LUM CHANG CREATIONS

BUY

Share Price:	**S$0.375**
Target Price:	**S$0.52**
Upside:	**+38.7%**

COMPANY DESCRIPTION

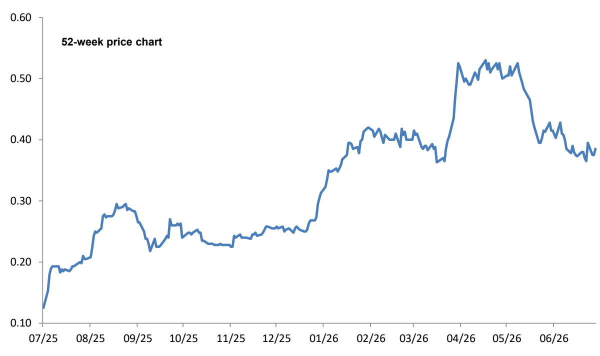
Lum Chang Creations is a leading urban revitalisation specialist in Singapore. The company provides niche conservation and restoration works complementary with interior fit-out works as well as A&A works.

Name	**LUM CHANG CREATIONS LTD**
Bloomberg Code	**LUCC SP Equity**
3M Avg Daily Trading Vol (k)	**1,215.2**
3M Avg Daily Trading Val (S$'000)	**546.6**
Major Shareholder / Holdings	**Lum Chang Holdings (64.2%) Lim Thiam Hooi (10.4%)**
Shares Outstanding (m)	**660.0**
Market Capitalisation (S$m)	**247.5**
52 week Share Price High/Low	**0.56 / 0.15**

STOCK PRICE PERFORMANCE

	1M	3M	12M
Absolute Return (%)	-11.6	-24.0	153.3

PRICE CHART



Source : Bloomberg

Positive Profit Alert + Contract Wins

Lum Chang Creations (LCC) recently achieved a major milestone by upgrading from the Catalist to the Mainboard on 16'July 26. This was done through a placement of new and vendor shares to institutional and high-net-worth investors at S$0.759/share (S$0.38/share bonus-adjusted). The completion of a 1-for-1 bonus issue has doubled its share capital, improving trading liquidity with a broader shareholder base. Recent contract wins of S$32.9mln lifted order book to S$144mln, providing revenue visibility for the next three years. We believe LCC's strong track record of customized solutions for different types of heritage buildings places them in a strong position for current and future project wins. Maintain BUY with an unchanged target price of S$0.52, pegged to 12.7x FY27F P/E.

Contract wins. LCC secured a S$32.9mln contract for architectural and associated works at Teck Ghee Station, part of the North-South Corridor (Tunnel) project. The works commenced on 10'Jul 26 and are expected to be completed by 7'Jul 29. The order win comes on the back of new contracts secured in 3QFY26, comprising a S$21.7mln contract for Covenant Evangelical Free Church and a S$3.2mln contract for Baba House at Neil Road. As of 30'Apr 26, order book stands at S$144mln. As Singapore continues to invest in its built environment, the company believes it is well-positioned to capitalise on future opportunities.

Positive profit alert. Based on its latest profit guidance announcement, LCC expects to report a significant higher net profit for FY26F compared to FY25. We note that 1HFY26 already delivered profits of S$11.0mln, close to the entire FY25 net profit of S$12.9mln. The Group attributed the improvement in financial performance to stronger gross profit margins, better project execution and a more favourable project mix.

KEY FINANCIALS

Jun YE	FY23	FY24	FY25	FY26F	FY27F
Revenue (S$m)	39.4	59.0	113.6	139.7	153.6
EBITDA (S$m)	5.9	7.1	16.8	30.5	34.1
EBITDA Margin (%)	15.1	12.0	14.8	21.8	22.2
PATMI (S$m)	4.5	4.7	12.9	24.0	26.9
P/E (x)	54.6	52.4	19.2	10.3	9.2
P/B (x)	25.0	18.5	11.6	6.6	5.1
ROE (%)	45.9	35.4	60.7	64.1	55.3
Adj. EPS (S¢)	0.72	0.75	2.05	3.82	4.08
EPS Growth (%)	801.8	4.1	173.4	86.2	6.9
Adj. DPS (S¢)	—	—	1.1	2.5	2.8
Dividend Yield (%)	—	—	2.9	6.7	7.3

Source: Lum Chang Creations, Lim & Tan Research

Chan En Jie
Tel: 6533 0595
Email: ejchan@limtan.com.sg

Placement of new + vendor shares — Upgrade to the Mainboard. Although LCC has been listed on the Catalist for less than two years (Jul'25), the company managed to successfully transfer its listing from the Catalist to the Mainboard in just under a year. Management believes an upgrade to the Mainboard will elevate the company's corporate profile, enhance visibility among institutional investors, and provide a stronger platform for the next phase of growth.

Post placement of 35 million shares at S$0.759/share (15 million new shares and 20 million vendor shares), public float increased from 15.6% to 25.5%, fulfilling the mainboard criteria. Net proceeds of S$10.8 million will be used to support regional expansion, high-end residential fit-out projects, M&A opportunities and working capital. Institutional investors who subscribed for the placement shares include Amova Asset Management, Avanda Investment Management, Ginko-AGT Global Growth Fund, and Lion Global Investors.

Exhibit 1: Shareholdings Table

Post-IPO		
Name	**Position**	**% of Outstanding**
Lum Chang Holdings	224,000,000	71.1%
Lim Thiam Hooi	42,000,000	13.3%
Public	49,000,000	15.6%
Total	315,000,000	**100.0%**

Post-Placement & 1-for-1 Bonus Issue		
Name	**Position**	**% of Outstanding**
Lum Chang Holdings	423,400,000	64.2%
Lim Thiam Hooi	68,600,000	10.4%
Public	168,000,000	25.5%
Total	660,000,000	**100.0%**

Source: Lim & Tan Research

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