Dove Playground.
- NatSteel Steel Pavilion, **the former Pasir Panjang English School** and **Bukit Timah Turf City** to integrate heritage into a new housing estate.
- Repurposing of **Old Changi Hospital** into an eco-centre while retaining the rustic charm and heritage through sensitive development of Changi Point.

- **Regional expansion as the next step**

LUCC plans to expand its business in Singapore and Malaysia and is looking to explore new markets in neighbouring countries, such as Indonesia, when opportunities arise. Through such business expansion, LUCC aims to widen its capabilities and scope of services and to improve its control over project costs, lead time and/or quality.

We think that LUCC could look at venturing into complementary or strategic businesses or acquire joint ventures or strategic alliances in Singapore and Malaysia.

## Valuations and where is the mispricing?

### Initiate coverage with a TP of S$0.81

We initiate coverage on LUCC with an Add rating and a target price of S$0.81, representing 47% upside potential from the 26 Aug 2025 share price of S$0.55. We like LUCC for its 1) deep expertise in niche construction, 2) capabilities to provide full-service interior fit-out solutions, 3) order book expansion in FY25-27F, 4) conserved projects in the pipeline, and 5) regional expansion as the next step.

We value LUCC using a P/E valuation methodology given our forecasts for c.65% CAGR in PATMI for FY25-27F and net profit margin of 12-13% for FY25-27F.

**Figure 3: Our TP of S$0.81 is based on 12x FY27F P/E**

| | FY2022 | FY2023 | FY2024 | FY2025F | FY2026F | FY2027F |
|---|---|---|---|---|---|---|
| PATMI (S$ m) | 0.5 | 4.5 | 4.7 | 12.0 | 18.1 | 21.3 |
| EPS (Scts) | | | | 3.81 | 5.73 | 6.75 |
| Ascribed PE multiple (x) | | | | | | 12 |
| Implied TP (S$) | | | | | | 0.81 |

SOURCES: CGSI RESEARCH, COMPANY REPORTS

Our TP of S$0.81 is based on an ascribed P/E multiple of 12x in FY27F and an EPS of 6.75 Scts. This represents our base case order wins of S$150m for FY27F.

Our valuation P/E multiple of 12x is based on the average P/E multiple of 11.5x, derived from peer group comparisons, which includes listed companies in Singapore that provide interior fit-out services.

**Figure 4: Scenario analysis**

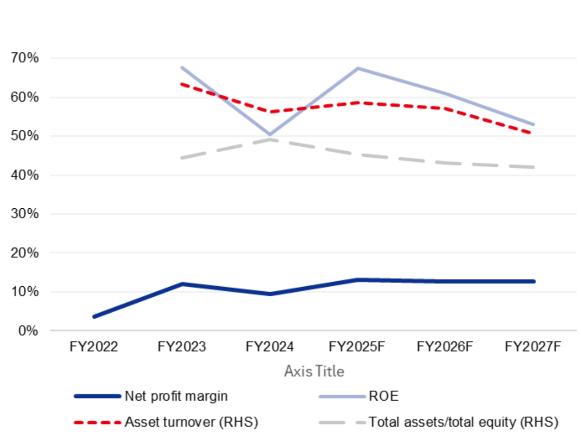
| | Bear case | Base case | Bull case |
|---|---|---|---|
| FY27F order wins (S$ m) | 70 | 150 | 200 |
| FY27F Revenue (S$ m) | 129.0 | 178.6 | 209.6 |
| FY27F PATMI (S$ m) | 15.0 | 21.3 | 25.2 |
| EPS (Scts) | 4.75 | 6.75 | 8.00 |
| Ascribed P/E multiple (x) | 12 | 12 | 12 |
| Implied TP (S$) | 0.57 | 0.81 | 0.96 |

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

Based on our scenario analysis, a bull case where FY27F order wins stand at S$200m will lead to a higher PATMI of S$25.2m vs. our base case, which translates to an FY27F EPS of 8.0 Scts and higher target price of S$0.96 (based on a P/E multiple of 12x).

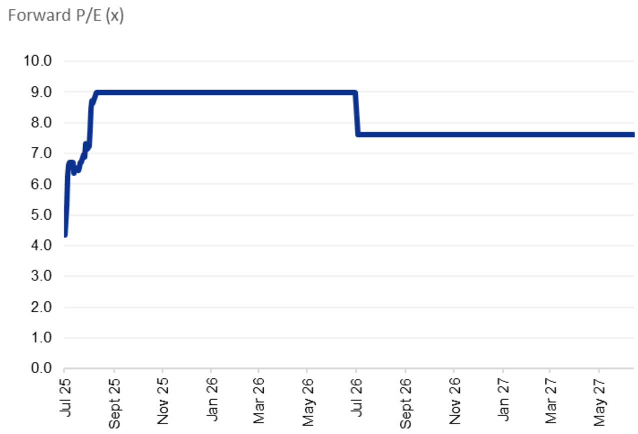
A bear case where FY27F order wins are lower at S$70m than our base case will lead to a lower PATMI of S$15.0m, which translates to an FY27F EPS of 4.75 Scts and a lower target price of S$0.57 (based on a P/E multiple of 12x).

**Figure 5: We expect net profit margins to trend at 12-13%**




SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 6: 12-month forward P/E band**




SOURCES: CGSI RESEARCH, BLOOMBERG

# Peer comparison

**Figure 7: Peer comps table shows that LUCC has the best ROE performance among other listed interior fit-out companies while commanding a smaller P/E metric**

| | Bloomberg | | Price | Target Price | Market Cap | P/E (x) | | | P/BV (x) | | Recurring ROE (%) | | | | EV/EBITDA (x) | | | | Dividend yield (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Company | Ticker | Recom. | (lcl curr) | (lcl curr) | (US$ m) | CY24A | CY25F | CY26F | CY24A | CY25F | CY24A | CY25F | CY26F | CY27F | CY24A | CY25F | CY26F | CY27F | CY26F |
| Lum Chang Creations | LUCC SP | Add | 0.50 | 0.68 | 121 | 9.6 | 9.6 | 7.7 | 0.35 | 4.39 | 53.7% | 53.7% | 49.6% | 41.4% | 10.9 | 6.1 | 4.7 | 3.8 | 4.7% |
| Dezign Format Group Ltd | DFG SP | NR | 0.35 | na | 50 | na | 11.5 | 9.9 | na | na | 48.4% | 41.7% | 47.2% | 41.4% | na | 9.2 | 6.8 | 5.9 | na |
| Kingsmen Creatives Ltd | KMEN SP | NR | 0.44 | na | 69 | 4.1 | na | na | 0.45 | na | 11.4% | na | na | na | 1.0 | 1.4 | na | na | 4.5% |
| Attika Group Ltd | ATTIKA SP | NR | 0.25 | na | 31 | 15.5 | 14.3 | na | na | na | 39.1% | na | na | na | 10.3 | 10.4 | na | na | 2.6% |
| Lincotrade & Associates Holdin | LINASC SP | NR | 0.07 | na | 10 | 13.9 | 10.8 | na | 3.05 | 1.23 | 23.9% | na | na | na | 6.7 | 2.9 | na | na | 4.3% |
| **SG interior fit-outs company simple average** | | | | | | **10.7** | **11.5** | **8.8** | **1.3** | **2.8** | **35%** | **48%** | **48%** | **41%** | **7.2** | **6.0** | **5.7** | **4.8** | **4%** |

SOURCES: CGSI RESEARCH, BLOOMBERG, COMPANY REPORTS
DATA AS AT 25 AUG 2025
FORECASTS FOR NOT RATED COMPANIES ARE FROM BLOOMBERG CONSENSUS ESTIMATES

**Figure 8: Peers in URS and interior fit-out industry**

| Peers in URS and interior fit-outs industry | | Similar business segments |
|---|---|---|
| Dezign Format | Listed | Commercial & Retail fit-outs segment |
| Kingsmen Creative | Listed | Commercial & Retail fit-outs segment |
| Attika Interior | Listed | Corporate fit-outs |
| Lincotrade | Listed | Commercial premise A&A, construction of showflats and sales galleries |
| Sunray Woodcraft Construction | Non-listed | interior fit-outs and conservation |
| W'Ray Construction | Non-listed | Construction, A&A, Restoration of Conservation Building, and Renovation and Interior Fit-Out Works |
| Towner Construction | Non-listed | Conservation and residential |

SOURCES: CGSI RESEARCH, BLOOMBERG, COMPANY REPORTS

**Figure 9: SWOT analysis**

| Strength | Weakness |
|---|---|
| LCC is a leading urban revitalisation specialist (URS) in Singapore, with a market share of 14.4%-17% in 2024, according to independent market report. LCC has a proven track record in the URS segment, having established its presence since 2018. It has comprehensive capabilities in conservation and restoration, interior fit-out and A&A works. | LCC is dependent on services of suppliers and subcontractors and could be subject to rising costs if its sub-contractors raise contract prices. Sub-contractor costs made up 86.6%-92.4% of its total cost of sales in FY22 to 6M25. |
| LCC has an experienced management team, led by Managing Director, Mr Lim Thian Hooi, who has over 35 years of experience in the building industry and more than 20 years of experience managing projects in specialised fields such as conservation and restoration. He is backed by Assistant General Manager Mr Sik Wee Teng with more than 20 years of experience and Project Director Mr Ivan Oktavianus. | LCC could be subject to credit and non-payment risks as customers make progress payments based on construction progress and are generally given 30 to 35 dats[day?] credit terms. |
| LCC operates an asset light business model, with the number of full-time employees expanding from 23 as at Jun 2022 to 78 as at Dec 2024. LCC does not employ temporary or part-time employees and none of its full-time employees are unionised. | LCC generates most of its revenue from non-recurring projects. Most of its contracts are on a one-off basis as contracts are typically awarded on a project-by-project basis. This could lead to some unpredictability of revenue streams. |
| LCC has been recognised for workplace safety excellence, with WSH Performance (Gold) award in 2024 and Silver awards from 2021-2023 and has maintained a zero-fatality record since 2018. | |
| **Opportunity** | **Threat** |
| There is a greater trend for more adapative reuse projects to balance between heritage preservation and modern developments. In addition, higher demand for conservation works arising from potential inscription of a second UNESCO World Heritage site and other national monuments in Singapore offers LCC opportunities. New trends of conservation rather than redevelopment and greater demand for interior fit-out and A&A works as building owners comply with the latest fire safety regulations translate to new opportunities for LCC. | Given LCC's exposure to a niche industry which requires specialised skillsets, difficulty to attract these skilled labourers could result in higher costs and impact its profitability and ROE. |
| With a growing supply of hotel rooms in Singapore, hotel owners are likely to undertake refurbishment, retrofitting and interior fit-out works for their properties to attract more customers to their properties. | LCC operates in a highly competitive and dynamic environment, affected by factors such as market demand, industry trends, rivalry, bargaining power and threat of substitutes as well as competition from existing competitors and new entrants in the future. |
| LCC could potentially explore acquisitions, investment opportunities, strategic alliances or joint ventures in complementary businesses in Singapore or overseas, including sub-contractors which provide ancillary works for its projects, which should enable it to scale up its business and enlarge its customer base. | LCC could be affected by changes in policies such as the Environmental Public Health Act (EPHA) in Singapore and Lembaga Pembangunan Industri Pembinaan Malaysia Act in Malaysia. |

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

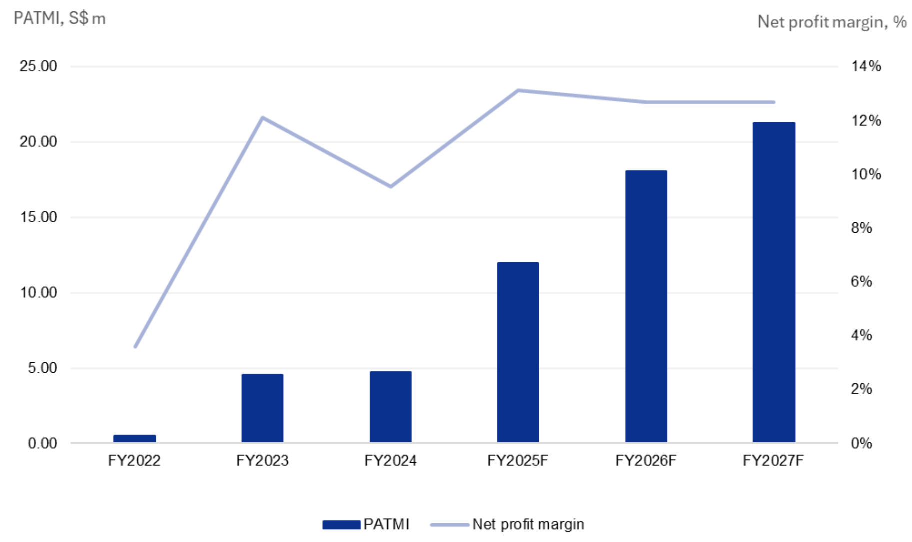
# Financial outlook

## 65% EPS CAGR driven by visible conservation pipeline and order book track record ➤

We like LUCC's strong PATMI growth, supported by its robust order book. LUCC has built a strong order book of approximately S$123m as at end-May 2025 and secured contract wins of around S$41m in 2HFY6/25. As monuments, shophouses, retail space and hotels are refurbished and maintained regularly and as more conservation projects are studied by the relevant government agencies, we see a steady pipeline of upcoming projects for LUCC. Although margins may vary across different types of AEI works, we expect LUCC's net profit margins to trend around 12-13% for FY25-27F.

We estimate that PATMI could grow at a CAGR of 65% for FY25-27F from S$4.7m in FY6/24 to approximately S$21.3m in FY6/27F.

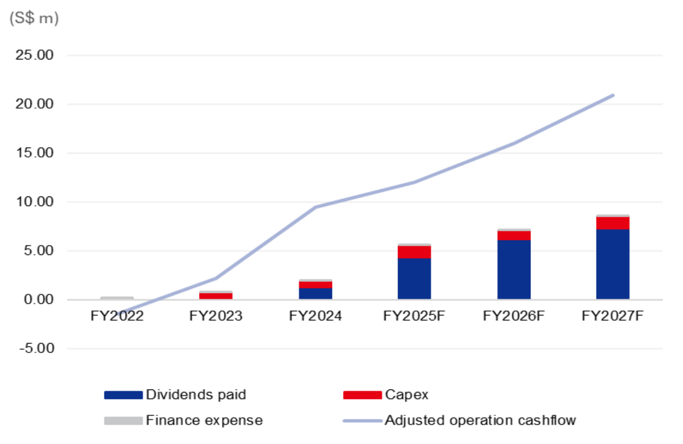
**Figure 10: 65% PATMI CAGR over FY25-27F driven by a robust order book**




SOURCES: CGSI RESEARCH, COMPANY REPORTS

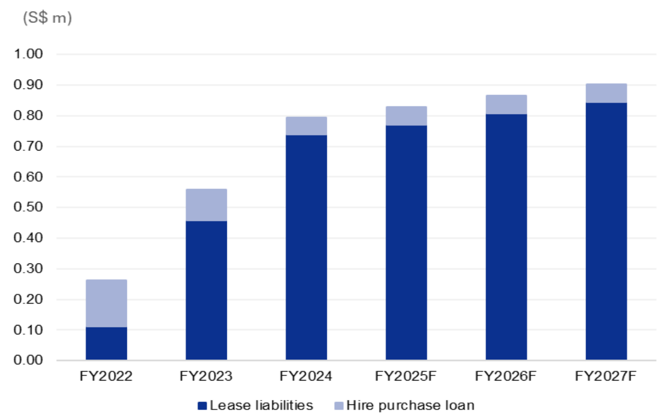
In addition, we like LUCC's net cash position and strong cashflow generating ability, with dividend commitments of no less than 30% PATMI for FY25-27F and no significant capex needs or debt repayments. LUCC is an asset light business, with the largest outgoing expense being operating expenses (e.g. subcontractor costs).

**Figure 11: Strong operating cashflow with no significant capex needs or debt repayments**




SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

**Figure 12: LUCC is an asset light business - finance expense accounts for a small part of its overall expenses**



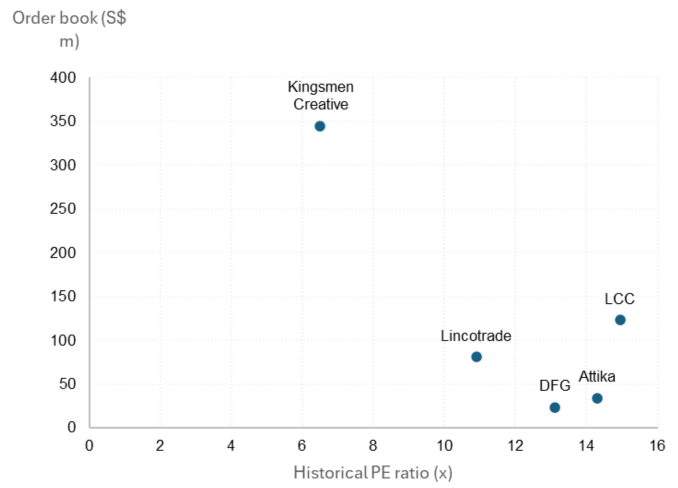

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

Comparing LUCC's return metrics versus peers shows that LUCC stands superior to its most comparable peers in terms of P/E multiples and ROE to both net margins and orderbook.

We note that LUCC's order book, which stood at c.S$122.8m as at May 2025, ranks second among the four nearest listed comparable peers (see Figs 13-16) while its net margin of 13% in 1HFY6/25 was at the high end of the peer comparison range of 1-15%.

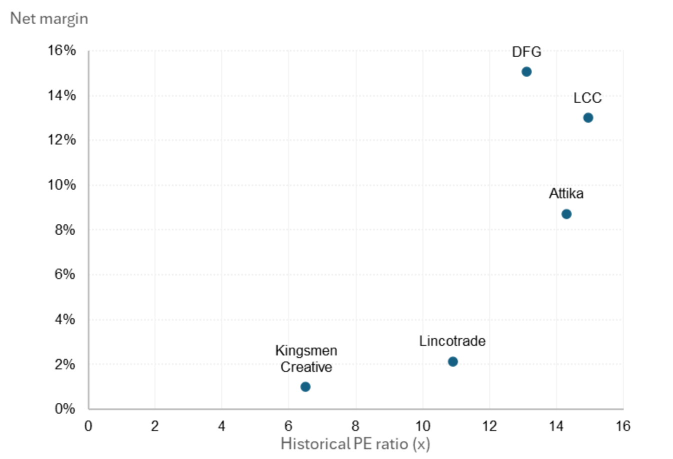
The strong orderbook of S$122.8m and robust net margin of 13% and assuming that the current contracts are progressively billed over the next two years imply potential for strong earnings growth and high ROE for LUCC over FY25-27F, in our view. As such, we believe LUCC should trade at a premium over its peers.

**Figure 13: LUCC's robust order book supports a relatively stronger historical P/E multiple**



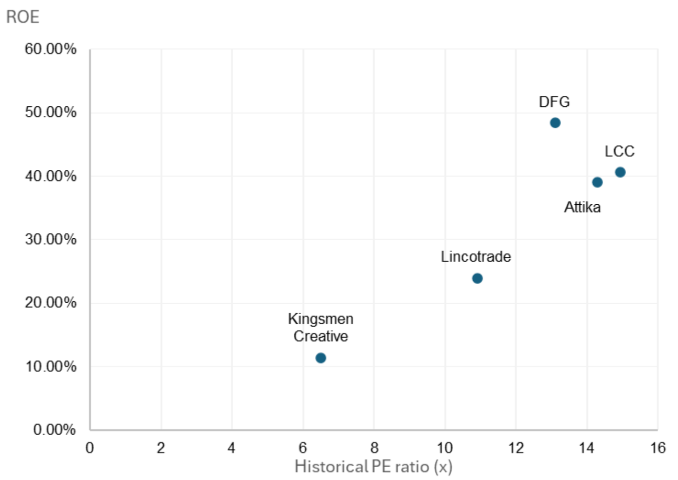

SOURCES: CGSI RESEARCH, COMPANY REPORTS

**Figure 14: LUCC has higher net profit margins than most of its peers and therefore should command a relatively higher P/E ratio**



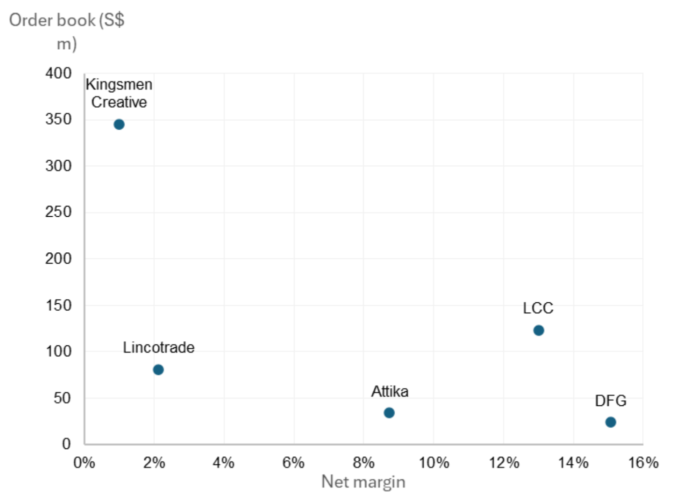

SOURCES: CGSI RESEARCH, COMPANY REPORTS

**Figure 15: LUCC's higher ROE warrants a relatively higher P/E ratio**




SOURCES: CGSI RESEARCH, COMPANY REPORTS

**Figure 16: LUCC enjoys both a robust order book and decent net margins compared to its peers**




SOURCES: CGSI RESEARCH, COMPANY REPORTS

# Company background

## Business overview

Lum Chang Creations (LUCC) offers niche construction services, ranging from conservation and restoration, interior fit-outs and additions & alterations (A&A) works for historic and culturally significant buildings and structures. It is a major player in the niche urban revitalisation specialist (URS) industry in Singapore. Although LUCC was only established in 2018, it has managed to build a strong track record with high profile projects, including the iconic St James Power Station, Clarke Quay Block B, Temasek Shophouse and the National Museum of Singapore.

**Figure 17: An overview of the URS industry**

**Segmentation of the URS Industry**

| URBAN REVITALISATION SPECIALIST INDUSTRY | | |
|---|---|---|
| **CONSERVATION & RESTORATION** | **INTERIOR FIT-OUT** | **ADDITION & ALTERATION** |
| Examples:<br>• Conservation of facade<br>• Preservation of timber and wooden elements<br>• Stabilisation of structures<br>• Restoration of decorative elements<br>• Repointing of brickworks | Examples:<br>• Flooring<br>• Ceiling & electrical<br>• Joinery & furniture<br>• Wall finishes & painting<br>• Window & door installation<br>• Fire protection & safety | Examples:<br>• Building extensions<br>• Reconfiguration of space<br>• Conversion<br>• Structural modification for accessibility<br>• Plumbing and electrical upgrades |

**Source: Compiled by Converging Knowledge**[1]

SOURCES: CGSI RESEARCH, COMPANY REPORTS, CONVERGING KNOWLEDGE

In addition, LUCC provides interior fit-outs and comprehensive aftercare services, from design and planning to procurement and installation. LUCC has handled major projects with retail and commercial clients, including the Nike Flagship Store (28,000 sq ft) as well as specialised projects, such as Bedok Community Hospital, various cinemas and the Marriott Tang Plaza Hotel.

## Industry outlook ➤

The urban revitalisation specialist (URS) industry is set to benefit from the Singapore government's ongoing efforts to preserve what it calls its "built heritage", with the aim of enhancing the nation's heritage and identity. According to the Urban Redevelopment Authority, the restoration of historic areas adds variety to the urban fabric and creates visual contrasts in the city while helping to rejuvenate dilapidated areas into thriving districts. Blocks of conservation buildings often also help to boost tourism appeal and create higher economic value to the society, in our view.

Conservation areas could range from historical districts (Boat Quay, Chinatown, Kampong Glam and Little India) and historic residential districts (Blair Plain, Cairnhill and Emerald Hill) to secondary settlements (Balestier, Beach Road, Geylang, Jalan Besar, Jalan Jurong Kechil, Joo Chiat, Mount Sophia, River Valley, Tanjong Katong, Upper Circular Road and Tiong Bahru) and bungalows.

There are currently close to 7,200 conserved buildings and 75 national monuments across the island, according to the URA, and there are more conservation projects highlighted in the recent Draft Master Plan 2025. In recent years, there has also been a growing trend of shophouses being adapted into commercial, office and hotel space.

Once identified as a conservation building, building owners will need to maintain the conserved building in compliance with government guidelines if they intend to explore adaptive reuse of their buildings. Conservation works require urban revitalisation specialists to have unique expertise as the contractor performs building modifications to improve functionality and aesthetics while preserving the heritage characteristics of the building and complying with government regulations. Based on an independent market report by Converging Knowledge, the size of the urban revitalisation specialist industry was estimated at between S$380m and S$450m in 2024. LUCC's estimated market share in the urban revitalisation specialist industry was between 14.4% and 17.0% in 2024, the report said.

### The spin-off

Lum Chang Creations is a spin-off from Lum Chang Group (LCH SP, NR, CP: S$0.48), a company in Singapore involved in construction, property development and investment and other investment holdings. LUCC was listed on the SGX on 21 Jul 2025. According to the prospectus, proceeds were used for regional expansion, expanding interior fit-out and A&A projects into the high-end residential sector and acquisitions and investment opportunities. Lum Chang Group reported revenue of S$500.4m in FY6/24 and is trading at a P/E multiple of 24x. After the spin-off in Jun 2025, Lum Chang Holdings held on to a 71.1% stake in LUCC's equity.

In an interview between LUCC's MD Lim Thiam Hooi and the Securities Investors Association Singapore (SIAS) dated 18 Aug 2025 published on SGX website, LUCC's management attributed the spin-off by Lum Chang Group to LUCC's "operational maturity", a stable market environment, increased investor receptivity to service-oriented construction plays, and growing government support for conservation and adaptive reuse.

## Downside risks and rerating catalysts

### Policy risk

In Singapore, government agencies work together to decide on new conservation areas, policies and guidelines, based on a consultative approach. The National Heritage Board is the national authority that manages national museums, heritage institutions, monuments, historic buildings and sites whereas the URA has oversight in development control, urban conservation as well as the promotion of architectural and urban design excellence. URA is responsible for gazetting buildings and areas for conservation and overseeing the implementation of conservation guidelines. A change in government policy will therefore directly impact the URS industry.

### Loss of human capital

Artisan skills are crucial to LUCC's restoration work. According to the company, LUCC relies on in-house labour rather than heavy machinery to maintain a degree of cost control that sets it apart from pure-play construction firms. Therefore, human capital is crucial to LUCC's works and the loss of such skilled workforce could mean losing years of compounded knowledge.

Other downside risks include: 1) unfavourable government policy including a higher ratio for local labour content or levies that may impact margins, 2) more intense competition in the URS space leading to pricing competition and compressed margins, 3) shortage of skilled workforce, causing project cost delays and overrun and 4) defects in projects resulting in claims and onerous cost provisions.

Key re-rating catalysts include: higher-than-expected order wins and margin expansion on the back of lower labour cost or improved efficiency.

### Key management

**Mr. Lim Thiam Hooi** is the Managing Director and a Board member. He is the co-founder of Lum Chang Creations and is responsible for overseeing the overall business, operations and performance as well as formulating the business plan and strategic direction. Mr. Lim boasts extensive experience of 35 years in the building industry and more than 20 years managing projects in the specialised fields of conservation and restoration, interior fit-out and A&A works.

**Ms. Alice Ong** is the Group Financial Controller and is responsible for all finance-related areas, including handling accounts and financial reports and overseeing the cash flow. She was previously the Finance Manager at Lum Chang Holdings previously. Ms. Ong has been a member of the Institute of Singapore Chartered Accountants in Singapore since 2014.

**Mr. Sik Wee Teng** is the Assistant General Manager, Projects, and has been with the group since 2021. Mr. Sik has over 25 years of experience in construction. Before joining the group, he spent time with Capitaland Residential Singapore, Wing Tai Property, LendLease Singapore and Mapletree Investments.

## ESG in a nutshell

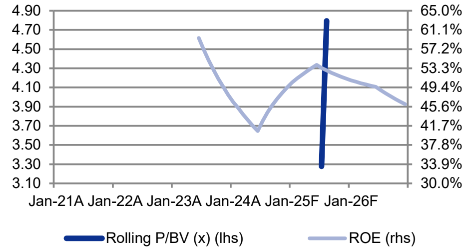
LUCC is a leading urban revitalisation specialist (URS) in Singapore with comprehensive capabilities in providing niche conservation and restoration works complemented by interior fit-out works as well as A&A works. It has a proven track record in Singapore of successfully completing projects of various scales and complexities, ranging from office fit-outs and hotel refurbishments, to historic building conservation and adaptive reuse, and residential extensions and renovations. According to its prospectus, it has the experience, expertise and resources to provide customised solutions for different types of heritage buildings and brownfield redevelopments and for urban revitalisation and asset enhancements, such as interior and exterior renovations, structural alterations, mechanical, plumbing and engineering upgrades, and sustainability improvements, across a broad range of sectors, including the public, infrastructural, institutional, commercial, retail, food and beverage and hospitality sectors in Singapore. It also operates a specialist interior contracting firm, from design and planning to procurement and installation, and covers all aspects of interior contracting and has established a presence in the retail sector in Singapore and Malaysia, specialising in delivering high-quality interior fit-out solutions for a diverse range of retail environments, including flagship stores, boutiques, shopping malls, and pop-up shops. To complement these businesses, it provides aftercare services for certain retail projects and also manufactures wood furniture and fixtures for retail customers.

| Keep your eye on | Implications |
|---|---|
| While LCC currently does not have a fixed corporate social responsibility policy, it is committed to making a positive impact on society and to giving back to the community with corporate social responsibility outreach initiatives. | Our current valuations of LUCC have not ascribed a premium/discount for its ESG initiatives. |
| **ESG highlights** | **Implications** |
| In terms of sustainability efforts within the Environmental pillar, LUCC said in its prospectus that some of its past initiatives included engaging in recycling and energy conservation efforts. Within the Social pillar, LUCC recognises the need to achieve a balance between business profitability and corporate social responsibility. Some of its previous efforts included supporting charitable organisations and local partners through cash donations or in-kind contributions, employee volunteering efforts and pro-bono projects for charitable organisations. Health and employee safety are key priorities for LUCC. To support this, it not only provides comprehensive on-the-job training but also frequently sponsors its staff to attend courses and seminars and conducts robust assessments of its suppliers and subcontractors to ensure their compliance with workplace health and safety standards. | We have not applied any premium/discount for ESG in our fundamental valuations. However, as the group continues to build on its ESG objectives, we believe these could lead to improved stock price performance, through improved operational efficiencies. By prioritising safety and implementing rigorous safety measures, LUCC not only protects its workers but also enhances its reputation as a responsible and reliable company. This commitment to safety enhances its competitive advantage and could likely improve its chances of securing high-quality projects, in our view. |
| **Trends** | **Implications** |
| LUCC also has a track record of zero workplace fatalities since 2018, reflecting its commitment to workplace safety and the effectiveness of its safety protocols. | We have not applied any premium/discount for ESG in our fundamental valuations of LUCC. |

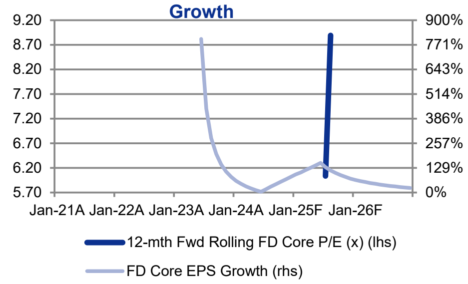
SOURCES: CGSI RESEARCH, COMPANY REPORTS

# BY THE NUMBERS

P/BV vs ROE




12-mth Fwd FD Core P/E vs FD Core EPS Growth




## Profit & Loss

| (S$m) | Jun-23A | Jun-24A | Jun-25F | Jun-26F | Jun-27F |
|---|---|---|---|---|---|
| **Total Net Revenues** | **39.43** | **58.97** | **102.13** | **152.24** | **178.55** |
| **Gross Profit** | **8.26** | **10.65** | **22.26** | **32.49** | **38.13** |
| **Operating EBITDA** | **5.67** | **6.65** | **15.93** | **23.05** | **27.05** |
| Depreciation And Amortisation | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Operating EBIT** | **5.67** | **6.65** | **15.93** | **23.05** | **27.05** |
| Financial Income/(Expense) | 0.02 | 0.09 | 0.20 | 0.17 | 0.16 |
| Pretax Income/(Loss) from Assoc. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Non-Operating Income/(Expense) | 0.03 | 0.04 | 0.04 | 0.04 | 0.04 |
| **Profit Before Tax (pre-EI)** | **5.71** | **6.78** | **16.16** | **23.26** | **27.26** |
| Exceptional Items | | | | | |
| **Pre-tax Profit** | **5.71** | **6.78** | **16.16** | **23.26** | **27.26** |
| **Taxation** | **-0.93** | **-1.15** | **-2.74** | **-3.95** | **-4.62** |
| Exceptional Income - post-tax | | | | | |
| **Profit After Tax** | **4.78** | **5.63** | **13.42** | **19.31** | **22.63** |
| Minority Interests | -0.24 | -0.91 | -1.42 | -1.26 | -1.36 |
| Pref. & Special Div | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| FX Gain/(Loss) - post tax | | | | | |
| Other Adjustments - post-tax | | | | | |
| **Net Profit** | **4.54** | **4.72** | **12.00** | **18.06** | **21.27** |
| Recurring Net Profit | 4.54 | 4.72 | 12.00 | 18.06 | 21.27 |
| **Fully Diluted Recurring Net Profit** | **4.54** | **4.72** | **12.00** | **18.06** | **21.27** |

## Cash Flow

| (S$m) | Jun-23A | Jun-24A | Jun-25F | Jun-26F | Jun-27F |
|---|---|---|---|---|---|
| EBITDA | 5.67 | 6.65 | 15.93 | 23.05 | 27.05 |
| Cash Flow from Invt. & Assoc. | | | | | |
| Change In Working Capital | -3.72 | 3.48 | -1.72 | -3.91 | -2.46 |
| Straight Line Adjustment | | | | | |
| (Incr)/Decr in Total Provisions | -0.01 | -0.01 | -0.01 | -0.01 | -0.01 |
| Other Non-Cash (Income)/Expense | 0.24 | 0.37 | 0.02 | 0.02 | 0.02 |
| Other Operating Cashflow | 0.03 | 0.05 | 0.05 | 0.05 | 0.05 |
| Net Interest (Paid)/Received | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Tax Paid | -0.01 | -1.02 | -2.19 | -3.16 | -3.70 |
| **Cashflow From Operations** | **2.21** | **9.52** | **12.08** | **16.04** | **20.96** |
| Capex | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Disposals Of FAs/subsidiaries | | | | | |
| Disposals of Investment Properties | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Acq. Of Subsidiaries/investments | -0.27 | -0.08 | 0.00 | 0.00 | 0.00 |
| Other Investing Cashflow | 0.02 | 0.08 | 0.21 | 0.19 | 0.18 |
| **Cash Flow From Investing** | **-0.24** | **0.00** | **0.21** | **0.19** | **0.18** |
| Debt Raised/(repaid) | -0.17 | -0.24 | -0.11 | -0.11 | -0.11 |
| Proceeds From Issue Of Shares | 0.49 | 0.00 | 8.75 | 0.00 | 0.00 |
| Shares Repurchased | | | | | |
| Dividends Paid | 0.00 | -1.26 | -4.29 | -6.18 | -7.24 |
| Preferred Dividends | | | | | |
| Other Financing Cashflow | 0.00 | -0.25 | -0.43 | -0.38 | -0.41 |
| **Cash Flow From Financing** | **0.32** | **-1.74** | **3.92** | **-6.67** | **-7.76** |
| Total Cash Generated | 2.28 | 7.77 | 16.20 | 9.56 | 13.37 |
| **Free Cashflow To Firm** | **1.96** | **9.52** | **12.29** | **16.23** | **21.14** |
| **Free Cashflow To Equity** | **1.79** | **9.27** | **12.17** | **16.12** | **21.02** |

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

## BY THE NUMBERS… cont'd

### Balance Sheet

| (S$m) | Jun-23A | Jun-24A | Jun-25F | Jun-26F | Jun-27F |
|---|---|---|---|---|---|
| Total Cash And Equivalents | 3.71 | 11.48 | 27.68 | 37.23 | 50.59 |
| Properties Under Development | | | | | |
| Total Debtors | 12.65 | 13.26 | 20.43 | 30.45 | 35.71 |
| Inventories | | | | | |
| Total Other Current Assets | 0.19 | 0.21 | 0.21 | 0.21 | 0.22 |
| **Total Current Assets** | **16.55** | **24.95** | **48.31** | **67.89** | **86.52** |
| Fixed Assets | 0.99 | 1.17 | 2.45 | 3.41 | 4.72 |
| **Total Investments** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** |
| Intangible Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Other Non-Current Assets | 2.22 | 3.12 | 3.79 | 4.16 | 4.57 |
| **Total Non-current Assets** | **3.20** | **4.29** | **6.24** | **7.57** | **9.30** |
| Short-term Debt | 0.23 | 0.22 | 0.23 | 0.23 | 0.24 |
| Current Portion of Long-Term Debt | | | | | |
| Total Creditors | 6.90 | 10.97 | 16.32 | 24.42 | 28.64 |
| Other Current Liabilities | 1.44 | 1.90 | 1.92 | 1.95 | 1.97 |
| **Total Current Liabilities** | **8.57** | **13.09** | **18.47** | **26.60** | **30.85** |
| Total Long-term Debt | 0.33 | 0.57 | 0.60 | 0.63 | 0.66 |
| Hybrid Debt - Debt Component | | | | | |
| Total Other Non-Current Liabilities | 0.23 | 0.82 | 1.59 | 2.38 | 2.79 |
| **Total Non-current Liabilities** | **0.56** | **1.40** | **2.19** | **3.01** | **3.45** |
| Total Provisions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total Liabilities** | **9.13** | **14.49** | **20.66** | **29.61** | **34.30** |
| **Shareholders' Equity** | **9.89** | **13.35** | **31.09** | **41.78** | **56.08** |
| Minority Interests | 0.73 | 1.40 | 2.82 | 4.07 | 5.43 |
| **Total Equity** | **10.62** | **14.75** | **33.90** | **45.85** | **61.52** |

### Key Ratios

| | Jun-23A | Jun-24A | Jun-25F | Jun-26F | Jun-27F |
|---|---|---|---|---|---|
| Revenue Growth | 181% | 50% | 73% | 49% | 17% |
| Operating EBITDA Growth | 898% | 17% | 140% | 45% | 17% |
| Operating EBITDA Margin | 14.4% | 11.3% | 15.6% | 15.1% | 15.2% |
| Net Cash Per Share (S$) | 0.01 | 0.04 | 0.10 | 0.12 | 0.16 |
| BVPS (S$) | 0.04 | 0.05 | 0.11 | 0.13 | 0.18 |
| Gross Interest Cover | N/A | N/A | N/A | N/A | N/A |
| Effective Tax Rate | 16.3% | 17.0% | 17.0% | 17.0% | 17.0% |
| Net Dividend Payout Ratio | 0.0% | 26.6% | 35.8% | 34.2% | 34.0% |
| Accounts Receivables Days | 49.01 | 46.12 | 38.70 | 40.10 | 44.46 |
| Inventory Days | - | - | - | - | - |
| Accounts Payables Days | 51.80 | 52.50 | 42.56 | 40.84 | 45.39 |
| ROIC (%) | 132% | 86% | 326% | 267% | 228% |
| ROCE (%) | 67.8% | 50.5% | 64.2% | 57.1% | 49.9% |
| Return On Average Assets | 32.8% | 22.6% | 31.6% | 29.4% | 26.2% |

### Key Drivers

| | Jun-23A | Jun-24A | Jun-25F | Jun-26F | Jun-27F |
|---|---|---|---|---|---|
| Order book (S$ m) | N/A | 142.6 | 122.8 | 135.1 | 148.6 |
| Gross revenue (S$ m) | N/A | 59.0 | 102.1 | 152.2 | 178.6 |
| Gross margin (%) | N/A | 18.1% | 21.8% | 21.3% | 21.4% |
| Net margin (%) | N/A | 9.6% | 13.1% | 12.7% | 12.7% |

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

## DISCLAIMER

The content of this report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by and belongs to CGS International. Reports relating to a specific geographical area are produced and distributed by the corresponding CGS International entity as listed in the table below.

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 law or regulation.

By accepting this report, the recipient hereof represents and warrants that he is entitled to receive such report in accordance with the restrictions set forth below and agrees to be bound by the limitations contained herein (including the "Restrictions on Distributions" set out below). Any failure to comply with these limitations may constitute a violation of law. This publication is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of CGS International.

The information contained in this research report is prepared from data believed to be correct and reliable at the time of issue of this report. CGS International may or may not issue regular reports on the subject matter of this report at any frequency and may cease to do so or change the periodicity of reports at any time. CGS International has no obligation to update this report in the event of a material change to the information contained in this report. CGS International does not accept any obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant, (ii) ensure that the content of this report constitutes all the information a prospective investor may require, (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, CGS International, its affiliates and related corporations shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof. In particular, CGS International disclaims all responsibility and liability for the views and opinions set out in this report.

Unless otherwise specified, this report is based upon sources which CGS International considers to be reasonable. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research.

Whilst every effort is made to ensure that statements 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 as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of CGS International or any of its affiliates to any person to buy or sell any investments.

CGS International, its affiliates and related corporations and/or their respective directors, associates, connected parties and/or employees may own or have positions in securities of the company(ies) covered in this research report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities. Further, CGS International, its affiliates and their respective related corporations do and seek to do business with the company(ies) covered in this research report and may from time to time act as market maker or have assumed an underwriting commitment in securities of such company(ies), may sell them to or buy them from customers on a principal basis and may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) as well as solicit such investment, advisory or other services from any entity mentioned in this report.

CGS International or its affiliates may enter into an agreement with the company(ies) covered in this report relating to the production of research reports. CGS International may disclose the contents of this report to the company(ies) covered by it and may have amended the contents of this report following such disclosure.

The analyst 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. No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report. The analyst(s) who prepared this research report is prohibited from receiving any compensation, incentive or bonus based on specific investment banking transactions or for providing a specific recommendation for, or view of, a particular company. Information barriers and other arrangements may be established where necessary to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations and the research personnel involved in the preparation of this report may also participate in the solicitation of the businesses as described above. In reviewing this research report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request.

Reports relating to a specific geographical area are produced by the corresponding CGS International entity as listed in the table below. The term "CGS International" shall denote, where appropriate, the relevant entity distributing or disseminating the report in the particular jurisdiction referenced below, or, in every other case except as otherwise stated herein, CGS International Securities Pte. Ltd. and its affiliates, subsidiaries and related corporations.

| Country | CGS International Entity | Regulated by |
|---|---|---|
| Hong Kong | CGS International Securities Hong Kong Limited | Securities and Futures Commission Hong Kong |
| Indonesia | PT CGS International Sekuritas Indonesia | Financial Services Authority of Indonesia |
| Malaysia | CGS International Securities Malaysia Sdn. Bhd. (formerly known as CGS-CIMB Securities Sdn. Bhd.) | Securities Commission Malaysia |
| Singapore | CGS International Securities Singapore Pte. Ltd. | Monetary Authority of Singapore |
| South Korea | CGS International Securities Hong Kong Limited, Korea Branch | Financial Services Commission and Financial Supervisory Service |
| Thailand | CGS International Securities (Thailand) Co. Ltd. | Securities and Exchange Commission Thailand |

**Other Significant Financial Interests:**

(i) As of August 25, 2025 CGS International has a proprietary position in the securities (which may include but not be limited to shares, warrants, call warrants and/or any other derivatives) in the following company or companies covered or recommended in this report:

(a) Lum Chang Creations

(ii) Analyst Disclosure: As of August 27, 2025, the analyst(s) who prepared this report, and the associate(s), has / have an interest in the securities (which may include but not be limited to shares, warrants, call warrants and/or any other derivatives) in the following company or companies covered or recommended in this report:

(a) -

This report does not purport to contain all the information that a prospective investor may require. Neither CGS International nor any of its affiliates make any guarantee, representation or warranty, express or implied, as to the adequacy, accuracy, completeness, reliability or fairness of any such information and opinion contained in this report. Neither CGS International nor any of its affiliates nor their related corporations shall be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

This report is general in nature and has been prepared for information purposes only. It is intended for circulation amongst CGS International's clients generally 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. The information and opinions in this report are not and should not be construed or considered as an offer, recommendation or solicitation to buy or sell the subject securities, related investments or other financial instruments or any derivative instrument, or any rights pertaining thereto.

Investors are advised to make their own independent evaluation of the information contained in this research report, consider their own individual investment objectives, financial situation and particular needs and consult their own professional and financial advisers as to the legal, business, financial, tax and other aspects before participating in any transaction in respect of the securities of company(ies) covered in this research report.

The securities of such company(ies) may not be eligible for sale in all jurisdictions or to all categories of investors.

Restrictions on Distributions

**Australia:** Despite anything in this report to the contrary, this research is provided in Australia by CGS International Securities Singapore Pte. Ltd. ("CGS SG") and CGS International Securities Hong Kong Limited ("CGS HK"). This research is only available in Australia to persons who are "wholesale clients" (within the meaning of the Corporations Act 2001 (Cth) and is supplied solely for the use of such wholesale clients and shall not be distributed or passed on to any other person. You represent and warrant that if you are in Australia, you are a "wholesale client". This research is of a general nature only and has been prepared without taking into account the objectives, financial situation or needs of the individual recipient. CGS SG and CGS HK do not hold, and are not required to hold an Australian financial services license. CGS SG and CGS HK rely on "passporting" exemptions for entities appropriately licensed by the Monetary Authority of Singapore (under ASIC Class Order 03/1102) and the Securities and Futures Commission in Hong Kong (under ASIC Class Order 03/1103).

**Canada:** This research report has not been prepared in accordance with the disclosure requirements of Dealer Member Rule 3400 – Research Restrictions and Disclosure Requirements of the Investment Industry Regulatory Organization of Canada. For any research report distributed by CIBC, further disclosures related to CIBC conflicts of interest can be found at https://researchcentral.cibcwm.com .

**China:** For the purpose of this report, the People's Republic of China ("PRC") does not include the Hong Kong Special Administrative Region, the Macau Special Administrative Region or Taiwan. The distributor of this report has not been approved or licensed by the China Securities Regulatory Commission or any other relevant regulatory authority or governmental agency in the PRC. This report contains only marketing information. The distribution of this report is not an offer to buy or sell to any person within or outside PRC or a solicitation to any person within or outside of PRC to buy or sell any instruments described herein. This report is being issued outside the PRC to a limited number of institutional investors and may not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose.

**France:** Only qualified investors within the meaning of French law shall have access to this report. This report shall not be considered as an offer to subscribe to, or used in connection with, any offer for subscription or sale or marketing or direct or indirect distribution of financial instruments and it is not intended as a solicitation for the purchase of any financial instrument.

**Germany:** This report is only directed at persons who are professional investors as defined in sec 31a(2) of the German Securities Trading Act (WpHG). This publication constitutes research of a non-binding nature on the market situation and the investment instruments cited here at the time of the publication of the information.

The current prices/yields in this issue are based upon closing prices from Bloomberg as of the day preceding publication. Please note that neither the German Federal Financial Supervisory Agency (BaFin), nor any other supervisory authority exercises any control over the content of this report.

**Hong Kong:** This report is issued and distributed in Hong Kong by CGS HK which is licensed in Hong Kong by the Securities and Futures Commission for Type 1 (dealing in securities) and Type 4 (advising on securities) activities. Any investors wishing to purchase or otherwise deal in the securities covered in this report should contact the Head of Sales at CGS HK. The views and opinions in this research report are our own as of the date hereof and are 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. CGS HK has no obligation to update its opinion or the information in this research report.

This publication is strictly confidential and is for private circulation only to clients of CGS HK.

CGS HK does not make a market on other securities mentioned in the report.

**Indonesia:** This report is issued and distributed by PT CGS International Sekuritas Indonesia ("CGS ID"). The views and opinions in this research report are our own as of the date hereof and are subject to change. CGS ID has no obligation to update its opinion or the information in this research report. This report is for private circulation only to clients of CGS ID. Neither this report nor any copy hereof may be distributed in Indonesia or to any Indonesian citizens wherever they are domiciled or to Indonesian residents except in compliance with applicable Indonesian capital market laws and regulations.

This research report is not an offer of securities in Indonesia. The securities referred to in this research report have not been registered with the Financial Services Authority (Otoritas Jasa Keuangan) pursuant to relevant capital market laws and regulations, and may not be offered or sold within the territory of the Republic of Indonesia or to Indonesian citizens through a public offering or in circumstances which constitute an offer within the meaning of the Indonesian capital market law and regulations.

**Ireland:** CGS International is not an investment firm authorised in the Republic of Ireland and no part of this document should be construed as CGS International acting as, or otherwise claiming or representing to be, an investment firm authorised in the Republic of Ireland.

**Malaysia:** This report is distributed in Malaysia by CGS International Securities Malaysia Sdn. Bhd. (formerly known as CGS-CIMB Securities Sdn. Bhd.) ("CGS MY") solely for the benefit of and for the exclusive use of our clients. Recipients of this report are to contact CGS MY, at Level 29, Menara Aras Raya, No. 11, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia, in respect of any matters arising from or in connection with this report. CGS MY has no obligation to update, revise or reaffirm its opinion or the information in this research report after the date of this report.

**New Zealand:** In New Zealand, this report is for distribution only to persons who are wholesale clients pursuant to section 5C of the Financial Advisers Act 2008.

**Singapore:** This report is issued and distributed by CGS SG. CGS SG is a capital markets services licensee under the Securities and Futures Act 2001. Accordingly, it is exempted from the requirement to hold a financial adviser's licence under the Financial Advisers Act, 2001 ("FAA") for advising on investment products, by issuing or promulgating research analyses or research reports, whether in electronic, print or other form. CGS SG is subject to the applicable rules under the FAA unless it is able to avail itself to any prescribed exemptions.

Recipients of this report are to contact CGS SG, 10 Marina Boulevard, Marina Bay Financial Centre Tower 2, #09-01, Singapore 018983 in respect of any matters arising from, or in connection with this report. CGS SG has no obligation to update its opinion or the information in this research report. This publication is strictly confidential and is for private circulation only. If you have not been sent this report by CGS SG directly, you may not rely, use or disclose to anyone else this report or its contents.

If the recipient of this research report is not an accredited investor, expert investor or institutional investor, CGS SG accepts legal responsibility for the contents of the report without any disclaimer limiting or otherwise curtailing such legal responsibility. If the recipient is an accredited investor, expert investor or institutional investor, the recipient is deemed to acknowledge that CGS SG is exempt from certain requirements under the FAA and its attendant regulations, and as such, is exempt from complying with the following:

(a) Section 34 of the FAA (obligation to disclose product information);

(b) Section 36 (duty not to make recommendation with respect to any investment product without having a reasonable basis where you may be reasonably expected to rely on the recommendation) of the FAA;

(c) MAS Notice on Information to Clients and Product Information Disclosure [Notice No. FAA-N03];

(d) MAS Notice on Recommendation on Investment Products [Notice No. FAA-N16];

(e) Section 45 (obligation on disclosure of interest in specified products), and

(f) any other laws, regulations, notices, directive, guidelines, circulars and practice notes which are relates to the above, to the extent permitted by applicable laws, as may be amended from time to time, and any other laws, regulations, notices, directive, guidelines, circulars, and practice notes as we may notify you from time to time. In addition, the recipient who is an accredited investor, expert investor or institutional investor acknowledges that as CGS SG is exempt from Section 36 of the FAA, the recipient will also not be able to file a civil claim against CGS SG for any loss or damage arising from the recipient's reliance on any recommendation made by CGS SG which would otherwise be a right that is available to the recipient under Section 36 of the FAA.

CGS SG, its affiliates and related corporations, their directors, associates, connected parties and/or employees may own or have positions in specified products of the company(ies) covered in this research report or any specified products related thereto and may from time to time add to or dispose of, or may be materially interested in, any such specified products. Further, CGS SG, its affiliates and its related corporations do and seek to do business with the company(ies) covered in this research report and may from time to time act as market maker or have assumed an underwriting commitment in specified products of such company(ies), may sell them to or buy them from customers on a principal basis and may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) as well as solicit such investment, advisory or other services from any entity mentioned in this report.

CGS SG does not make a market on the securities mentioned in the report.

Chan Swee Liang Carolina, the Group Chief Executive Officer of the CGS International group of companies (in which CGS SG is a member) is an independent non-executive director of City Developments Limited as of 29 Dec 2020. CGS SG is of the view that this does not create any conflict of interest that may affect the ability of the analyst or CGS SG to offer independent and unbiased analyses and recommendations.

**South Korea:** This report is issued and distributed in South Korea by CGS International Securities Hong Kong Limited, Korea Branch ("CGS KR") which is licensed as a cash equity broker, and regulated by the Financial Services Commission and Financial Supervisory Service of Korea. In South Korea, this report is for distribution only to professional investors under Article 9(5) of the Financial Investment Services and Capital Market Act of Korea ("FSCMA").

**Spain:** This document is a research report and it is addressed to institutional investors only. The research report is of a general nature and not personalised and does not constitute investment advice so, as the case may be, the recipient must seek proper advice before adopting any investment decision. This document does not constitute a public offering of securities.

CGS International is not registered with the Spanish Comision Nacional del Mercado de Valores to provide investment services.

**Sweden:** This report contains only marketing information and has not been approved by the Swedish Financial Supervisory Authority. The distribution of this report is not an offer to sell to any person in Sweden or a solicitation to any person in Sweden to buy any instruments described herein and may not be forwarded to the public in Sweden.

**Switzerland:** This report has not been prepared in accordance with the recognized self-regulatory minimal standards for research reports of banks issued by the Swiss Bankers' Association (Directives on the Independence of Financial Research).

**Thailand:** This report is issued and distributed by CGS International Securities (Thailand) Co. Ltd. ("CGS TH") based upon sources believed to be reliable (but their accuracy, completeness or correctness is not guaranteed). The statements or expressions of opinion herein were arrived at after due and careful consideration for use as information for investment. Such opinions are subject to change without notice and CGS TH has no obligation to update its opinion or the information in this research report.

**Corporate Governance Report (CGR):** (Thai CGR and Anti-Corruption of Thai Listed Companies - Click here)

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. CGS TH does not confirm nor certify the accuracy of such survey result.

| **Score Range:** | 90 - 100 | 80 – 89 | 70 - 79 | Below 70 | No Survey Result |
|---|---|---|---|---|---|
| **Description:** | Excellent | Very Good | Good | N/A | N/A |

**United Arab Emirates:** The distributor of this report has not been approved or licensed by the UAE Central Bank or any other relevant licensing authorities or governmental agencies in the United Arab Emirates. This report is strictly private and confidential and has not been reviewed by, deposited or registered with UAE Central Bank or any other licensing authority or governmental agencies in the United Arab Emirates. This report is being issued outside the United Arab Emirates to a limited number of institutional investors and must not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose. Further, the information contained in this report is not intended to lead to the sale of investments under any subscription agreement or the conclusion of any other contract of whatsoever nature within the territory of the United Arab Emirates.

**United Kingdom and European Economic Area (EEA):** In the United Kingdom and European Economic Area, this material is also being distributed by CGS International Securities UK Ltd. ("CGS UK"). CGS UK is authorized and regulated by the Financial Conduct Authority and its registered office is at 53 New Broad Street, London EC2M 1JJ. The material distributed by CGS UK has been prepared in accordance with CGS International's policies for managing conflicts of interest arising as a result of publication and distribution of this material. This material is for distribution only to, and is solely directed at, selected persons on the basis that those persons: (a) are eligible counterparties and professional clients of CGS UK; (b) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"), (c) fall within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc") of the Order; (d) are outside the United Kingdom subject to relevant regulation in each jurisdiction, material(all such persons together being referred to as "relevant persons"). This material is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this material relates is available only to relevant persons and will be engaged in only with relevant persons.

This material is categorised as non-independent for the purposes of CGS UK and therefore does not provide an impartial or objective assessment of the subject matter and does not constitute independent research. Consequently, this material has not been prepared in accordance with legal requirements designed to promote the independence of research and will not be subject to any prohibition on dealing ahead of the dissemination of research. Therefore, this material is considered a marketing communication.

**United States:** This research report is distributed in the United States of America by CGS International Securities USA, Inc, a U.S. registered broker-dealer and an affiliate of CGS MY, CGS SG, CGS ID, CGS TH and CGS HK and is distributed solely to persons who qualify as "U.S. Institutional Investors" as defined in Rule 15a-6 under the Securities and Exchange Act of 1934. This communication is only for Institutional Investors whose ordinary business activities involve investing in shares, bonds, and associated securities and/or derivative securities and who have professional experience in such investments. Any person who is not a U.S. Institutional Investor or Major Institutional Investor must not rely on this communication. The delivery of this research report to any person in the United States of America is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein. CGS International Securities USA, Inc. ("CGS US") is a FINRA/SIPC member and takes responsibility for the content of this report. For further information or to place an order in any of the above-mentioned securities please contact a registered representative of CGS US.

CGS International Securities USA, Inc. does not make a market on other securities mentioned in the report.

CGS US has not managed or co-managed a public offering of any of the securities mentioned in the past 12 months.

CGS US has not received compensation for investment banking services from any of the company mentioned in the past 12 months.

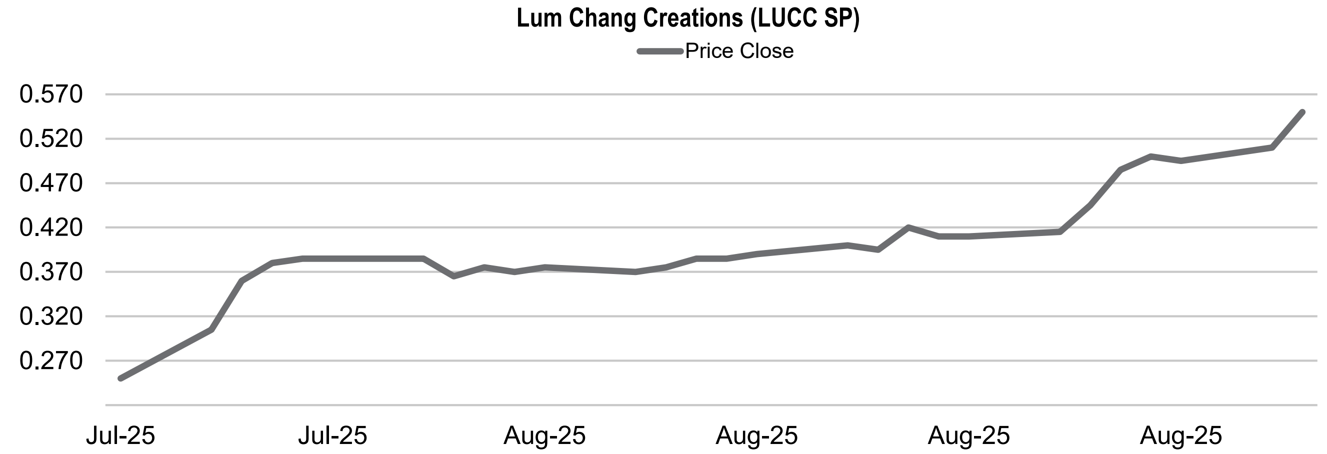
CGS US neither expects to receive nor intends to seek compensation for investment banking services from any of the company mentioned within the next 3 months.

**United States Third-Party Disclaimer:** If this report is distributed in the United States of America by Raymond James & Associates, Inc ("RJA"), this report is third-party research prepared for and distributed in the United States of America by RJA pursuant to an arrangement between RJA and CGS International Securities Pte. Ltd. ("CGSI"). CGSI is not an affiliate of RJA. This report is distributed solely to persons who qualify as "U.S. Institutional Investors" or as "Major U.S. Institutional Investors" as defined in Rule 15a-6 under the Securities and Exchange Act of 1934, as amended. This communication is only for U.S. Institutional Investors or Major U.S. Institutional Investor whose ordinary business activities involve investing in shares, bonds, and associated securities and/or derivative securities and who have professional experience in such investments. Any person who is not a U.S. Institutional Investor or Major U.S. Institutional Investor must not rely on this communication. The delivery of this report to any person in the U.S. is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein. If you are receiving this report in the U.S from RJA, a FINRA/SIPC member, it takes responsibility for the content of this report. For further information or to place an order in any of the above-mentioned securities please contact a registered representative of CGS US or RJA. https://raymondjames.com/InternationalEquityDisclosures

**Other jurisdictions:** In any other jurisdictions, except if otherwise restricted by laws or regulations, this report is only for distribution to professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions.

| Distribution of stock ratings and investment banking clients for quarter ended on 30 June 2025<br>561 companies under coverage for quarter ended on 30 June 2025 | | |
|---|---|---|
| | Rating Distribution (%) | Investment Banking clients (%) |
| Add | 70.6% | 1.1% |
| Hold | 20.5% | 0.5% |
| Reduce | 8.9% | 0.5% |

**Spitzer Chart for stock being researched ( 2 year data )**




| Recommendation Framework | |
|---|---|
| **Stock Ratings** | Definition: |
| Add | The stock's total return is expected to exceed 10% over the next 12 months. |
| Hold | The stock's total return is expected to be between 0% and positive 10% over the next 12 months. |
| Reduce | The stock's total return is expected to fall below 0% or more over the next 12 months. |
| *The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.* | |
| **Sector Ratings** | Definition: |
| Overweight | An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation. |
| Neutral | A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation. |
| Underweight | An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation. |
| **Country Ratings** | Definition: |
| Overweight | An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark. |
| Neutral | A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark. |
| Underweight | An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark. |

#01d