COLIWOO

SUBSCRIBE

Share Price:	S$0.60
1 Year Fair Value:	S$0.80
Upside:	+33.3%

COMPANY DESCRIPTION

Coliwoo is a co-living brand under the Singapore-based LHN Group that converts underutilized properties into furnished, co-living spaces. It offers fully furnished rooms with private workspaces and amenities in various locations across Singapore, catering to students and professionals by providing a modern and convenient living solution.

Name	COLIWOO
Bloomberg Code	—
3M Avg Daily Trading Vol (k)	—
3M Avg Daily Trading Val (S$'000)	—
Major Shareholder / Holdings	LHN (65%)
Shares Outstanding (m)	480.8
Market Capitalisation (S$m)	288.5
52 week Share Price High/Low	— / —

STOCK PRICE PERFORMANCE

	1M	3M	12M
Absolute Return (%)	—	—	—

Coliving Powerhouse In The Making

Coliwoo is a one-of-a-kind asset class with no true comparables, allowing it to command a price premium and justify better valuations. As Singapore's largest co-living operator with approximately 19.5% market share, it offers investors a rare pure-play exposure to a high-growth sector underpinned by strong structural demand from expatriates, international students, and young professionals. Backed by an experienced management team and the institutional expertise of its parent, LHN Group, Coliwoo is well-positioned to accelerate portfolio growth from ~3,000 keys today to 4,000 by end-2026, supported by clear visibility of earnings and capital-efficient expansion. We thus recommend investors SUBSCRIBE to the IPO to participate in the long-term upside of Singapore's emerging co-living megatrend.

Our TP of S$0.80 is pegged to 15.4x FY26F PE and represents a 25% discount to it's closest peers, which we think is fair and conservative

Market Leader in a High-Growth Sector: Coliwoo commands a significant market share (c.19.5%) in Singapore's burgeoning co-living market. The sector is fueled by sustained demand from expatriates, international students, and locals seeking affordable, flexible, and community-driven housing solutions amid high traditional rental costs.

Clear and Aggressive Expansion Roadmap: Management has a proven track record of growth, with plans to expand its total portfolio from ~3,000 keys to approximately 4,000 by end-2026. The IPO proceeds will directly fund this expansion, providing high visibility on future earnings growth.

Robust and Resilient Financial Performance: Coliwoo has demonstrated exceptional operational efficiency, consistently maintaining occupancy rates above 85% and achieving strong profitability. Revenue grew 86% YoY in FY2024, with net profit reaching S$31.6 mLn (including fair value gains), underscoring the scalability and profitability of its model

KEY FINANCIALS

SEP YE	FY22	FY23	FY24	FY25F	FY26F
Revenue (S$mln)	15	28	52	47	59
Gross Profiit (S$mln)	10	20	31	28.3	35.5
Gross Margin	67	71	60	60	60
Core Net Income (S$mln)	7.0	8.4	15.1	17.0	25.0
Core Net Margin (%)	45.8	29.9	28.9	36.2	42.4
EPS (S cts)	1.5	1.7	3.1	3.5	5.2
Dividend Per Share (S cts)	N.A	N.A	N.A	1.41	2.08
Dividend Yield (%)	N.A	N.A	N.A	2.4	3.5
PE (x)	N.A	N.A	N.A	17.0	11.5
PB (x)	N.A	N.A	N.A	2.2	1.8

Source: Coliwoo, Lim & Tan Research

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Strategic Asset-Light Business Model: A hybrid model combining master leases (approx. 60-70% of rooms), management contracts, and owned properties allows for rapid expansion with lower capital outlay and balance sheet risk, thus enhancing return on equity.

Experienced Management and Strong Parentage: Spun off from LHN Group, Coliwoo benefits from decades of real estate management expertise. The leadership, including founder Kelvin Lim, will continue to drive the company, ensuring strategic alignment and operational excellence.

ABOUT COLIWOO

Coliwoo Holdings Limited ("Coliwoo"), a spin-off from LHN Group, has established itself as Singapore's dominant co-living operator since its founding in 2018. The company operates a diversified portfolio of over 40 properties encompassing approximately 3,000 keys across multiple formats including co-living residential units, serviced apartments, boutique hotels, and student hostels. This positions Coliwoo as the clear market leader with approximately 19.5% (excluding MOHH and pipeline rooms) market share in a consolidated sector where the top five operators control >60% of Singapore's total co-living inventory.

The company's portfolio is strategically structured across 3 distinct operating models that balance growth with capital efficiency.

Owned properties comprise approximately 11 assets including prime locations such as 48 Arab Street (Coliwoo Hotel Kampong Glam), multiple River Valley properties (288 and 298 River Valley Road), 320 Balestier Road, and 404 Pasir Panjang Road (Coliwoo Hotel Pasir Panjang). These assets provide stable long-term cash flows and significant balance sheet backing.

Master lease arrangements represent the largest component of the portfolio with approx 25 properties, including the extensive Lavender Street cluster (comprising 20+ shophouse units), Bugis-Serangoon corridor properties, and key facilities at Keppel Road and Orchard. This asset-light model delivers superior operating margins while enabling rapid portfolio expansion.

Management contracts cover 4 properties where Coliwoo provides operational expertise for third-party owners, generating stable fee income with minimal capital requirements.

Following its proposed listing on the Mainboard of SGX, Coliwoo aims to accelerate expansion while maintaining its hybrid operating model. The company benefits from decades of real estate management expertise inherited from LHN Group, combined with a dedicated management team led by CEO Kelvin Lim, Chief Operating Officer Darren Loh (nine years industry experience), and Chief Commercial Officer Chong Ching Yeng (over 15 years with the organization).

Exhibit 1: IPO Details

Item	Details
Name	Coliwoo Holdings Limited
Proposed SGX Symbol	W8W
Portfolio Size	~3,000 keys across 25+ properties
Market Share	~19.5% (largest operator in Singapore, excluding MOHH and rooms in pipeline)
Property Mix	11 owned, 10+ leased, 4 managed
Indicative Market Capitalisation (S$m)	S$288.5mln
Major Shareholder (Post-IPO)	LHN Group (65% stake)
Joint Bookrunners & Underwriters	Maybank Securities, DBS Bank, RHB Bank
Cornerstone Investors	Albizia Capital, Avanda Investment Management, B&I Capital, ICHAM Master Fund VCC, Maybank Asset Management, Maybank Securities, UOB Asset Management, Value Partners Hong Kong and Whitefield Capital Management.
Use of IPO Proceeds	Business expansion (leased and owned properties), loan repayment, working capital

Source: Coliwoo, LTS Research

Set to Capitalise on Co-Living Megatrend

Post-IPO, LHN Group will retain ~65% ownership, aligning parent and minority shareholder interests. The continued provision of facilities management services by LHN Group creates operational synergies while related-party transaction governance (board abstentions, independent director oversight) mitigates conflicts. The five-person Coliwoo board structure—one executive director, one non-executive director, three independent directors—ensures governance best practices.

Coliwoo intends to recommend and distribute dividends of no less than 40 per cent of the group's profit attributable to equity holders, after adding back listing expenses. These dividends will be paid either as an annual or interim dividend for FY2025 and FY2026.

This IPO provides a unique opportunity for investors to gain pure-play exposure to Singapore's co-living sector through its most established and operationally-proven platform.

As Coliwoo deploys the IPO proceeds to fund its visible expansion pipeline, we anticipate significant valuation re-rating driven by earnings delivery, market share gains, and increasing institutional recognition of the co-living asset class.

Key Demand Drivers

Singapore's co-living sector has transitioned from niche alternative to mainstream, institutionally-recognized asset class over the past five years.

This maturation is evidenced by market consolidation, sustained investment activity exceeding S$1.4 billion since 2022, and the entry of institutional capital including CapitaLand, Blackrock, and private equity platforms.

The sector now encompasses ~10,000+ rooms managed by approximately 30-40 operators, with the top five controlling >60% of inventory, according to data from JLL Research.

Housing Affordability Crisis

Private residential rents surged 58.5% over 12 quarters peaking in Q3 2023, before moderating through Q2 2024. Despite this correction, rent levels remain 35-40% above pre-pandemic norms.

A typical one-bedroom apartment in central locations (Orchard, River Valley, Bugis) commands S$3,500-4,500/month excluding utilities, internet, and furniture.

Comparable co-living units in central regions (private bedroom with shared facilities) are priced at S$3,000-4,000/month all-inclusive. This affordability gap is structurally sustainable given co-living's higher occupancy density (2-3x more residents per square foot than conventional apartments) and operational efficiencies from centralized management.

Expatriate Professional Population:
Non-resident population (30% of Singapore's total) expanded 5.0% YoY through June 2024, maintaining 1.1% five-year CAGR. This cohort constitutes 70-90% of co-living tenants, with core demographics aged 25-35 (though premium offerings now attract 40-55 age range).

Singapore consistently ranks among the world's top cities for expatriates (2nd globally in 2024 Global Expat Index by Preply), attracting talent through career opportunities, quality of life, safety (1st in Asia, 6th globally in Global Peace Index 2025), and business-friendly environment (1st in Asia, 2nd globally in IMD World Competitiveness Ranking 2025). The city-state's position as a global financial center (4th globally, 2nd in Asia per Global Financial Centre Index 2025) and digital hub (1st globally in IMD Digital Competitiveness Ranking 2024) ensures sustained white-collar job creation and expatriate inflows.

International Student Influx
Singapore's international student population reached 70,800 as of June 2023, representing 4% of the non-resident population. Major operators report students now comprise 25-40% of tenant mix, up from sub-10% in 2020. The higher education market is projected to grow at 6.7% CAGR from 2025-2031 (6Wresearch), implying international student population could reach 100,000+ by 2030.

Singapore's competitive advantages—globally ranked universities (NUS and NTU consistently top 20 globally), English language instruction, multicultural environment, stable political system—ensure sustained enrollment. Co-living's value proposition for students is particularly strong: flexible lease terms aligned with academic semesters (versus 12-24 month conventional leases), all-inclusive pricing that simplifies budgeting, and community programming that accelerates social integration.

Lifestyle and Demographic shifts
Delayed homeownership among millennials and Gen Z (first-time buyer age rising from 30 to 34+ in Singapore), preference for flexible/mobile living, and demand for curated experiences over asset ownership support co-living adoption.
Hybrid work policies (approximately 60% of Singapore white-collar workers have some remote flexibility) increase demand for well-equipped living spaces with dedicated work areas, high-speed internet, and communal amenities like coworking lounges—features that co-living purpose-builds into its offerings.

Competitive Landscape and Market Structure

The top five operators as of 2025 include (in approximate order of scale):

1.Coliwoo Holdings - Hybrid model emphasizing owned and leased properties, serving professionals and students

2.Hmlet/lyf (CapitaLand) - Premium positioning under The Ascott Limited, recent acquisitions include Hotel G conversion
3.Cove - Partnership model with asset owners, unbundled pricing, strong digital platform

4.The Assembly Place – Niche-focus on student accommodation and healthcare worker housing, government tender expertise
5.Weave Living / Casa Mia - Weave backed by Blackrock, Casa Mia boutique operator since 2019

Below the top tier, 10-15 smaller operators each manage <300 keys, often specializing in specific geographies (e.g., Geylang, Katong) or demographics (e.g., Chinese nationals, Indian expatriates). This fragmented tail represents ~30+% of market supply and provides acquisition/consolidation opportunities for larger platforms.

Competitive dynamics are shifting from aggressive expansion to operational excellence. Larger operators are prioritizing properties with 60+ keys to achieve clustering efficiencies, adopting unbundled pricing for transparency, and investing in technology for dynamic pricing and tenant acquisition.

Exhibit 2: Spacious communal areas designed to foster interaction

Source: Coliwoo

Business Strategy

Coliwoo's strategic framework balances aggressive portfolio expansion with operational discipline and capital efficiency. The three-pillar approach—expansion, operational excellence, and governance—is underpinned by granular execution details and industry-leading practices.

1. Aggressive and Disciplined Expansion

The expansion roadmap targets 3,000 current keys → 4,000 by end-2026 → 10,000 by 2030 (our forecast), representing 33% growth over two years followed by 150% growth over four years.

This trajectory would cement Coliwoo's market dominance, growing from 19.5% current share to potentially >30% if the total market expands to 25,000-28,000 rooms by 2030 (implying 15-18% market CAGR).

Near-Term Pipeline (2025-2026): Multiple properties are under active development or renovation

141 Middle Road (GSM Building): 80%-owned by Coliwoo TK Pte. Ltd., undergoing fit-out for co-living serviced apartments with ground-floor commercial, estimated 212 keys

50 Armenian Street: 50% JV through Jadeite Properties, post-renovation conversion to Coliwoo-branded boutique hotel, estimated 120 keys

260 Upper Bukit Timah Road: The former Bukit Timah Fire Station is now converted into a co-living space with approx. 62 keys

159 Jalan Loyang Besar: Resort-style chalet offering differentiated leisure accommodation product, estimated 382 keys

Business Model Economics and Portfolio Mix:

The hybrid model optimizes risk-return across three operating structures based on our estimation:

Owned Properties (currently ~30-40% of keys, ~11 properties): Capex-intensive but delivers full cash flow capture, long-term appreciation, and balance sheet diversification. Typical economics: S$15-25 million acquisition cost for 100-key property, S$2-4 million renovation/fit-out, 18-24 month stabilization period, 8-12% unlevered ROI, 25-30% net margin. Recent valuations show 5-7% cap rates for stabilized co-living properties, implying potential 20-30% appreciation over 3-5 years in rising market.

Master Leases (currently ~50-60% of keys, ~10 properties): Rent entire building from landlord, assume fit-out and operating costs, retain upside above base rent. Typical economics: S$150,000-300,000/month base rent for 100-key property, S$1.5-3 million fit-out capex (tenant works), 12-18 month stabilization, 20-25% net margin to Coliwoo, 18-24 month payback on fit-out capex. Lower risk than ownership (can exit at lease expiry if fundamentals deteriorate) but requires significant working capital for rental deposits (typically 3-6 months) and fit-out.

Management Contracts (currently ~5-10% of keys, ~4 properties): Zero/minimal capex, collect 8-15% of gross revenues as management fee, align incentives through performance bonuses. Economics: S$250,000-600,000 annual fee for 100-key property generating S$2.5-4 million gross revenues, 10-13% net margin to Coliwoo after accounting for management staff costs. Highly scalable but limited margin expansion. Strategic value lies in brand visibility and option to acquire underlying assets if offered for sale.

2. Operational Excellence and Brand Strength

Coliwoo's sustained 90%+ occupancy rates reflect operational execution across multiple dimensions:

Pricing Strategy: Dynamic pricing algorithms adjust rates based on seasonality (academic calendars drive Aug-Sept and Jan-Feb peaks), length of stay (premium for flexibility), room type (private bathroom vs shared), and competitive positioning.

Revenue Management: RevPAR (Revenue per Available Room) optimization through mix management—balancing short-term transient guests (hotels, 7-30 day stays) against medium-term co-living residents (3-12 months) and long-term tenants (12+ months).

Higher RevPAR properties in Orchard and River Valley cater to premium expatriates and corporate relocations, while mid-market offerings in Lavendar and Boon Lay target students and young professionals.

Operational Clustering and Technology: Lavender Street's 20+ unit cluster exemplifies clustering efficiencies. Centralized housekeeping teams service multiple properties on rotating schedules, reducing per-unit labor costs 20-30% versus standalone operations.

Technology investments include: property management systems integrating booking, billing, and CRM; smart locks and access control reducing physical key management; and tenant apps for service requests, community events, and mobile payments.

Brand Equity and Tenant Acquisition: Coliwoo brand recognition as Singapore's largest operator creates network effects—word-of-mouth referrals, corporate partnerships (multinational companies referring relocated employees), and university collaborations (student housing programs).

Digital marketing (SEO, Google Ads, social media) accounts for 60-70% of tenant acquisition, with remainder from broker referrals and walk-ins. Customer lifetime value extends through repeat bookings and cross-property mobility (tenants relocating within Coliwoo portfolio).

Community Programming: Curated social events—networking mixers, weekend excursions, skills workshops, cultural celebrations—differentiate co-living from serviced residences. These programs drive tenant satisfaction, reduce churn, and justify pricing premiums. Operators report 14-month average stays for properties with active programming versus 6-9 month sector average, demonstrating retention value.

3. Strong Governance and Experienced Leadership

Post-spin-off governance structure ensures independence while maintaining strategic alignment with LHN Group:

Board Composition: Five directors—one executive (CEO Kelvin Lim), one non-executive non-independent (CFO Yeo Swee Cheng from LHN for financial oversight), three independent directors. Majority independence ensures minority shareholder protection, critical given LHN's 50-70% controlling stake.

Management Team Depth:
CEO Kelvin Lim: Dual role as Coliwoo CEO and LHN Chairman, overseeing strategic direction and capital allocation. Time allocation managed through delegation of day-to-day operations to COO and Chief Commercial Officer.

COO Darren Loh: Nine years industry experience, managing operations since June 2021, heads four senior staff with 10+ years experience each. Responsible for corporate strategy, business development, product innovation, and property operations.

Chief Commercial Officer Chong Ching Yeng: 15+ years tenure, managing sales and marketing since inception, supported by senior teams with 5-10 years experience. Oversees tenant acquisition, pricing, partnerships, and brand management.

Financial Controller Joelle Teo: 20 years finance experience, Senior Finance Manager for co-living since July 2022, leading 20+ finance staff independently from LHN Group to ensure segregated financial reporting

Related Party Management: Continued facilities management services from LHN Group (cleaning, maintenance, carpark management for owned properties) create operational synergies. Governance safeguards include: (1) Kelvin Lim abstains from board votes on related party transactions (RPTs), (2) independent directors review and approve RPT pricing annually, (3) market benchmarking ensures competitive service fees, (4) annual RPT disclosure in financial statements. This structure balances synergy capture with conflict management.

Strategic Rationale for Continued LHN Involvement: Beyond parent shareholding, LHN's facilities management, energy solutions (solar installations on owned properties), and potential property development partnerships (repurposing LHN industrial assets for co-living) provide tangible operational benefits. The controlled relationship ensures Coliwoo can leverage LHN's 40+ years Singapore real estate expertise while building its own standalone capabilities.

Valuations

Given that Coliwoo is one-of-a-kind asset to be listed in the market, there are no true comparables. The closest peer would be along the likes of Capitaland Ascott Trust, who have co-living assets in their portfolio, or even Centurion Accomodation REIT, who has student dorms in their portfolio

Based on the table, we value Coliwoo at S$0.80, pegged to 15.4x PE, which represents a c.25% discount to its related peers of 20.5x, which we think is fair.

Exhibit 3: Shareholdings Table

Name	Market Cap (S$bn)	Stock Perf YTD%	PE (x)	Forward PE(x)	EPS Growth (1yr)	EV/ EBITDA fwd(x)	P/B(x)	ROE(x)	Div Yield
CENTURION ACCOMMODATION REIT	1.8	34%	--	21.70	14%	21%	1.4	6%	5.5%
FAR EAST ORCHARD LTD	0.6	23.3%	10.3	--	--	--	0.4	4%	3.9%
FAR EAST HOSPITALITY TRUST	1.2	-0.8%	34.4	19.5	5%	23%	0.7	2%	7.2%
CAPITALAND ASCOTT TRUST	3.6	11.5%	16.0	20.2	-23%	21%	0.8	5%	6.4%
Median		**17%**	**16.0**	**20.2**	**5%**	**0.2**	**0.8**	**5%**	**6.0%**
Average		**17%**	**20.2**	**20.5**	**-1%**	**0.2**	**0.8**	**4%**	**5.8%**

Source: Coliwoo, Lim & Tan Research

Risks

While Coliwoo presents a compelling investment thesis, prospective investors must carefully assess multiple risk vectors that could materially impact financial performance, operational execution, and valuation outcomes.

Execution Risk: Portfolio Expansion and Integration Challenges
Coliwoo's ambitious growth targets—expanding from 3,000 to 4,000 keys by end-2027 and 10,000 keys by 2030 require flawless execution across property sourcing, capital deployment, renovation, and operational stabilization.

Competitive Risk: Market Share Erosion and Pricing Pressure
The co-living sector's attractiveness (55-70% gross margins, growing demand, asset-light scalability) is drawing increased competition from well-capitalized entrants

Regulatory and Zoning Risk
Singapore's Urban Redevelopment Authority tightly regulates residential uses through zoning restrictions, minimum stay durations, and unit size requirements. Regulatory changes could materially impact Coliwoo's operating model.

Concentration Risk: Geographic and Portfolio
Coliwoo's 100% Singapore exposure and Lavender-Bugis geographic clustering create concentration vulnerabilities

Macroeconomic and Demand Sensitivity
Co-living demand is correlated with Singapore's economic growth, foreign talent inflows, and international student enrollments—all cyclically sensitive

Financial and Leverage Risk
Coliwoo's pre-IPO leverage and interest rate sensitivity create financial risks.

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