



# Ever Glory United Holdings Ltd

(EGUH SP/ZKX.SI)

## Building scale through strategic acquisitions

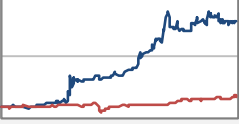
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- From niche contractor to integrated platform.** Ever Glory United (EGU) has transformed from a mid-sized M&E contractor into a diversified engineering group through two strategic acquisitions: Fire-Guard Engineering (February 2024) and Guthrie Engineering (GE) (July 2025). The Guthrie transaction represents a significant milestone, adding S\$312mn in orderbook and access to landmark projects previously beyond reach. The combined entity now possesses the technical depth, licensing breadth, and track record to compete for Singapore's largest infrastructure tenders.
- Infrastructure super-cycle provides multi-year visibility.** Singapore's construction demand is projected at S\$47-53bn in 2025, driven by megaprojects including Changi Terminal 5, the Cross Island Line, hospital developments, and a planned 55,000 BTO launches from 2025-2027. Ever Glory's predominantly public-sector orderbook aligns it directly with this policy-led pipeline. With orderbook now exceeding S\$500mn post-GE and management targeting ~S\$700mn by year-end, revenue visibility extends through FY27-28.
- Financial resilience underpins growth ambitions.** Despite margin compression from project mix, Ever Glory remains in a net cash position, maintains positive operating cash flows, and continued distributing dividends, including a S\$0.005 interim dividend in 2024. Its asset-light model and careful working-capital management enable disciplined expansion without overstretching the balance sheet.
- Property optionality adds upside.** The Group holds minority stakes in two joint developments, a residential joint venture in District 14 and an industrial project at Mandai. While these remain non-core today (<5% of FY24 revenue), they provide option value as the projects monetize. Management has signalled appetite for selective property investments, leveraging M&E expertise for integrated development opportunities.

Financials & Key Operating Statistics					
YE Jun (\$ 'mn)	2023	2024	2025F	2026F	2027F
Revenue	47.5	74.7	133.7	239.6	287.3
Net Profit	11.0	11.2	20.1	35.9	43.1
EPS (cents)	2.69	3.47	3.23	6.27	7.41
EPS growth (%)	99.3%	29.0%	(6.9%)	94.0%	18.2%
DPS (Sing cents)	250.0%	50.0%	—	—	—
Div Yield (Y%)	13.9%	1.7%	—	—	—
Net Profit Margin (%)	14.4%	12.0%	8.4%	9.1%	8.9%
Net Gearing (x)	0.1	0.2	0.1	0.0	0.0
Price P/B (x)	1.20	2.15	6.27	10.61	15.73
ROE (%)	60.6%	47.1%	35.6%	40.9%	32.6%

Source: Company data, KGI Research

**Revenue declined on project completion cycles.** Revenue of S\$28.6mn for 1H25 represented an 11% YoY decline from S\$32.1mn in 1H24. This reflected the natural completion cycle of larger contracts in 4Q24, while newly won contracts have yet to ramp up in revenue recognition. Gross profit was

Outperform - Initiation		
Price as of 16 Dec 25 (SGD)	0.70	<b>Performance (Absolute)</b> 1 Month (%) -2.8 3 Month (%) 0.0 12 Month (%) 135.9
12M TP (\$)	1.20	
Previous TP (\$)	-	
Upside (%)	72.8%	
Trading data		<b>Perf. vs STI Index (Red)</b> 
Mkt Cap (\$mn)	263	
Issued Shares (mn)	379	
Vol - 3M Daily avg (mn)	0.3	
Val - 3M Daily avg (\$mn)	0.2	
Free Float (%)	30.8%	
Major Shareholders		<b>Previous Recommendations</b>
Ruibing Xu	34.6%	
Renwang Sun	34.6%	

S\$5.3mn, while net profit reached S\$4.66mn. GPM was 18.7% below the prior year period of 20.9%, which benefited from tail-end completions of higher-margin legacy projects, whereas 1H25 saw a greater proportion of recently won contracts bid at tighter pricing. Cost discipline remained intact, and operating cash flows stayed positive. The Group's core business remained asset-light and non-inventory intensive, with stronger order inflows positioning EGU for accelerated revenue recognition.

**GE consolidation transforms the earnings profile.** The S\$46mn acquisition of Guthrie Engineering, completed 1 July 2025, brings S\$312mn in orderbook as at end-2024, plus prestigious project credentials including Marina Bay Sands, Jewel Changi Airport, and Thomson-East Coast MRT Line. We project FY25 revenue of ~S\$130mn, implying strong 2H25 acceleration as GE's contracts flow through to revenue recognition. The Group's orderbook now exceeds S\$500mn, with management targeting ~S\$700mn by year-end as new awards are secured. GE's orderbook currently stands at around S\$400mn, targeting ~S\$600mn by year-end.

**Valuation & Action:** We initiate an **OUTPERFORM** rating with a **S\$1.20** target price. Our DCF valuation (6.48% WACC, 1.5% terminal growth) reflects the step-change in earnings power post-GE, visible orderbook conversion, and margin recovery as scale efficiencies materialize. At S\$0.70, the stock trades at a significant discount to regional M&E peers despite superior infrastructure exposure and faster growth trajectory. Our valuation factors in the full 2,000,000 shares on public offer, which slightly dilutes our shareholding base.

**Risks:** Execution challenges in project delivery, cost inflation eroding margins, intense tender competition affecting new order wins, regulatory changes and slowdown in project rollouts.

## Table of Contents

Company Background .....	3
Investment Thesis .....	5
Macroeconomic Outlook .....	6
Industry Outlook .....	7
Company Outlook .....	9
Valuations and peer comparison .....	10
Key Risks .....	12
Financial Summary .....	13

## Company Background

Ever Glory United Holdings Limited is a Singapore-based M&E engineering services provider serving public and private sector developments across residential, commercial, institutional, and infrastructure projects. Incorporated in 2021 and listed on SGX Catalist in May 2023 at S\$0.22, the Group generates > 95% of its revenue from M&E engineering, with property development and investment contributing < 5% via small-scale joint ventures. The Group operates on a lean, asset-light model focused on engineering expertise and project execution.

**Figure 1: List of subsidiaries**

No.	Date of acquisition	Name of subsidiaries	Principal operations	Principal activities	Effective interest
1	Held prior to listing	Sunbeam M&E Pte. Ltd.	Singapore	Building construction (specialised in mechanical and electrical engineering)	100%
2		Ever Capital Pte. Ltd.	Singapore	Real estate development	100%
3	7 Feb 2024	Fire-Guard Engineering Pte. Ltd.	Singapore	Building construction (specialised in fire protection)	100%
4	1 Jul 2025	Guthrie Engineering (S) Pte Ltd	Singapore	Building construction (specialised in mechanical and electrical engineering)	100%

Source: Company

### Core engineering capabilities:

- **Air-Conditioning & Mechanical Ventilation (ACMV):** Design, installation and commissioning of heating, ventilation and air-conditioning systems for buildings.
- **Electrical Engineering:** Design, installation and commissioning of HT/LV/ELV systems; Installation and maintenance of switchgear, distribution networks, lighting, transformers, emergency power systems.
- **Fire Prevention & Protection:** Design and installation of fire detection, alarm, and suppression systems compliant with Singapore's regulatory standards.
- **Plumbing, Sanitary & Gas (PSG):** Design, installation and upgrading of potable water, sanitary and gas piping systems for public-sector and private developments.
- **Integrated Building Services:** Management and delivery of multi-disciplinary M&E packages under one contract, reducing coordination risks for main contractors.

### Licensing & Accreditations

Subsidiary Sunbeam M&E holds several top-tier BCA licenses enabling participation in high-value tenders:

- L6 (Unlimited Tender Value): ME05 (Electrical), ME15 (Integrated Building Services), ME01 (Air-conditioning, refrigeration & ventilation works)
- L5: ME12 (Plumbing & Gas); ME06 (Fire Protection via Fire-Guard)

Quality & safety systems include:

- ISO 9001:2015 (Quality Management)
- ISO 45001:2018 (Occupational Health & Safety)
- bizSAFE Star Certification

These certifications significantly enhance competitiveness, especially for government tenders requiring stringent compliance.

### Guthrie Engineering

Acquired on 1 July 2025, GE brings a 70-year operating history and a strong track record in transport, healthcare, and commercial projects, enhancing Ever Glory's engineering depth and capability to bid for larger, more complex tenders.

### Selective Property Development Exposure

The Group holds minority stakes in:

- A 20-unit boutique residential project in Geylang (District 14)
- An industrial redevelopment at 2C Mandai Estate

These ventures offer optional upside but remain non-core (<5% of FY24 revenue), ensuring capital remains focused on engineering growth.

**Strategic Positioning**

Through capability expansion, licensing upgrades, and acquisitions, Ever Glory is transitioning into a more scalable segment of Singapore's engineering industry. The Group is increasingly positioned for higher-value public infrastructure projects, supported by stronger qualifications, expanded manpower depth, and enhanced engineering credentials.

## Investment Thesis

**Transformational scale-up from Guthrie Engineering acquisition.** The acquisition of Guthrie Engineering marks a pivotal shift in Ever Glory's scale, technical depth and addressable market. Guthrie's long operating history and track record across transport, aviation, healthcare, and commercial buildings significantly enhance Ever Glory's engineering credentials, enabling participation in larger, multi-disciplinary public-sector tenders. The Group now competes in a higher tier of the M&E market with strengthened depth in ACMV, electrical, and integrated building services.

We expect an enlarged orderbook of ~S\$700mn by end-2025. Revenue is projected to increase by more than 50% in FY26 as the full-year GE contribution materializes, with further expansion in FY27 as newly won contracts commence execution.

**Resilient public-sector anchoring with multi-year infrastructure upside.** Ever Glory's earnings are underpinned by its expanded public-sector mix, providing downside resilience through transparent tenders, reliable payments, and countercyclical government spending. At the same time, Singapore's construction outlook remains robust, with S\$47-53bn demand in 2025 and S\$39-46bn annually through 2029, driven by long-term programmes such as MRT expansions, Changi T5, healthcare capacity additions, and sustained BTO supply. This creates strong visibility for M&E and integrated building services. With expanded engineering capabilities and upgraded BCA licensing, Ever Glory is well-positioned to capture a greater share of these large-scale public-sector pipelines, balancing moderate margins with durable, predictable growth.

**Integrated M&E capabilities enhance win rates and project value capture.** The combination of electrical, ACMV, ELV, PSG and fire-protection capabilities allow Ever Glory to offer turnkey M&E packages with reduced coordination risk for clients. This integrated model aligns with rising sector preferences for single-accountability engineering partners, especially under CORENET X. The enhanced offering supports bidding for larger projects and improves value capture across the project lifecycle.

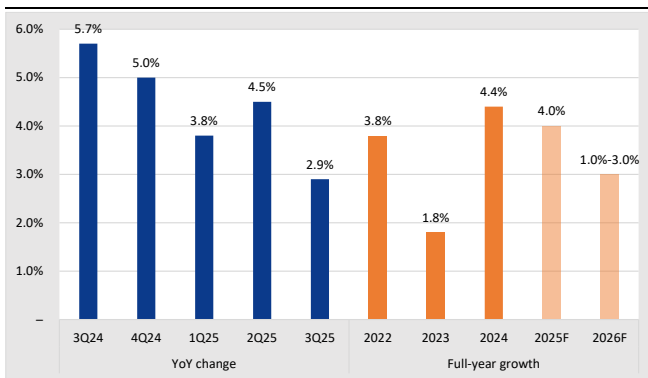
**Margin recovery potential and improving operating efficiency.** While margins faced temporary pressure from project mix and inflation, future tenders incorporate anticipated cost increases. Sector tender prices continue to rise, reflecting strong demand and labour constraints, supporting margin stabilisation for experienced contractors. Ever Glory's asset-light model, disciplined cost management and improving scale efficiencies provide a foundation for margin improvement as revenue ramps up post-acquisition in FY26-27.

## Macroeconomic Outlook

**Broad-based economic recovery supports construction demand.** Singapore raised its 2025 GDP forecast to around 4%, reflecting stronger-than-expected 3Q25 expansion of 4.2% YoY. Growth was led by manufacturing clusters, trade-related services, and stable construction sector activity. This economic backdrop supports sustained investment in infrastructure and public-sector development.

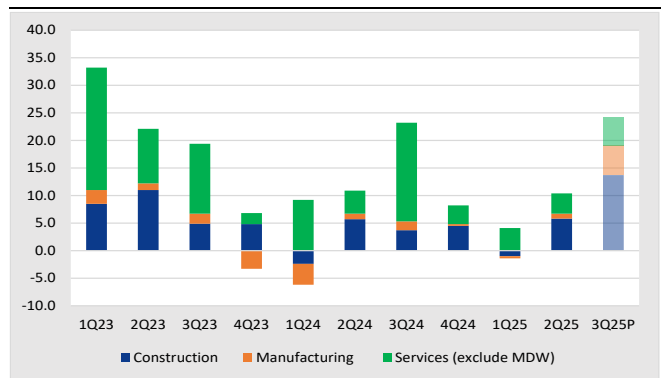
**Labour market conditions improving execution efficiency.** Total employment excluding Migrant Domestic Workers (MDW) increased by 24,800 in 3Q25, with construction adding 13,700 workers, the strongest gain since 2022. Improved manpower availability supports timely execution of M&E projects and reduces subcontractor cost volatility. Resident unemployment remains low at 2.8%, indicating a stable labour environment.

Figure 2: Singapore GDP



Source: Ministry of Trade and Industry, KGI Research

Figure 3: Total employment excluding MDW ('000)



Source: [Ministry of Manpower](#), KGI Research

**Contained inflation supports margin stability.** Core inflation rose to 1.2% in October 2025 but remains within MAS's projected 0.5%-1.5% range for 2026. Lower global commodity prices and easing supply-chain pressures support cost predictability for contractors. Stable inflation reduces input price risks for fixed-price tenders.

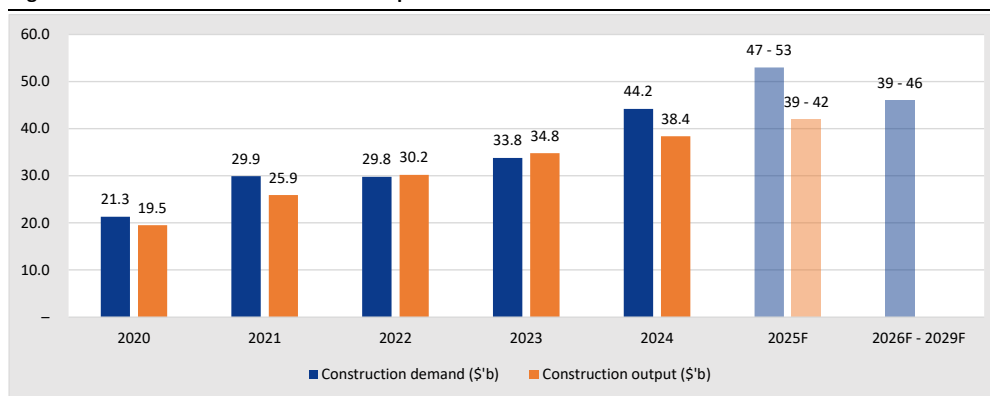
**Healthcare infrastructure expansion enhances long-term engineering demand.** Singapore plans to add ~13,600 public hospital and community beds by 2030, redevelop major hospital campuses (SGH and NUH) through 2040, and expand polyclinics from 26 to 32 by 2030. These projects require extensive ACMV, electrical, fire safety and M&E systems, areas aligned with Ever Glory's capabilities.

**Digitalisation through CORENET X enhances sector productivity.** CORENET X, mandated for all new projects by 2026 and ongoing projects by 2027, consolidates more than 20 regulatory touchpoints into a single digital submission gateway. Early adopters reported approximately 20% shorter approval timelines. This regulatory shift favours contractors with strong building information management and coordinated M&E capabilities.

## Industry Outlook

**Construction demand expected at S\$47-53bn in 2025.** According to Building and Construction Authority (BCA), total construction demand is forecast at S\$47-53bn in 2025, above the S\$44.2bn in 2024. Public-sector demand (HDB, LTA, MOH, JTC and MND) is expected at S\$18-23bn, while private-sector demand is projected at S\$14-30bn. Medium-term demand (2026-2029) is expected at S\$39-46bn annually, underpinned by long-term infrastructure expansion.

**Figure 4: BCA construction demand and output**



Source: [Building and Construction Authority](#), KGI Research

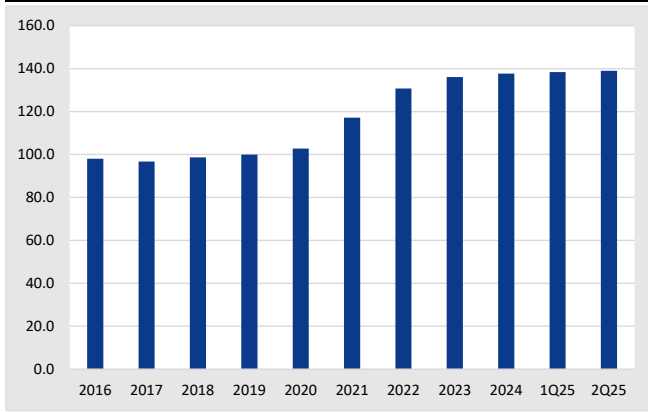
**Major infrastructure commitments provide multi-year pipeline.** Ongoing and upcoming projects include:

- Changi Terminal 5
- Cross Island Line Phases 2-3
- Thomson-East Coast Line extension to Changi Airport
- North-South Corridor
- Healthcare campus expansions and polyclinic developments

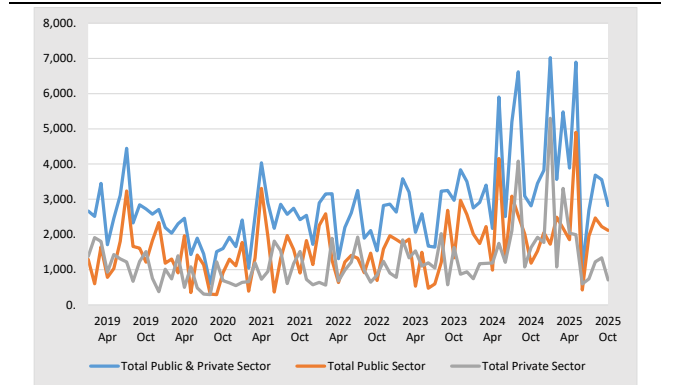
These projects create sustained demand for large-scale M&E, ACMV, ELV, fire safety, and electrical system installations

**Housing supply expansion creates stable M&E contract flow.** Singapore plans 55,000 BTO flats between 2025-2027, including shorter-waiting-time units. Each development requires extensive M&E engineering, electrical fit-outs, ventilation, fire protection and building services, aligning with Ever Glory's core business.

**Rising tender prices support stronger contractor pricing power.** The BCA Tender Price Index (TPI) continues rising due to demand strength and labour/material cost adjustments. As the sector enters a capacity-constrained environment, contractors are expected to enjoy stronger pricing power over the next 3-5 years, supporting margin recovery for established engineering firms.

**Figure 5: BCA Tender Price Index (2010=100)**


Source: [Building and Construction Authority](#), KGI Research

**Figure 6: Contracts awarded by Sector and Development Type – Jan 2019 to Oct 2025**


Source: [Department of Statistics Singapore](#), KGI Research

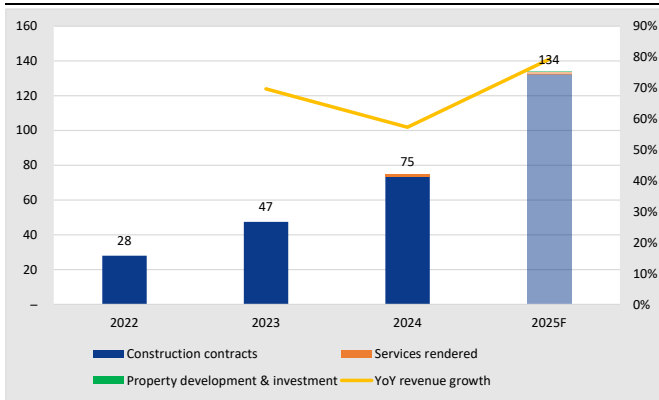
**Regulatory changes raise professional standards and barriers to entry.** From 2027-2028, licensing requirements for complex electrical, lift, escalator and structural works will require specialist firms rather than individual engineers. This favours established players with scale, institutional processes and accreditation strength, such as Ever Glory and Guthrie Engineering.



## Company Outlook

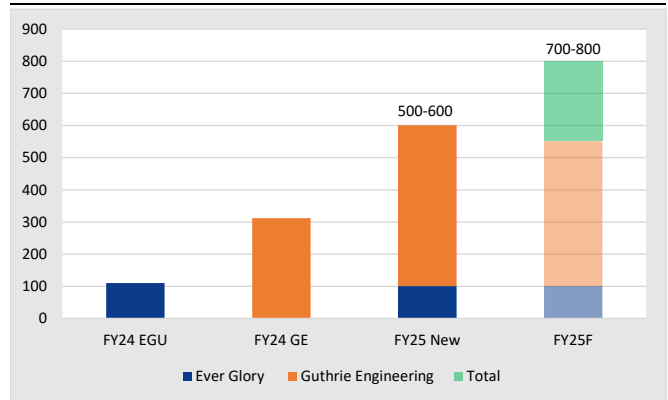
**Orderbook transformation following GE integration.** EGU's orderbook is expected to increase from ~S\$110mn at end-2024 (ex-GE) to a targeted ~S\$700mn following GE consolidation and anticipated 2025 wins. GE contributed a base of ~S\$312mn at end-2024 and ~S\$200mn new orders YTD-2025, with another S\$200-300mn targeted. This enlarged pipeline underpins multi-year revenue visibility through 2027.

Figure 7: Revenue ('mn) and revenue growth (%)



Source: Company, KGI Research

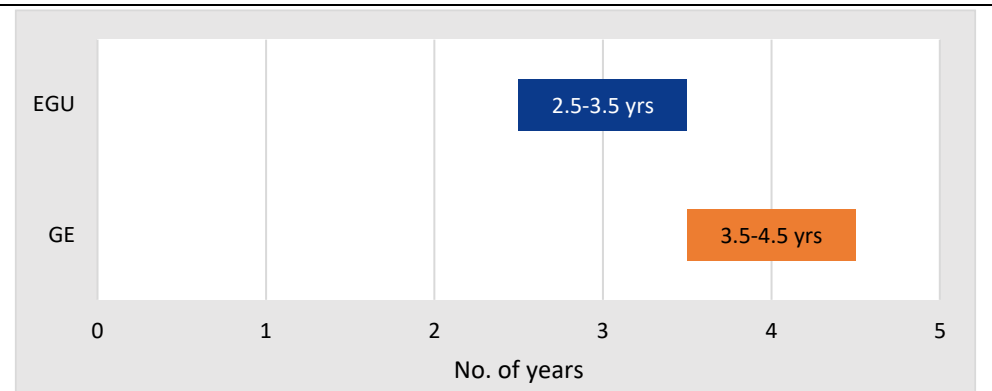
Figure 8: Old & New Orderbook (SGD 'mn)



Source: Company, KGI Research

**Revenue growth expected to accelerate through FY26-27.** We expect FY25 revenue at ~S\$130mn, with GE contributing from 2H25 onward. Longer-duration projects (GE: 3.5-4.5 years; EGU: 2.5-3.5 years) smooth revenue recognition and reduce volatility. Strong order inflows in 2H25 and early 2026 are expected to support further topline expansion.

Figure 9: Estimated project duration



Source: Company

**Margin outlook supported by pricing power and improved mix.** Cost of sales is expected to rise moderately but remains within anticipated levels. Ever Glory builds cost increases into its tender pricing, mitigating inflation risk. Rising tender prices and enhanced project qualification capabilities support margin stabilisation in FY26 onward.

**Strategic positioning for healthcare, transport and institutional projects.** With infrastructure expansion projects driving long-term demand, Ever Glory's enhanced licensing, fire safety capability, and GE's track record position the Group well for ACMV, electrical and critical-system packages.

**Digital advantage under CORENET X.** The Group's integrated engineering model enables coordinated digital submissions under CORENET X, which is expected to become mandatory for all projects by 2027. Digital readiness and multi-trade integration enhance competitiveness in major public-sector design-and-build tenders

## Valuations and peer comparison

Our target price of S\$1.20 is derived from a DCF valuation using a 6.48% WACC and 1.5% terminal growth rate, reflecting Ever Glory's enlarged revenue and shareholder base, improved multi-year visibility, and strengthened operating platform following the acquisition of Guthrie Engineering. Projected cash flows are supported by orderbook conversion across FY26-FY28, rising tender volumes and pricing, and a more resilient project execution framework post-integration. The discount rate incorporates construction-sector cyclicality, labour-market volatility, and integration risks associated with recent acquisitions.

We initiate coverage with an **OUTPERFORM** rating and a fair value estimate of **S\$1.20**, representing substantial upside from current levels. The valuation is underpinned by:

- Improved earnings visibility from recurring public-sector and GE-linked contracts
- Multi-year infrastructure tailwinds driven by Singapore's sustained construction cycle
- A strengthened balance sheet following placement and convertible bond issuance
- Margin uplift potential from cost synergies and sustainability-linked retrofitting demand

While FY25F EBIT is temporarily lower due to integration-related expenses from Guthrie Engineering, we view this as transitional rather than structural, with earnings expected to normalise as synergies are realised.

Figure 10: DCF Valuation

DCF Valuation All Amounts Denominated in SGD'000 unless otherwise stated Year ended 31 Dec	Projected				
	2025	2026	2027	2028	2029
EBIT	13,804	26,590	31,348	34,149	36,694
Tax Rate	17.0%	17.0%	17.0%	17.0%	17.0%
EBIT (1-T)	11,457	22,070	26,019	28,344	30,456
(+) D&A	345	1,279	3,297	5,410	7,547
(-) Change in NWC	(12,390)	(17,957)	2,122	596	(2,964)
(-) Capex	(1,316)	(4,245)	(9,163)	(9,897)	(10,680)
<b>Free Cash Flow</b>	<b>(1,904)</b>	<b>1,148</b>	<b>22,275</b>	<b>24,453</b>	<b>24,359</b>
Free Cash Flow to Firm	-1,904	1,148	22,275	24,453	24,359
Terminal Value					498,915
<b>Total FCFF to be Discounted</b>	<b>(1,904)</b>	<b>1,148</b>	<b>22,275</b>	<b>24,453</b>	<b>523,274</b>
<b>PV of Free Cash Flow</b>	<b>(1,895)</b>	<b>1,073</b>	<b>19,568</b>	<b>20,175</b>	<b>405,549</b>
<b>Enterprise Value</b>	<b>444,469</b>				
(-) Debt	4,460				
(+) Cash	8,779				
<b>Equity Value</b>	<b>457,708</b>				
Diluted Shares Outstanding ('000)	381,067				
<b>Fair Value / Share (SGD)*</b>	<b>1.201</b>				
Current Share Price	0.695				
Upside / (Downside)	72.8%				

\* Assuming full dilution from public offer of two million new shares

Source: KGI Research

### Peer comparison

Ever Glory currently trades at a significant discount to regional engineering peers despite stronger infrastructure exposure, higher tender eligibility following upgraded BCA gradings, and a substantially expanded project pipeline. Peers trade at a median forward P/E of 9.7x, which we consider conservative when applied to Ever Glory given its accelerated revenue trajectory and improved competitive positioning.

Based on its growth profile and enhanced engineering platform, we believe Ever Glory warrants a higher P/E compared to its peers.

Figure 11: Peer comparison table

Bloomberg Ticker	Company Name	Last Price (local \$)	Currency Adj. Market Cap (\$ m)	Dividend Yield (%)		EV/EBITDA	Net Gearing (%)	P/E (X)		YTD Price Performance (%)	1YR Price Performance (%)	1YR Total Returns (%)
				FY24	FY25F			12M	Forward			
EGUJ SP	EVER GLORY UNITED HOLDINGS L	SGD 0.70	263	3.2	2.6	20.3	-14.3	30.3	0.3	137.6	134.6	135.9
Singapore												
OKP SP	OKP HOLDINGS LTD	SGD 1.16	356	3.1	1.7	3.0	-49.5	8.7	9.7	265.4	262.5	277.0
SANLI SP	SANLI ENVIRONMENT LTD	SGD 0.32	119	2.1	1.9	13.6	139.7	29.4	15.8	231.6	246.2	248.8
HLSH SP	HOCK LIAN SENG HOLDINGS LTD	SGD 0.42	212	5.3	-	1.8	-63.8	10.5	N/A	22.1	23.9	29.8
KBE SP	KOH BROTHERS ECO ENGINEERING	SGD 0.08	214	0.0	-	12.8	-1.9	N/A	N/A	72.7	85.4	85.4
LCH SP	LUM CHANG HOLDINGS LTD	SGD 0.49	182	8.2	-	3.5	-23.5	11.7	N/A	70.9	67.2	86.7
TSNG SP	TIONG SENG HOLDINGS LTD	SGD 0.08	38	0.0	-	N/A	74.4	N/A	N/A	-1.2	-8.8	-8.8
WHUR SP	WEE HUR HOLDINGS LTD	SGD 0.70	643	1.4	2.0	4.8	17.2	24.6	N/A	93.4	47.4	74.7
SOIL SP	SOILBUILD CONSTRUCTION GROUP	SGD 3.25	538	1.3	2.0	2.1	54.5	11.3	9.4	332.8	319.4	333.3
Average				2.88	1.9	5.9	18.4	16.0	11.6	136.0	130.4	140.9
Median				2.13	2.0	3.5	7.6	11.5	9.7	83.0	76.3	86.0
Industry peers (International)												
600820 CH	SHANGHAI TUNNEL ENGINEERING-A	CNY 6.28	3,616	4.5	5.4	N/A	33.1	7.8	6.7	-12.7	-11.0	-6.9
000720 KS	HYUNDAI ENGINEERING & CONST	KRW 69500.00	6,767	2.4	1.0	N/A	-21.2	N/A	20.8	173.6	168.9	173.7
SWB MK	SUNWAY BHD	MYR 5.58	11,912	1.3	1.3	33.5	38.5	33.6	34.9	16.5	19.0	20.9
GAM MK	GAMUDA BHD	MYR 4.77	8,884	1.9	2.2	26.8	53.3	30.3	20.6	0.6	-0.6	1.4
YTL MK	YTL CORP BHD	MYR 2.13	7,805	1.9	2.3	9.6	127.9	12.0	13.3	-20.2	-0.9	0.9
IJM MK	IJM CORP BHD	MYR 2.20	2,435	3.3	3.5	13.4	25.0	19.1	16.4	-27.3	-23.9	-21.4
Average				6.903	2.6	20.8	42.8	20.6	18.8	21.8	25.2	28.1
Median				7,286	2.2	20.1	35.8	19.1	18.5	(6.0)	(0.8)	1.1

Source: Bloomberg, KGI Research

## Key Risks

**Execution and delivery risk.** Multi-trade M&E and selective property works are exposed to site constraints, rework, and coordination gaps with main and specialist contractors. These issues can delay milestones, push out revenue recognition, and compress margins.

**Cost and supply risk.** Persistent labour tightness, rising wages, adjustments to foreign-worker policies, and volatility in prices and lead times for critical equipment or subcontracted trades can raise project costs and disrupt schedules if not passed through.

**Tendering and pricing pressure.** Highly competitive public and private tenders, shorter delivery timelines, and stricter technical specifications can weigh on bid pricing and win rates, leading to order-book variability.

**Customer concentration and cash cycle.** Exposure to a small number of large clients or projects increases earnings volatility if works are deferred, re-scoped, or cancelled. Slow certifications, variation-order approvals, and retention releases can strain working capital.

**Macro, compliance and financing.** Weaker domestic growth, tighter credit conditions, and changes in building codes, safety rules, or sustainability requirements can raise compliance costs and delay project starts. Higher interest rates and refinancing hurdles may lift finance costs and limit liquidity.

**Regulatory Compliance and digital workflow requirements.** Transition to CORENET X and enhanced licensing requirements for complex works may increase compliance burden. Firms unable to adapt efficiently could face delays or higher overheads.

## Financial Summary

FYE 30 June					
INCOME STATEMENT (SGD' 000)					
	2023	2024	2025F	2026F	2027F
Revenue	47,478	74,672	133,733	239,606	287,342
Cost of sales	(36,524)	(63,511)	(113,673)	(203,729)	(244,279)
<b>Gross profit</b>	<b>10,954</b>	<b>11,161</b>	<b>20,060</b>	<b>35,877</b>	<b>43,063</b>
Other income	405	1,838	2,216	4,934	5,340
General and administrative expenses	(1,525)	(3,461)	(6,687)	(11,022)	(13,218)
Other expenses	(1,268)	—	(1,786)	(3,200)	(3,837)
Share of results of an associate, net of tax	—	(8)	—	—	—
Share of results of joint ventures, net of tax	62	1,010	—	—	—
Interest expense	(39)	(146)	(311)	(407)	(407)
<b>Profit before tax</b>	<b>8,589</b>	<b>10,394</b>	<b>13,493</b>	<b>26,183</b>	<b>30,941</b>
Income tax expense	(1,758)	(1,439)	(2,294)	(4,451)	(5,260)
<b>Profit</b>	<b>6,831</b>	<b>8,955</b>	<b>11,199</b>	<b>21,732</b>	<b>25,681</b>
BALANCE SHEET (SGD' 000)					
	2023	2024	2025F	2026F	2027F
Trade and other receivables	8,727	20,447	32,722	58,627	70,307
Cash and cash equivalents	4,156	7,177	9,648	12,327	35,652
Other current assets	10,729	15,938	22,247	35,561	41,564
<b>Total current assets</b>	<b>23,612</b>	<b>43,562</b>	<b>64,617</b>	<b>106,516</b>	<b>147,524</b>
Plant and equipment	112	251	1,222	4,188	10,054
Other non-current assets	1,177	4,342	4,404	4,705	4,679
<b>Total non-current assets</b>	<b>1,289</b>	<b>4,593</b>	<b>5,627</b>	<b>8,893</b>	<b>14,733</b>
<b>Total assets</b>	<b>24,901</b>	<b>48,155</b>	<b>70,244</b>	<b>115,409</b>	<b>162,256</b>
Trade and other payables	9,425	19,604	25,103	44,970	63,474
Contract liabilities	840	1,070	1,765	3,162	4,463
Other current liabilities	2,887	8,014	6,318	8,246	9,548
<b>Total current liabilities</b>	<b>13,152</b>	<b>28,688</b>	<b>33,187</b>	<b>56,377</b>	<b>77,484</b>
Lease liabilities	176	218	382	624	684
Other non-current liabilities	298	251	5,209	5,209	5,209
<b>Total non-current liabilities</b>	<b>474</b>	<b>469</b>	<b>5,591</b>	<b>5,833</b>	<b>5,893</b>
<b>Total liabilities</b>	<b>13,626</b>	<b>29,157</b>	<b>38,777</b>	<b>62,210</b>	<b>83,377</b>
Share capital	2,838	5,067	6,336	6,336	6,336
Treasury shares	(86)	(513)	(513)	(513)	(513)
Retained earnings/(Accumulated losses)	7,523	13,444	24,643	46,375	72,056
Other reserves	1,000	1,000	1,000	1,000	1,000
<b>Total equity</b>	<b>11,275</b>	<b>18,998</b>	<b>31,466</b>	<b>53,198</b>	<b>78,879</b>
<b>Total liabilities and equity</b>	<b>24,901</b>	<b>48,155</b>	<b>70,244</b>	<b>115,409</b>	<b>162,256</b>
CASH FLOW STATEMENT (SGD' 000)					
	2023	2024	2025F	2026F	2027F
<b>Profit before tax</b>	<b>8,589</b>	<b>10,394</b>	<b>13,493</b>	<b>26,183</b>	<b>30,941</b>
Adjustments	1,181	(993)	656	1,686	3,704
<b>Operating cash flows before WC changes</b>	<b>9,770</b>	<b>9,401</b>	<b>14,149</b>	<b>27,869</b>	<b>34,645</b>
Change in working capital	(3,481)	126	(12,390)	(17,957)	2,122
Interest received	—	2	258	3,330	1,239
Tax paid	(323)	(99)	(2,294)	(4,451)	(5,260)
<b>Cash flows from operations</b>	<b>5,966</b>	<b>9,430</b>	<b>(276)</b>	<b>8,792</b>	<b>32,746</b>
Capital expenditure	(97)	(195)	(1,316)	(4,245)	(9,163)
Others	(613)	(1,856)	379	198	148
<b>Cash flows from investing</b>	<b>(710)</b>	<b>(2,051)</b>	<b>(937)</b>	<b>(4,047)</b>	<b>(9,015)</b>
Proceeds from issuance of ordinary shares	1,952	—	6,150	—	—
Interest paid	—	—	(311)	(407)	(407)
Other financing cashflow	(2,550)	(3,756)	(2,155)	(1,659)	—
<b>Cash flows from financing</b>	<b>(598)</b>	<b>(3,756)</b>	<b>3,684</b>	<b>(2,066)</b>	<b>(407)</b>
<b>Net increase/(decrease) in cash</b>	<b>4,658</b>	<b>3,623</b>	<b>2,471</b>	<b>2,680</b>	<b>23,324</b>
Beginning Cash	498	5,156	8,779	11,250	13,929
<b>Ending cash</b>	<b>5,156</b>	<b>8,779</b>	<b>11,250</b>	<b>13,929</b>	<b>37,254</b>
KEY RATIOS					
	2023	2024	2025F	2026F	2027F
DPS (SGD cents)	2.50	0.50	—	—	—
Dividend yield (%)	13.89	1.69	—	—	—
NAV per share (SGD cents)	15.0	13.7	11.1	6.6	4.4
Price/NAV (x)	1.20	2.15	6.27	10.61	15.73
<b>Profitability</b>					
EBITDA Margin (%)	18.6	14.9	10.6	11.6	12.1
Net Margin (%)	14.4	12.0	8.4	9.1	8.9
ROE (%)	60.6	47.1	35.6	40.9	32.6
ROA (%)	27.4	18.6	15.9	18.8	15.8
<b>Financial Structure</b>					
Interest Coverage Ratio (x)	221.2	72.2	44.4	65.4	77.1
Gearing Ratio (x)	0.1	0.2	0.1	0.0	0.0

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Rating	Definition
<b>Outperform (OP)</b>	We take a positive view on the stock. The stock is expected to outperform the expected total return of the KGI coverage universe in the related market over a 12-month investment horizon.
<b>Neutral (N)</b>	We take a neutral view on the stock. The stock is expected to perform in line with the expected total return of the KGI coverage universe in the related market over a 12-month investment horizon.
<b>Underperform (U)</b>	We take a negative view on the stock. The stock is expected to underperform the expected total return of the KGI coverage universe in the related market over a 12-month investment horizon
<b>Not Rated (NR)</b>	The stock is not rated by KGI Securities.
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