

**AEDGE GROUP LIMITED**
**BUY**

Share Price: S\$0.215  
 Target Price: S\$0.295  
 Upside: +37.2%

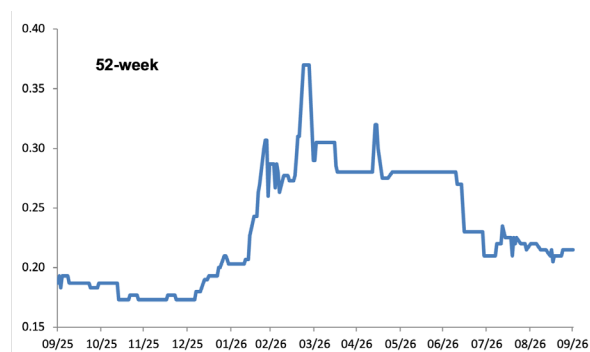
**COMPANY DESCRIPTION**

Aedge is a multi-services provider. The Company focuses on engineering, security and manpower, facility maintenance, transportation services, as well as dormitory provision. Aedge serves customers in Singapore.

|                                          |                                       |
|------------------------------------------|---------------------------------------|
| <b>Name</b>                              | <b>AEDGE GROUP LIMITED</b>            |
| <b>Bloomberg Code</b>                    | <b>ADGE SP EQUITY</b>                 |
| <b>3M Avg Daily Trading Vol (k)</b>      | <b>138.6</b>                          |
| <b>3M Avg Daily Trading Val (\$'000)</b> | <b>30.6</b>                           |
| <b>Major Shareholder / Holdings</b>      | <b>PTCC Holdings Pte. Ltd (56.7%)</b> |
| <b>Shares Outstanding (m)</b>            | <b>178.6</b>                          |
| <b>Market Capitalisation (\$m)</b>       | <b>38.4</b>                           |
| <b>52 week Share Price High/Low</b>      | <b>0.39 / 0.17</b>                    |

**STOCK PRICE PERFORMANCE**

|                            | <b>1M</b> | <b>3M</b> | <b>12M</b> |
|----------------------------|-----------|-----------|------------|
| <b>Absolute Return (%)</b> | 0.3       | -21.2     | 18.2       |

**PRICE CHART**


Source : Bloomberg

**AN INFLECTION POINT**

▶ We initiate a **BUY** rating on **AEDGE GROUP LIMITED** with a target price of S\$0.295, pegged to a 10.8x P/E on blended FY27F/FY28F EPS. Aedge, with its diversified essential-services platform spanning multiple segments, stands to benefit from three converging tailwinds: a multi-year construction upcycle, sustained foreign-worker demand, and a structural Purpose-Built Dormitory shortage. After meeting their 2H FY26 guidance, Aedge is on track to recording a better FY27. This momentum is supported by contract renewals with expanded scope across all service segments. Aedge has completed a successful round of share placements attracting institutions Azure Capital, ICH, as well as strategic investors Lum Chang Creations Mr Lim and hotel and offshore marine tycoon Mr Michael Kum. Executive Chairman Mr Poh Soon Keng has since bought a further 400,000 shares on-market at c.S\$0.21.

**Essential-services tailwinds.** BCA has projected 2026 construction demand at S\$47–53bln, among the highest sustained levels on record. This is anchored by projects like Changi T5, MBS IR2, and the DTL2 and TEL extensions. Foreign-worker headcount in Construction, Marine & Process stands at c.482,600 and recent MOM policy widened the sectors eligible to hire Work Permit Holders. The Purpose-Built Dormitory market is running at c.96–97% occupancy with bed rents “markedly higher than pre-pandemic levels”, and the 2030 FEDA deadline is forcing older facilities out of supply. Aedge is well-positioned to take advantage of these tailwinds as it supplies the labour, transports it, services its workplaces, and increasingly houses it.

**Diversified platform and a turn to profitability.** Aedge operates four complementary segments guided by an essential-services philosophy: engineering, transport, security & manpower, and investment properties. They serve a blue-chip client roster spanning government ministries, statutory boards, and major REIT / property owners. FY26 delivered the first profitable full year after a FY25 investment-cycle year, with operating cash flow of S\$5.34mln (vs S\$3.82mln FY25).

**KEY FINANCIALS**

| <b>JUN YE</b>                      | <b>FY24</b> | <b>FY25</b> | <b>FY26</b> | <b>FY27F</b> | <b>FY28F</b> |
|------------------------------------|-------------|-------------|-------------|--------------|--------------|
| Revenue (\$m)                      | 24.0        | 28.0        | 38.0        | 51.0         | 65.0         |
| EBITDA (\$m)                       | 1.6         | 2.7         | 6.5         | 10.3         | 11.7         |
| EBITDA Margin (%)                  | 6.9         | 9.7         | 17.0        | 20.2         | 17.9         |
| Net Profit to Equity Holders (\$m) | -0.6        | -0.8        | 2.38        | 4.38         | 5.40         |
| P/E (x)                            | —           | —           | 16.1        | 8.8          | 7.1          |
| P/B (x)                            | 3.24        | 3.35        | 2.27        | 1.89         | 1.61         |
| ROE (%)                            | -5.1        | -6.9        | 17.6        | 21.6         | 22.6         |
| EPS (\$)                           | -0.37       | -0.47       | 1.89        | 2.45         | 3.02         |
| EPS Growth (%)                     | —           | —           | —           | 83.6         | 23.3         |
| DPS (\$)                           | —           | —           | 0.57        | 0.98         | 1.21         |
| Dividend Yield (%)                 | —           | —           | 2.7         | 4.6          | 5.6          |

Source: Aedge, Lim & Tan Research

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**Segment catalysts in motion.** Investment Properties: Beryl House obtained its dormitory licence on 12 May 2026 and has been income producing since May, contributing about 1 month to the full year results, while Carnelian House (219 Kallang Bahru) completed in Jun 2026 and a freehold Geylang option was exercised 20 Jul 2026. Engineering (FY26 +57.6%) and Transport (+31.8%) are scaling directly into the construction cycle, with management citing “contract renewals with expanded scope and improved margin terms”. Security & Manpower (GP +68.8% to S\$2.5mln) has “onboarded new customers with expanded project requirements”, with cleaning and flex staffing absorbing transitional softness in guarding.

**Successful share placement.** Aedge has completed a fully subscribed S\$3.5mln placement, issuing 16,667,000 new shares at 21 cents attracting institutional names like Azure Capital and ICH Synergrowth Fund, alongside private subscriptions from hotel and offshore tycoon Michael Kum and Lim Thiam Hooi, managing director of Lum Chang Creations (LCC). LCC was itself one of the best-performing IPOs of 2025, having more than tripled from its 25-cent IPO and upgraded to the Mainboard within a year. Net proceeds of c.S\$3.37mln are split between the investment properties division and working capital.

### **Investment Thesis**

➤ **Essential-services tailwinds.** Singapore’s essential-services economy is at a multi-year demand peak across three dimensions: construction volume, foreign-worker headcount, and worker accommodation. These three serve as the addressable market for Aedge’s four segments.

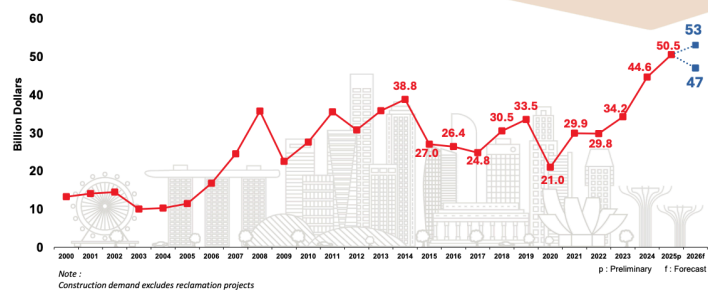
**High structural construction demand.** The Building and Construction Authority (BCA) projected total construction demand at S\$47–53bln in 2026, broadly steady versus 2025 and solidly above pre-pandemic records. Furthermore, medium-term outlook cites S\$39–46bln annually through 2030 shows that the elevated cycle is not a single-year event. GlobalData corroborates this point, which projects Singapore construction output at a c.4.2% CAGR from 2026–2029, driven by transport and energy infrastructure investment.

Mega-infrastructure projects like Changi Airport’s Terminal 5 opening in the mid-2030s, the Marina Bay Sands IR2 expansion, New Tengah General and Community Hospital, the Downtown Line 2 Extension, and the Thomson-East Coast Line Extension show exactly the kind of sustained, multi-year development that consumes scaffolding, insulation, fire-protection, and engineering manpower throughout their build cycle. For the residential demand side, HDB committed to c.55,000 BTO launches in 2026–2027, a 10% uplift on its prior 50,000-unit plan.

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### Exhibit 1: Construction Demand

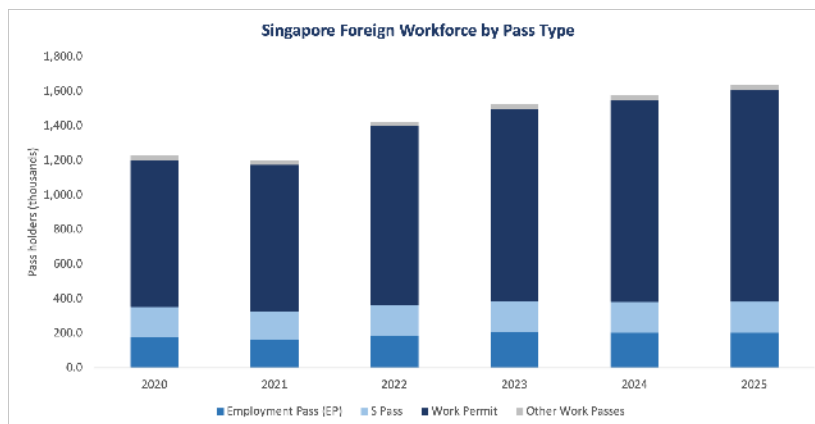
#### 2026 Construction Demand Forecast



Source: BCA, Lim & Tan Research

**A single workforce for all four segments.** The Construction, Marine and Process (CMP) sector employed 482,600 Work Permit Holders as of December 2025, up from 456,800 as of December 2024 as per MOM. Notably, MOM has also expanded the list of sectors eligible to hire Work Permit Holders (WPHs), widening the addressable talent pool. With an increasing available pool of workers, this supports all four of Aedge's segments simultaneously: Engineering Services may deploy more workers for more scaffolding and M&E projects; the transportation segment could move them between dorms and worksites, increasing utilisation rate and reducing idle capacity; Investment Properties provides housing in times of dormitory shortage at Amethyst, Beryl, and the upcoming Carnelian House and 2 Westerhout; Security and Manpower benefits too from more workers to service worksites and aviation facilities. The inter-segment benefits are one of the core features of Aedge's market positioning.

### Exhibit 2: Singapore Work Permit Holder Data



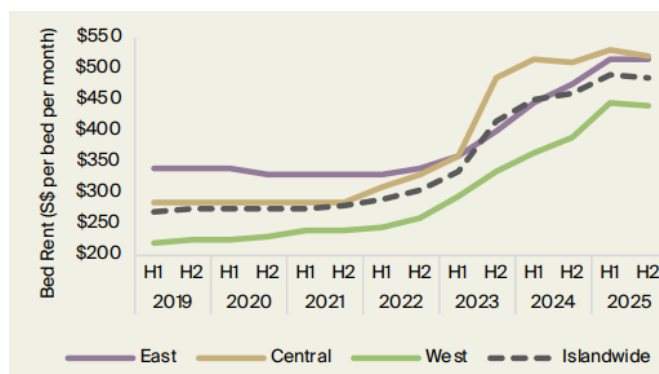
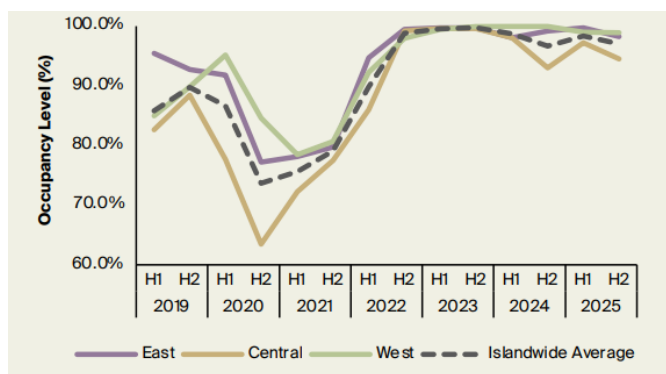
Source: MOM, Lim & Tan Research

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**Undersupplied accommodation and rising rents.** Note that the following analyses uses Class 4 (>999 beds) accommodation figures. While Aedge's dorms are in the Class 3 (300-999 beds) accommodation market, we view Class 4 as an appropriate proxy to gauge overall market health and demand.

Singapore's commercial dormitory market has maintained its 96-97% occupancy rates from 2023 through 2025, with an expectation that this level of utilisation will continue into 2026 and 2027. For rent, DASL and Knight Frank's research also notes an upward trend with the median bed rent increasing significantly in 2023 and maintaining a gradual upward drift through 2025. The combination of high occupancy rates and higher rents places Aedge's four Investment Properties in a good position to capture these tailwinds. However, we note that because Aedge operates solely in Class 3 market, they may be partially insulated from the uplift in the Class 4 market. Regardless, these trends point to a healthy and improving accommodations scene that reflects a continued momentum for Aedge's Investment Properties segment.

**Exhibit 3: Singapore Dormitory Data**



Source: DASL, Knight Frank Research, Lim & Tan Research

## A Clean Turn To Sustainable Profitability

-  Aedge operates four complementary segments: engineering, transport, security & manpower, and investment properties. The complementarity may not be apparent at first glance, but all four segments are unified by a goal of deploying the manpower that runs Singapore's backbone industries. This can also be seen in Aedge's roster of clients, boasting a wide range from government ministries and statutory boards across defence, aviation and industrial land sectors, major industrial REITs, renewable-energy developers, global logistics operators, oil-majors and agri-commodities groups, a leading aviation MRO provider and a major offshore oil & gas / marine player, a leading telecommunications operator, a hyperscale data centre developer, and large-scale events & entertainment operators. The credibility of these counterparties speaks to the contract's durability. Organisations of these scales do not run short-cycle, speculative staffing arrangements.

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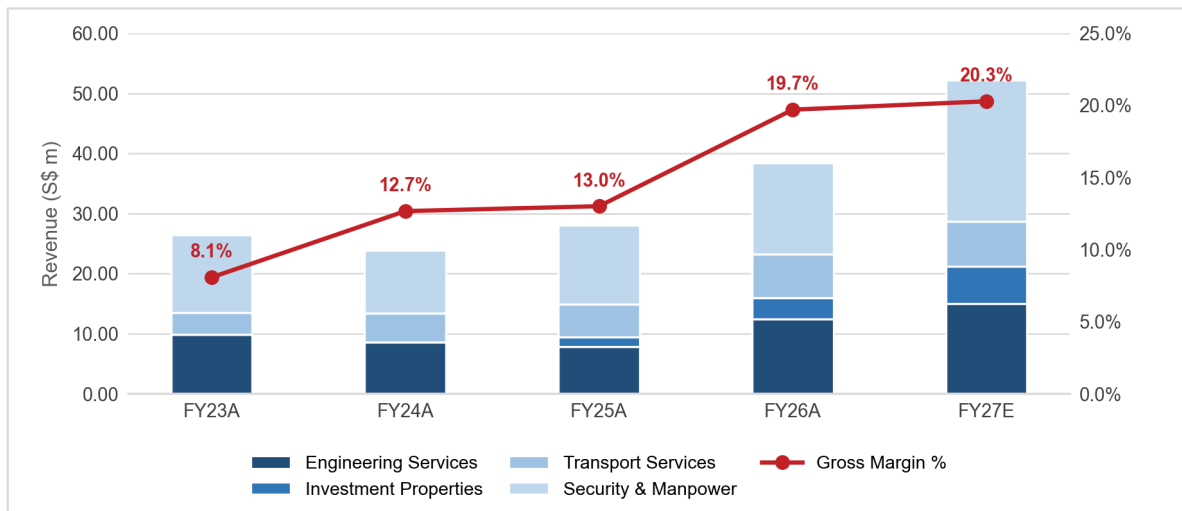
Furthermore, in their FY26 filings (Engineering Services), management disclosed “higher volume of projects secured and completed” generating greater revenue recognition. For Transport, the filing explicitly states “contracts secured and renewed during FY2026 were on longer, fixed-rate terms and at improved rates”. For Security and Manpower, the filing notes “new contract wins and expanded project requirements from existing customers.”

### Segment Catalysts

-  Aedge operates in four distinct but complementary segments. Security & Manpower (c.39% of FY26 revenue) and Engineering (c.32%) are the largest engines; Transport contributes c.19% and Investment Properties c.9%. Each segment’s growth is fueled and sustained by key catalysts that we break down in this section.

We note that while Investment Properties is currently Aedge’s smallest segment, it is the most rapidly growing and has the clearest visibility on project pipeline and catalysts. Therefore, we will weight our commentary by revenue contribution, as well as short- to medium-term segment visibility.

**Exhibit 4: Segment Revenue and Margins**



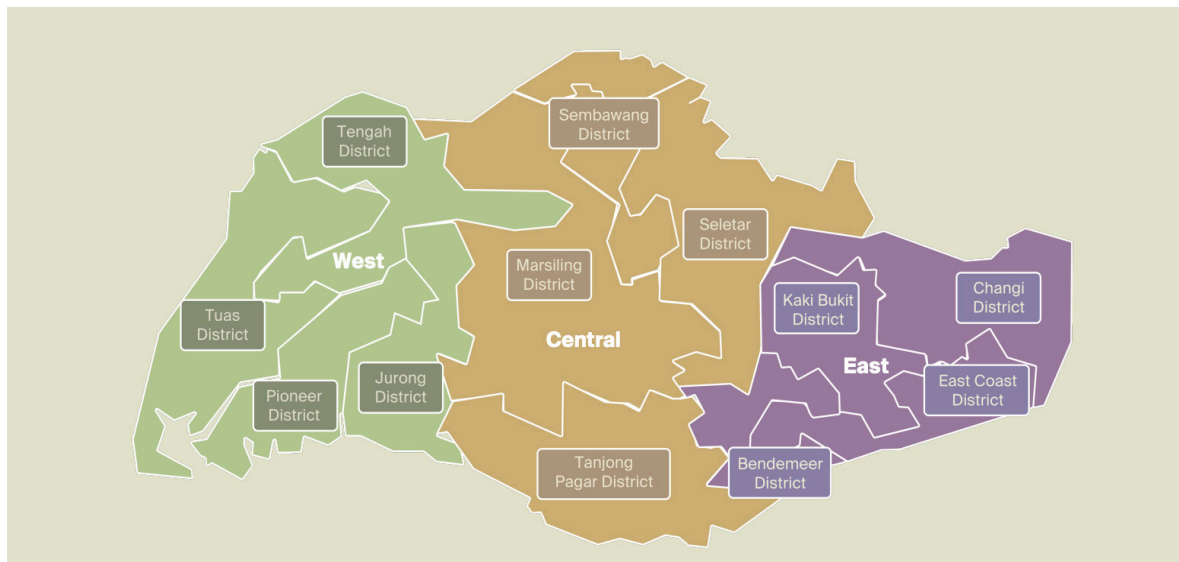
Source: Aedge, Lim & Tan Research

**Investment Properties.** While this segment sits as the smallest segment in Aedge's roster today, it carries the most identifiable milestones and near-term catalysts. Since 2025, Aedge has been gradually investing in the acquisition and leasing of Class 3 dormitories. Their first property, Amethyst House and its 299 beds, is fully leased out. Beryl House (408 beds) secured its dormitory licence on 12 May 2026, and has been income-producing since May, with a quick tenancy supported by a shortage of accommodations. This lifts operational capacity to 707 beds as at FY26 year-end, up from 299 recorded in 1H FY26. Furthermore, Carnelian House (219 Kallang Bahru), Aedge's latest acquisition, is being converted to 250–300 beds, with dormitory start targeted Jun 2027, and they have exercised an option to purchase a freehold Geylang asset on 20 Jul 2026 as a fourth recurring-income property. We note that each acquisition represents a marked increase in operational capacity given the low starting base, with segment revenue rising 133.0% YoY in FY26 to S\$3.51mln.

As mentioned in the report by DASL and Knight Frank above, we also cite the robust average occupancy numbers as a good gauge of rental demand. Aside from the aforementioned tailwinds, we note that Aedge is exposed to the Dormitory Transition Scheme.

As a further note, in January 2026, the MOM rolled out the Dormitory Transition Scheme (DTS) providing partial cost defrayment for operators retrofitting existing dormitories to interim standards by 2030 (maximum 12 workers per room, minimum 3.6 sqm per person, en-suite toilets per 6 workers), with full National Dormitory Standards (NDS) compliance required by 2040.

**Exhibit 5: Dormitory Zones**



Source: MOM, DASL, Knight Frank, Lim & Tan Research

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### Exhibit 6: Investment Properties



Note: From left to right: Amethyst House, Beryl House, and the upcoming Camelion House

Source: Aedge

It is estimated that c.1,000 Purpose-Built Dormitories (PBDs) and Factory-Converted Dormitories (FCDs) are required to retrofit within a five-year window. As a result, it is expected that there will be some dormitory supply tightening in the coming years, which is a boon for rental income for Aedge. We would caution, however, that Knight Frank's H2 2025 update revised its 2026 rent growth forecast down to c.5% (from the c.10% in their H1 2025 outlook), reflecting easing demand pressure.

A further consideration for assessment of the Investment Properties segment is Aedge's accounting policy choice. Aedge carries dormitory properties at cost less accumulated depreciation, understating carrying values relative to the fair-value model. As at 30 June 2026, the NBV of the IP stood at S\$33.9m, against an independently valued fair value of c.S\$41.0m. The difference of c.S\$7m is c.52% of equity attributable to owners.

We note also that with a growing portfolio of investment properties, Aedge is incurring higher annual depreciations which suppresses reported net profit but does not reflect the economic deterioration of the assets. As such, we believe that EBITDA is the more informative profitability metric for the Investment Properties segment. The Geylang freehold at 2 Westerhout Road (option exercised Jul 2026) is a fourth recurring-income asset, leased from Oct 2026 at c.S\$15k a month and included in our FY27F–FY28F estimates.

## AEDGE GROUP LIMITED

### Exhibit 7: Rental Rates Data

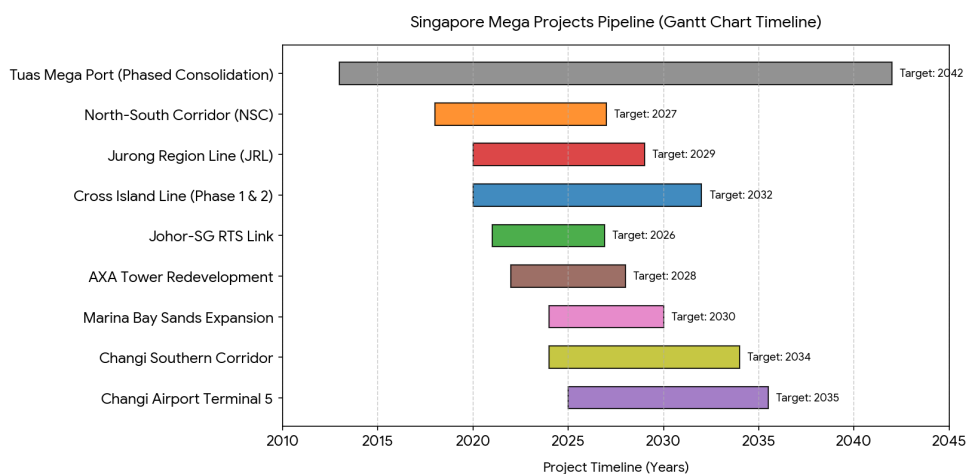
|         | H2 2025 |         |         |
|---------|---------|---------|---------|
| Zones   | Minimum | Average | Maximum |
| East    | \$465   | \$515   | \$565   |
| Central | \$415   | \$520   | \$625   |
| West    | \$375   | \$440   | \$570   |

Source: DASL, Knight Frank, Lim & Tan Research

**Engineering Services.** Engineering services was the fastest growing operating segment in FY26 at +57.6% YoY (2H alone +90.4%), led by increased revenue recognition across data centre M&E roll-outs, Jurong Island operations, Singtel's nationwide IoT deployment, and large-scale events. Looking forward, management characterises the order book as anchored by recurring multi-year framework agreements, signalling durable demand visibility in the coming years. As mentioned above, BCA projects 2026 construction demand of S\$47–53bln with GlobalData independently models a c.4.2% sector CAGR over 2026–2029, confirming the construction demand. Furthermore, there is a steady addressable market from Singapore's mega-project pipeline, such as Tuas Port, Changi T5, the MBS and RWS expansions, and NUH Kent Ridge to name a few.

However, we must caution that investors should not conflate the construction boon with a growth in Aedge's engineering segment, as Aedge's non-traditionally-sourced (NTS) workers work with a group of marquee clients with long contracts, and the relationship between a booming construction upcycle and continued growth is contingent on Aedge's ability to continually attract clients.

### Exhibit 8: Singapore Mega-project Pipeline



Source: Lim & Tan Research

**Transport Services.** Prior to FY26, Aedge had a lagging transport services segment. In FY26, however, transport grew 31.8% YoY, recording GP +58.3% and a gross margin of 20.3%. Transport also saw improved utilisation at c.92% following a right-sizing of the fleet to 50+ vehicles (down from approximately double that size at peak). Management also reports contract renewals with expanded scope and improved margin terms. Interestingly, the segment has direct links to the broader migrant workforce. The Work Permit Holders that Aedge houses and services also require daily transport between accommodation and worksites, giving the transport segment an unusually integrated position within the Group.

For third-party data corroboration, available market-sizing measures bus vehicle sales rather than operator revenue and should not anchor revenue forecasts, and while the LTA's Bus Connectivity Enhancement Programme is a positive for bus capacity, the bulk of that volume accrues to public bus operators rather than charter providers. Therefore, we believe that the segment's strong reported momentum is, accordingly, primarily an execution story, rather than a macro tailwind.

**Security & Manpower.** Security and manpower represents the largest segment at c.39% of the Group's revenue, growing 15.6% YoY in FY26 to S\$15.1mln, with new customer wins and scope expansion among the existing clients. At the sub-segment level (9M data), margin gains in cleaning (31.6% gross margin, +53.7% revenue) and flexible staffing (16.7% margin, +19.8%) more than offset a management-cited transitional contraction in traditional guarding (-6.3% revenue, 8.0% margin). It is also worth noting that aviation manpower demand offers a longer-term opportunity, as the industry is supported by a S\$200m sector skills fund and the multi-decade demand visibility of Changi T5.

**AEDGE GROUP LIMITED**
**Peer Valuation**

- Aedge trades at a notable discount to peers on a forward earnings basis. With a blended FY27F/FY28F P/E of 7.9x against a peer average of 10.8x, this represents a discount of roughly 27%. This compression is driven by a sharp inflection in earnings in FY26, with projected EPS growth of 84% in FY27F and a further 23% in FY28F. This sharp turn-around is driven largely by contract renewals and macro tail-winds that we laid out in the previous sections.

The discount is corroborated on an enterprise basis. Aedge's FY27F EV/EBITDA of 5.6x is well below both the peer median of 9.8x and the average of 10.0x, indicating the cheap forward P/E reflects value on a cash-earnings basis.

**Exhibit 9: Peer Comparison**

| Name                 | Market Cap<br>(\$\$bn) | Stock Perf<br>YTD% | PE (x) | Forward<br>PE(x) | EPS Growth<br>(1yr) | EPS Growth<br>(2yr) | EV/ EBITDA<br>fwd(x) | P/B(x) | ROE | Div Yield |
|----------------------|------------------------|--------------------|--------|------------------|---------------------|---------------------|----------------------|--------|-----|-----------|
| AEDGE GROUP LTD      | 0.04                   | 24.0%              | 16.1   | 7.9              | 84%                 | 23%                 | 5.6                  | 2.3    | 18% | 2.7%      |
| HRNETGROUP LTD       | 0.69                   | -7.3%              | 15.9   | 14.5             | -8%                 | 15%                 | 6.6                  | 1.7    | 11% | 6.3%      |
| LHN LTD              | 0.24                   | -15.6%             | 10.2   | 8.1              | 41%                 | 12%                 | 10.6                 | 0.8    | 8%  | 7.3%      |
| WEE HUR HOLDINGS LTD | 0.58                   | -14.8%             | 7.8    | 7.9              | 8%                  | -8%                 | 8.9                  | 0.8    | 11% | 2.4%      |
| CENTURION CORP LTD   | 1.19                   | 13.6%              | 17.7   | 12.5             | -12%                | 11%                 | 13.9                 | 1.0    | 6%  | 2.8%      |
| Median               |                        | -11%               | 13.1   | 10.3             | 0%                  | 11%                 | 9.8                  | 0.9    | 9%  | 5%        |
| Average              |                        | -6%                | 12.9   | 10.8             | 7%                  | 7%                  | 10.0                 | 1.1    | 9%  | 5%        |

Source: Lim & Tan Research

**Valuation**

- We value Aedge using a relative-valuation approach, comparing Aedge to relevant SGX-listed peers. Applying the peer average forward P/E of 10.8x to a 50/50 blend of FY27F and FY28F EPS (2.74¢) implies a target price of S\$0.295, for an upside of +37.2%. Although Aedge's market cap of S\$38mln is materially smaller than peers, which range from S\$0.24bln (LHN) to S\$1.19bln (Centurion), we do not apply a size discount, given its materially faster earnings growth (FY27F EPS +84% against a peer average of 7%).

We also note that EBITDA is a particularly relevant metric for Aedge given that investment properties generate c.S\$1.8mln of depreciation, suppressing net profit. On an EBITDA basis, our FY27F estimate of S\$10.3mln implies an EV/EBITDA of approximately 5.6x at the current share price, a c.43% discount to the peer median of 9.8x. This is a deeper discount than the P/E comparison alone suggests, and one that we regard as the more meaningful expression of the valuation gap.

**AEDGE GROUP LIMITED**

We initiate a **BUY** rating on **AEDGE GROUP LIMITED** with a **12-month target price of S\$0.295**. We like Aedge's 1) contract renewal reflecting sustainable earnings, 2) diversification into investment properties, and 3) complementary business segments amid converging macro tailwinds.

**Exhibit 10: Valuation Table**

|                                |                |
|--------------------------------|----------------|
| Peer average forward P/E (x)   | 10.8x          |
| Blended FY27F/FY28F EPS (S\$)  | 2.74           |
| Target price                   | <b>\$0.295</b> |
| Upside / (Downside) vs current | <b>37.20%</b>  |

Source: Lim & Tan Research

**Review of FY26 Performance**
**Exhibit 11: FY26 Financials**

|                       | FY2026       | FY2025       | Chg %        |
|-----------------------|--------------|--------------|--------------|
| Revenue               | 38,398       | 28,041       | 36.9         |
| Engineering           | 12,438       | 7,890        | 57.6         |
| Transport             | 7,311        | 5,547        | 31.8         |
| Investment properties | 3,505        | 1,504        | 133.0        |
| Security & Manpower   | 15,144       | 13,100       | 15.6         |
| Gross profit          | 7,564        | 3,648        | 107.3        |
| Net profit/(loss)     | 2,378        | -891         | n.m.         |
| Attrib. to owners     | 2,384        | -650         | n.m.         |
| <b>EBITDA</b>         | <b>6,516</b> | <b>2,730</b> | <b>138.7</b> |

Source: Aedge, Lim & Tan Research

➤ Aedge reported a marked turnaround for the year ended 30 June 2026. Revenue rose 36.9% YoY to S\$38.4m (FY2025: S\$28.0m), with growth across all four segments. More significantly, the Group swung from a net loss of S\$0.9m to a net profit of S\$2.4m (S\$2.38m attributable to owners vs a S\$0.65m loss). This return to profitability and the inflection point underpins the forward earnings story. EBITDA improved to S\$6.5m from S\$2.7m, and the Group generated S\$5.3m of operating cash flow.

**Drivers of the inflection.** The turnaround was driven less by top-line growth than by margin expansion. While revenue grew 36.9%, cost of sales rose only 26.4%, lifting gross margin from 13.0% to 19.7% and more than doubling gross profit to S\$7.6m. Management attributes this to better engineering project profitability, higher asset utilisation, IP swinging from gross loss to gross profit, and better margins in manpower outsourcing and cleaning.

**Other income and government grants.** Government grants such as the Progressive Wage Credit Scheme (PWCS), the Senior Employment Credit (SEC), and the CPF transition offset compensates Aedge for the mandated wage increases imposed under Singapore's Progressive Wage Model on lower-wage occupations including security officers, cleaners, and bus drivers. Importantly, these schemes pay in arrears, typically settling previous year's entitlement in early Q1 of the following year. Given Aedge's June year-end, their financial year captures only a partial-period grant receipt.

In FY25, Aedge booked S\$509k of government grants, and only S\$209k in FY26, consistent with the timing discrepancies that we pointed out earlier. As mandatory wage escalation under the Progressive Wage Model is legislated to continue through 2028, the grant offset programme is likewise expected to persist, and our estimates may be conservative to the extent that FY27 grant receipts, which will reflect FY26 wage obligations, are recognised in line with prior-year patterns.

By segment, Investment Properties was the standout growth contributor in percentage terms (+133.0% to S\$3.5mln), reflecting the first full-period contribution from Amethyst House, now 100% occupied. Transport grew 31.8% on contract renewals with expanded scope and improved margin terms; Engineering grew 57.6% on a higher volume of projects secured and completed; and Security & Manpower, the largest segment at S\$15.1mln, grew a more modest 15.6%.

Critically, operating leverage was apparent below the gross line: administrative expenses rose only 11.4% (10.9% of revenue vs 13.4%) and finance costs fell 13.6%, so the gross profit gain passed through to a positive operating result of S\$3.4mln, vs a S\$0.3mln operating loss in FY25.

**Debt structure.** The majority of Aedge's S\$23.6mln of gross borrowings as at 30 June 2026 (S\$18.3mln non-current / S\$5.3mln current), after S\$13.0mln of FY26 drawdowns mainly for Carnelian, comprises self-amortising property and renovation loans secured against the dormitory assets, with rental income providing natural debt service coverage. As these loans amortise on fixed schedules over the next four to five years, debt service obligations will mechanically decline, improving free cash flow conversion from the Investment Properties segment. We would caution, however, that this trajectory is conditional on the Group completing its current acquisition programme without material cost overruns.

**Management outlook.** The Board expects “another year of robust growth”, barring unforeseen circumstances. Engineering: the Group will “prioritise margin quality over volume”. Transport: the rate benefit is “largely reflected in FY2026”, so FY27 should be more stable than fast-growing. Security & Manpower: momentum continues, but the Security PWM wage schedule runs through 2028. Investment Properties: stronger, with Beryl operating from May 2026.

### **Company and Segment Information**

■ **Company Overview.** AEDGE GROUP LIMITED (SGX: XVG) is a Singapore-based multi-services provider listed on the SGX Catalist board. The Group operates across four reportable business segments: engineering services, transportation services, security and manpower services, and investment properties, with operations managed entirely within Singapore.

#### **Business Segments.**

*Security and manpower services* is the Group’s largest and most profitable segment, contributing S\$15.1m (39% of FY2026 total) and S\$1.4m segment PBT. The segment provides security services, cleaning, and manpower staffing for aviation technicians.

*Engineering services* provides integrated engineering solutions, including the sale and installation of scaffolding and communication systems, with some exposure to renewable energy project execution.

*Transportation services* operates bus services for schools, corporates and ad hoc charters. It contributed S\$7.3m of external revenue (19%) and segment PBT of S\$0.9m.

*Investment properties* is a newly broken-out segment in FY2025 (the Group reported three segments in FY2024), involving the leasing of investment properties for rental income and capital appreciation. In FY26 it contributed S\$3.5m (9% of Group revenue) and segment PBT of S\$0.7m, against a S\$0.5m loss in FY25.

**Key Risks**

- Low free float/Ownership concentration.** We caution investors that insiders hold c.75% of Aedge, with Mr Poh Soon Keng controlling c.56.7% of votes via PTCC and a further 7.9% through direct holdings, leaving roughly 25% as free float. At that concentration, minority shareholders have limited voting influence over related-party transactions. The Aug-2026 placement has already broadened the float, and further bonus issues or placements would broaden it again.

**Liquidity.** A low free float on an SGX Catalist micro-cap (c.S\$38mln) means trading volumes are likely to be low and erratic, with wide bid-ask spreads and price impact for any trading size. This is compounded by the small absolute size of the company and its recurring history of small capital raises (S\$507k in FY25) used largely to fund working capital, although half of the S\$3.37mln raised in Aug-2026 is earmarked for investment properties. This may signal the company itself may struggle to access liquidity beyond its controlling shareholder's support.

**Substantial Shareholders**

- Executive Chairman and CEO Mr Poh Soon Keng bought 400,000 shares on-market between 22 and 24 Sep 2026 for S\$84,300, an average of c.S\$0.211 a share. His direct stake rises to 14.1mln shares (7.92%), and with the 101.3mln shares held through his holdco PTCC Holdings Pte Ltd, his total interest is now 64.61% of the enlarged 178.6mln share base.

**Exhibit 12: Substantial Shareholders and Directors**

| Holder Name           | Position    | % of Outstanding |
|-----------------------|-------------|------------------|
| PTCC Holdings Pte Ltd | 101,250,000 | 56.7%            |
| Mr Poh Soon Keng      | 14,142,730  | 7.9%             |
| Ms Tan Ah Hwa         | 13,500,000  | 7.6%             |
| Mr Ng Choon Beng      | 5,113,635   | 2.9%             |

Source: Bloomberg, Lim & Tan Research

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