

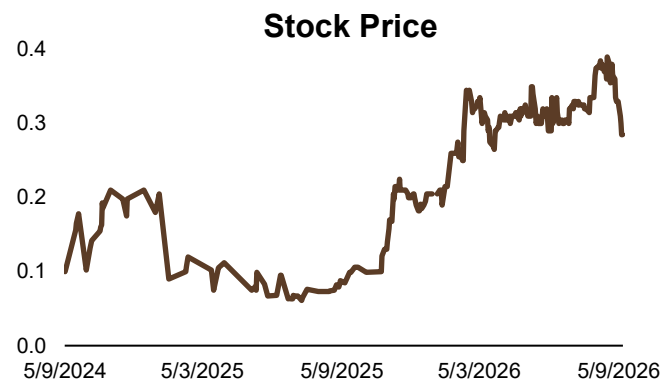
Lincotrade & Associates Holdings Limited

16 September 2026

BUY (Maintained)

BBG	LINASC SP	
Market Cap (\$m)	50.6	
Price (\$\$) (15 Sep 2026)	0.275	
Target Price (\$\$)	0.529	
52-week range (\$\$)	0.096 - 0.390	
Shares Outstanding (m)	183.6	
Free Float	14.3%	
Major Shareholder	Soh Loong Chow Jackie	25.0%
	Tan Jit Meng	22.0%
	Wee Henry	21.9%
	Tan Chee Khoon	16.8%

Source: Company data, Bloomberg, SAC Capital



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Order Book Gets a Boost

Record FY26 delivery, in line with guidance. Lincotrade closed FY26 with revenue up 75.8% YoY to S\$129.5 million, led by commercial revenue rising 84.0% to S\$121.6 million as a record order book was billed out. Net profit attributable to shareholders more than tripled, rising 215.3% to S\$8.1 million, as gross profit climbed 87.1% to S\$17.3 million and gross margin expanded 0.8 percentage points to 13.3% on a richer commercial mix.

A step-change in shareholder returns. The proposed final dividend of 0.90 SG cents brings the FY26 total to 1.78 SG cents, a 40% payout ratio and 2.7 times the 0.66 SG cents paid for FY25, for a trailing yield of 6.5% at the last close of S\$0.275. Management has reaffirmed a minimum 40% payout policy, double its stated 20% floor. We forecast FY27E dividend rising 26.1% to 2.25 SG cents, implying a forward yield of 8.2%.

Order book reset higher by the S\$70.0 million July 2026 award. The order book stood at S\$106.2 million as at 30 June 2026, supported by S\$42.7 million of new contracts secured during 4QFY2026. The subsequent S\$70.0 million contract secured in July 2026, the largest single award in the Group's history and surpassing the S\$35.0 million record set in January 2023, lifts the illustrative pro forma order book to approximately S\$176.2 million, or 1.4 times FY26 revenue, underwriting close to two years of revenue visibility.

A deliberate pivot towards higher-margin work, led by data centres. The commercial segment lifted its revenue contribution from 89.8% in FY25 to 93.9% in FY26 as lower-margin showflat work declined 72.3% to S\$1.1 million. Data centres are the clearest expression of this pivot: Lincotrade has served the segment since 2016 and secured a S\$29.1 million project in 1HFY26. The runway is substantial, with Singapore's data centre market forecast to grow from US\$3.25 billion in 2025 to US\$5.11 billion by 2031, and colocation vacancy at a structurally low 2%.

Capacity expansion unlocks new revenue streams and optionality. Operations are fully consolidated at the new Tuas HQ after securing its Temporary Occupation Permit in February 2026. As at 30 June 2026, its 204-bed dormitory housed 175 occupants, 67 of whom are subcontractor tenants generating steady recurring income. Overseas, 30%-owned Linc Venture launched a 449-unit freehold project, The Shang Residence in Kuala Lumpur, in 2H2026, targeting completion by 2029.

Opto-Pharm acquisition unlocks strategic Tuas landbank. On 15 September 2026, 60%-owned Linc-A acquired 100% of Opto-Pharm for S\$14.3 million, an attractive 7.52% discount to NTA. While Opto-Pharm is currently loss-making, management plans to swiftly rationalise operations, ensuring minimal impact on our FY27E forecast. Crucially, the transaction secures two adjoining Tuas Avenue 12 parcels, spanning approximately 107,600 sq ft, directly beside Lincotrade's HQ. Developing these plots into ancillary worker dormitories could transform under-utilised real estate into a high-margin, recurring rental cash flow engine that underpins long-term profit growth.

KEY FINANCIAL HIGHLIGHTS

Year ended Jun (\$m)	FY24	FY25	FY26	FY27E	FY28E
Revenue	67.9	73.6	129.5	134.8	152.1
EBIT	3.4	3.6	11.2	13.5	17.1
Net profit	2.3	2.6	8.1	10.3	13.2
EPS (\$\$ cents)	1.3	1.5	4.5	5.6	7.0
Dividend per share (\$\$ cents)	0.7	0.7	1.8	2.2	2.8
Net cash / (debt)	(5.8)	(8.3)	(16.3)	(9.6)	(4.0)
Valuation					
Gross profit margin (%)	11.6%	12.5%	13.3%	14.0%	14.6%
Net profit margin (%)	3.3%	3.6%	6.2%	7.6%	8.7%
EV / EBITDA (x)	13.2	12.3	5.5	4.1	2.9
P/E (x)	20.7	18.5	6.1	4.9	3.9
P/B (x)	4.5	3.8	2.5	1.8	1.4
Dividend yield (%)	2.5%	2.4%	6.5%	8.2%	10.2%
ROE (%)	22.0%	20.6%	40.8%	36.4%	36.6%

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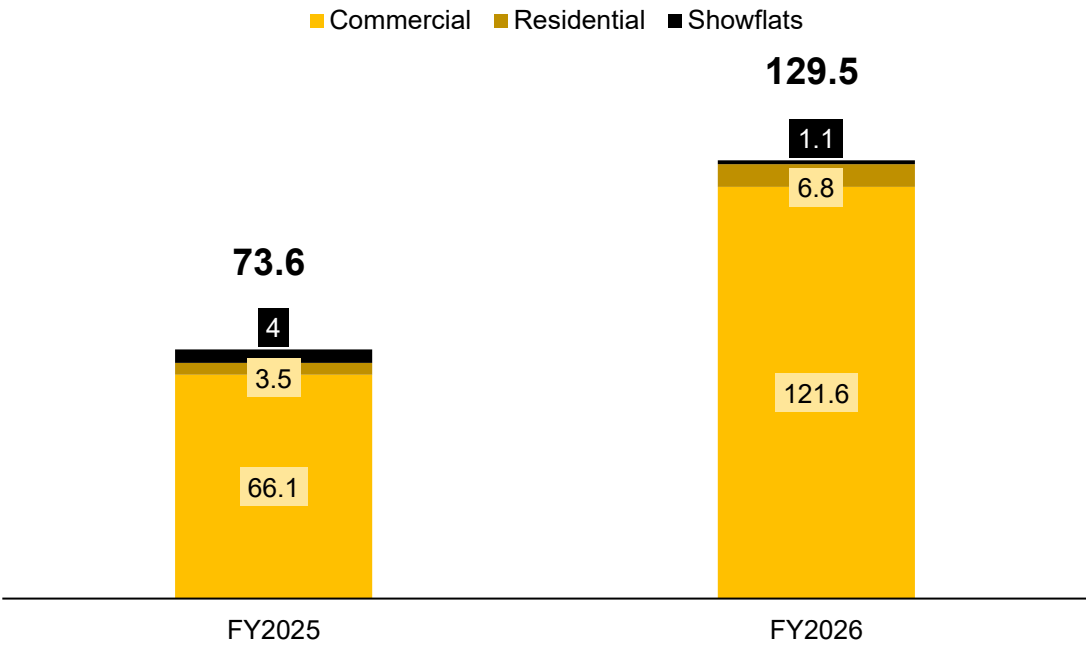
Robust construction demand. The interior fitting-out sector tracks the broader construction cycle closely, and the backdrop remains exceptionally supportive. Total construction demand reached S\$50.5 billion in 2025, up from S\$44.6 billion in 2024, and the Building and Construction Authority forecasts a further S\$47 billion to S\$53 billion of contracts to be awarded in 2026. Crucially, the strength is structural rather than cyclical, with demand projected to average S\$39 billion to S\$46 billion per year from 2027 to 2030, underpinned by Changi Terminal 5, the Marina Bay Sands IR2 expansion, the New Tengah General & Community Hospital and further MRT extensions. Construction output is set to rise about 7% to an average of S\$44.5 billion in 2026.

Sustainability. The Group's established environmental management system underscores its commitment to long-term sustainability and operational efficiency. By reducing on-site energy consumption and construction waste, alongside the procurement of eco-friendly materials such as reconstructed laminates and veneers, the Group mitigates its environmental footprint. The Singapore Green Label awarded by the Singapore Environmental Council for its sustainably sourced wooden panel doors validates its ESG credentials. We view these initiatives as a competitive advantage in winning projects that increasingly prioritise green building standards.

Key risks ahead include rising construction and labour costs, tighter foreign worker policies, cost inflation on fixed-price contracts, execution delays and order book replenishment.

Raising forecasts and target price; BUY maintained. We raise our FY27E revenue forecast by 13.1% to S\$134.8 million and introduce FY28E revenue of S\$152.1 million, up 12.8% YoY. FY27E net profit is lifted 12.0% to S\$10.3 million, with FY28E net profit of S\$13.2 million, as gross margin widens from 13.3% in FY26 to 14.0% in FY27E and 14.6% in FY28E on a full year of Tuas HQ cost savings. We maintain our BUY recommendation and raise our target price to S\$0.529 from S\$0.387, applying the peer average forward PER of 9.4x to our FY27E EPS of 5.61 SG cents. This represents an upside of 92.4% from current levels.

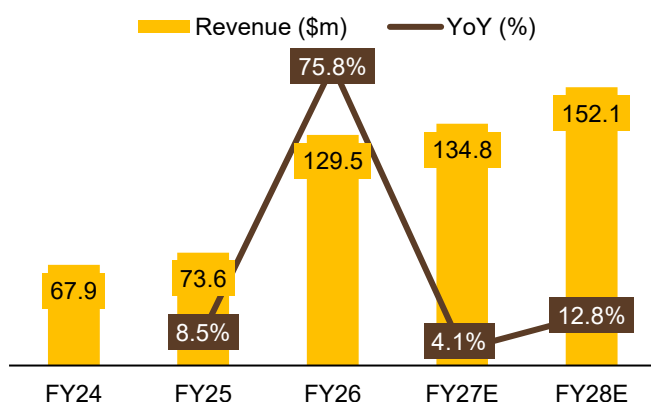
Revenue Breakdown



Source: Company

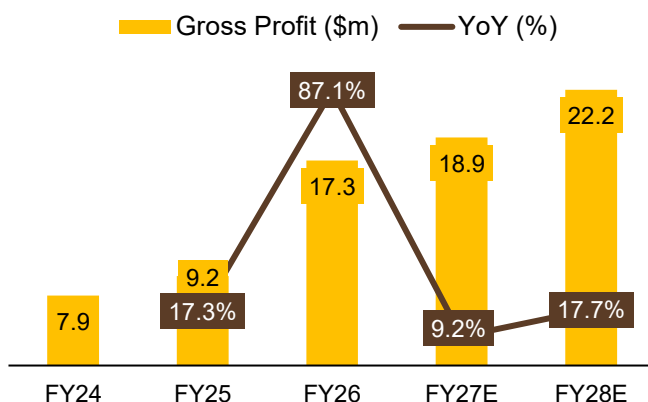
Financials

Revenue



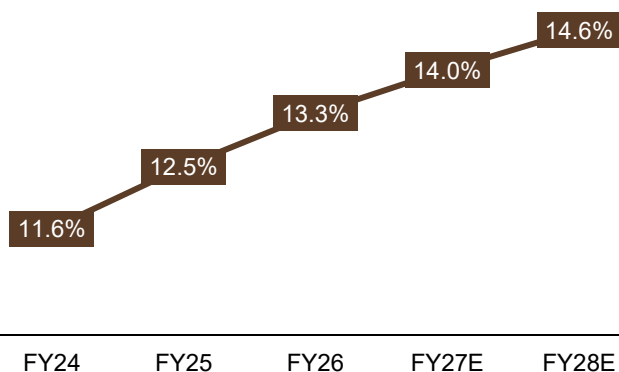
Source: Company data, Bloomberg, SAC Capital

Gross Profit



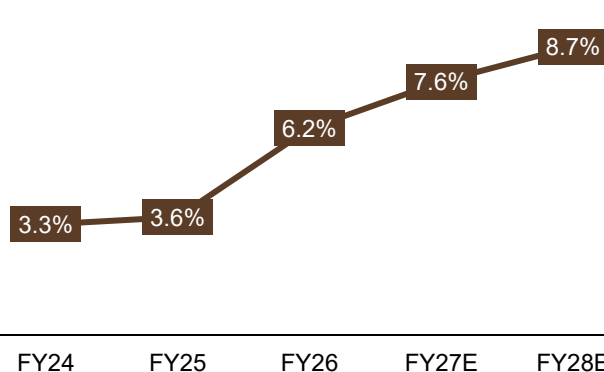
Source: Company data, Bloomberg, SAC Capital

Gross Profit Margin



Source: Company data, Bloomberg, SAC Capital

Net Profit Margin



Source: Company data, Bloomberg, SAC Capital

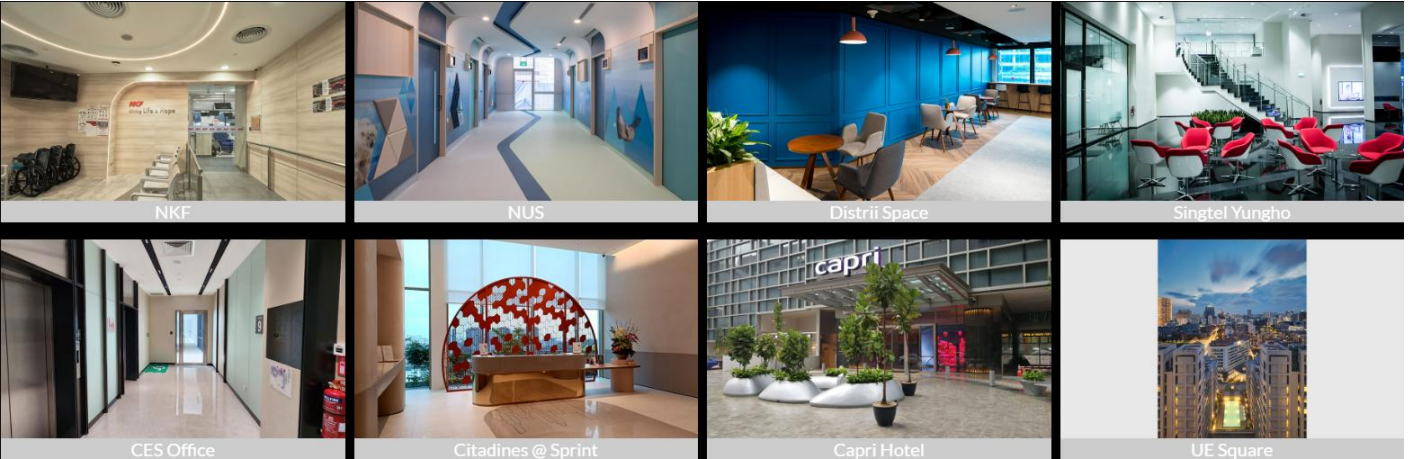
Peer Comparison

Company Name	Ticker	Market Cap (\$m)	Last Traded Price (\$)	T12M P/E	1-yr Fwd PE	T12M P/B
LINCOTRADE & ASSOCIATES HOLDINGS LTD	LINASC SP	50.6	0.275	6.2	4.9	2.5
LUM CHANG CREATIONS LTD	LUCC SP	214.5	0.330	9.2	8.3	4.5
KINGSMEN CREATIVES LTD	KMEN SP	107.3	0.535	7.4	N/A	0.9
ATTIKA GROUP LTD	ATTIKA SP	53.9	0.200	8.1	10.5	2.1
DEZIGN FORMAT GROUP LTD	DFG SP	35.9	0.185	31.0	N/A	N/A

Source: Company data, Bloomberg, SAC Capital

Lincotrade & Associates Holdings Limited

Commercial Projects



Residential Projects



Source: Company

Lincotrade & Associates Holdings Limited

Marina View Showflat



Source: Company

Income Statement

FYE Jun (\$\$m)	FY24	FY25	FY26	FY27E	FY28E
Revenue	67.9	73.6	129.5	134.8	152.1
Cost of sales	(60.0)	(64.4)	(112.2)	(115.9)	(129.9)
Gross profit	7.9	9.2	17.3	18.9	22.2
Interest income	0.2	0.1	0.1	0.1	0.1
Other income and gains	0.2	0.1	0.2	0.1	0.5
Administrative expenses	(3.3)	(3.7)	(4.1)	(4.5)	(5.1)
Finance costs	(0.1)	(0.3)	(0.3)	(0.3)	(0.3)
Other expenses	(2.0)	(2.4)	(2.6)	(2.7)	(2.7)
Other losses	-	(0.1)	(0.0)	-	-
Share of loss from equity-accounted associate	-	(0.0)	(0.2)	1.0	1.4
Profit before tax	2.8	3.0	10.3	12.6	16.2
Income tax expense	(0.6)	(0.4)	(2.3)	(2.3)	(3.0)
Profit, net of tax	2.3	2.6	8.1	10.3	13.2

Balance Sheet

FYE Jun (\$\$m)	FY24	FY25	FY26	FY27E	FY28E
ASSETS					
Non-current assets					
Property, plant and equipment	10.9	10.8	13.2	15.0	16.7
Right-of-use assets	0.0	-	-	-	-
Trade and other receivables, non-current	4.6	5.0	4.9	5.1	5.7
Investment in associate	-	1.3	2.9	3.9	5.3
Total non-current assets	15.5	17.1	20.9	23.9	27.6
Current assets					
Inventories	0.2	0.6	0.3	0.3	0.3
Contract assets	2.4	7.4	22.4	22.5	22.6
Other non-financial assets	0.9	1.9	2.3	1.9	2.3
Trade and other receivables, current	9.3	12.4	23.5	24.5	27.7
Cash and cash equivalents	11.5	12.6	17.7	22.9	28.4
Total current assets	24.3	34.9	66.3	72.1	81.4
Total assets	39.8	52.0	87.2	96.1	109.0
EQUITY					
Equity attributable to owners of the Company					
Share capital	13.1	13.1	15.2	17.3	17.3
Accumulated losses	(2.6)	(0.6)	4.7	10.8	18.8
Foreign currency reserves	(0.0)	(0.0)	0.0	0.2	0.1
Treasury Shares	-	-	(0.1)	-	-
Equity attributable to owners of the Company	10.4	12.4	19.8	28.3	36.1
Non-controlling interests	0.1	0.2	0.3	-	-
Total equity	10.5	12.6	20.1	28.3	36.1
LIABILITIES					
Non-current liabilities					
Lease liabilities	0.1	0.0	0.3	0.3	0.3
Other financial liabilities, non-current	7.0	6.2	5.5	5.5	5.5
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Total non-current liabilities	7.1	6.3	5.9	5.9	5.9
Current liabilities					
Income tax provision	0.7	0.6	1.9	1.9	1.9
Trade and other payables	11.1	17.8	30.8	33.0	38.3
Contract liabilities	-	-	-	-	-
Lease liabilities, current	0.1	0.0	0.1	(0.0)	(0.1)
Other financial liabilities, current	10.3	14.6	28.4	26.9	26.9
Total current liabilities	22.2	33.1	61.3	61.9	67.0
Total liabilities	29.3	39.4	67.1	67.8	72.9
Total equity and liabilities	39.8	52.0	87.2	96.1	109.0

Cash Flow Statement

FYE Jun (\$\$m)	FY24	FY25	FY26	FY27E	FY28E
Cash flows from operating activities					
Profit / (Loss) before tax	2.8	3.0	10.3	12.6	16.2
Adjustments for:					
Plant and equipment written off	-	0.1	0.0	-	-
Deemed reverse acquisition expenses	-	-	-	-	-
Depreciation of property, plant and equipment	0.8	1.1	1.0	1.2	1.4
Depreciation of right-of-use assets	0.1	0.0	-	-	-
Gain on disposal of plant and equipment	(0.0)	(0.0)	0.0	-	-
Interest income	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)
Interest expense	0.7	0.8	0.9	1.0	1.1
Placement expenses	-	-	-	-	-
Share-based payments – sponsor	-	-	-	-	-
Share-based payments – arranger	-	-	-	-	-
Share of (profit)/loss from equity-accounted associate	-	0.0	0.2	(1.0)	(1.4)
Foreign exchange adjustment differences	(0.0)	-	0.0	0.0	0.0
Operating cash flows before changes in working capital	4.3	4.9	12.4	13.7	17.1
Inventories	(0.2)	(0.5)	0.3	(0.0)	(0.0)
Contract assets	3.0	(5.0)	(15.0)	(0.1)	(0.1)
Trade and other receivables	0.3	(3.5)	(11.0)	(1.2)	(3.8)
Other non-financial assets	0.5	(1.0)	(0.4)	0.4	(0.4)
Contract liabilities	(0.5)	-	-	-	-
Trade and other payables	(0.6)	6.7	13.0	2.3	5.2
Net cash flows from operations	6.7	1.7	(0.8)	15.0	18.0
Interest paid	(0.6)	(0.5)	(0.6)	(0.9)	(1.0)
Income taxes paid	(0.6)	(0.5)	(1.0)	(2.3)	(3.0)
Net cash flows from operating activities	5.5	0.8	(2.3)	11.9	14.1
Cash flows from investing activities					
Purchase of property, plant and equipment	(10.3)	(1.1)	(3.1)	(3.1)	(3.1)
Proceeds from disposal of plant and equipment	0.0	0.0	0.1	0.1	0.1
Interest received	0.2	0.1	0.1	0.1	0.1
Investment in associate	-	(1.3)	(1.8)	-	-
Net cash flows used in investing activities	(10.1)	(2.3)	(4.7)	(2.8)	(2.8)
Cash flows from financing activities					
Net proceeds from issuance of new shares	-	-	2.1	2.1	-
Capital contribution by non-controlling interests	0.1	0.0	0.1	-	-
Net cash inflows from reverse acquisition	-	-	-	-	-
Increase in new bank loans and borrowings	7.7	0.6	0.9	-	1.5
Repayments of bank loans and borrowings	(1.6)	(2.2)	(0.7)	(3.5)	(3.5)
Increase/(decrease) of bills payable	(1.1)	5.1	13.0	2.0	2.0
Cash restricted in use	(0.2)	(0.5)	0.7	-	-
Lease liabilities – principal portion and interest paid	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Net movements in amounts due to a shareholder and former parent company	(0.8)	-	-	-	-
Net movements in amounts due to directors and former shareholders of the subsidiary	-	-	-	-	-
Purchase of Treasury Shares	-	-	(0.1)	0.1	-
Dividends paid	(0.7)	(0.6)	(2.7)	(4.1)	(5.3)
Interest paid	(0.1)	(0.3)	(0.3)	(0.3)	(0.3)
Net cash flows from financing activities	3.2	2.1	12.9	(3.8)	(5.7)
Net increase/(decrease) in cash and cash equivalents	(1.4)	0.5	5.8	5.2	5.6
Cash and cash equivalents at beginning of financial period	9.1	7.7	8.2	14.0	19.2
Cash and cash equivalents at end of financial period	7.7	8.2	14.0	19.2	24.8
Cash pledged for bank facilities	3.8	4.4	3.7	3.7	3.7

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Party	Quantum of position
Nil	Nil

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Nature of Business Relation	Date of Business Relation
Placement	November 2025
Continuous Sponsorship	Ongoing Relation
Paid Research	Ongoing Relation

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