

Reclaims Global Limited

02 Oct 2026

BUY (Maintained)

BBG	RGL SP
Market Cap	S\$58.7 m
Price (01 Oct 2026)	S\$0.200
Target Price	S\$0.265
52-week range	S\$0.185 – 0.251
Shares Outstanding	293.6 million
Free Float	37.5%
Major Shareholder	Chan Chew Leh 30.9% Tan Kok Huat 30.9%

Source: Company Data, Bloomberg, SAC Capital



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Buybacks Add a Boost

Strong 1HFY27 Results Reinforce Growth Momentum. Reclaims delivered a strong set of 1HFY27 results, with revenue rising 52.9% YoY to S\$33.3m and net profit increasing 53.1% to S\$3.8m, driven by stronger demand across all three operating segments. Excavation services remained the largest contributor, with revenue increasing 47.3% YoY to S\$24.1m, while logistics and leasing grew 52.0% to S\$7.2m and recycling surged 171.9% to S\$1.7m.

New contract wins strengthen revenue visibility. Reclaims secured approximately S\$19.89m of contracts during the May–July 2026 period, including the S\$9.55m of earthworks contracts already reflected in our previous forecasts, implying around S\$10.34m of incremental awards since our last update. The latest projects span excavation and earthworks, demolition and disposal, reinstatement, environmental services, logistics support and other site-enabling works, with execution expected over the next two years. We consequently raise FY27E and FY28E revenue forecasts by 7.9% and 5.4% to S\$58.9m and S\$60.1m, respectively, while net profit forecasts have been raised by 9.7% and 6.0% to S\$7.9m and S\$8.8m, respectively. This reflects stronger project activity and improved revenue visibility.

Share buybacks signal management confidence. As at 28 September 2026, the Group had repurchased approximately 8.4m shares, representing around 2.8% of pre-buyback issued share base. In our view, the purchases reflect management's confidence in Reclaims' longer-term prospects while providing modest EPS accretion through a lower outstanding share count.

Dividend. Reclaims declared a S\$0.25 interim dividend for 1HFY27, representing an approximately 20% payout ratio on 1HFY27 net profit attributable to shareholders. This translates to an annualised dividend yield of approximately 2.5%. We forecast FY27E dividend payout ratio to be about 30%, representing a dividend yield of approximately 3.9% at current price levels.

KEY FINANCIAL HIGHLIGHTS

Year ended Jan (S\$'m)	FY24	FY25	FY26	FY27E	FY28E
Revenue	24.3	44.4	46.5	58.9	60.1
EBIT	1.5	6.5	7.9	10.0	11.1
Net profit	1.5	5.6	6.8	7.9	8.8
Adjusted EPS (S\$)*	0.6	2.1	2.5	2.6	3.0
Adjusted Dividend per share (S\$)*	0.6	0.6	#	0.8	0.9
Net cash / (debt)	10.2	14.0	27.9	-31.6	-27.2
Valuation					
Gross profit margin (%)	48.2%	44.3%	48.3%	45.6%	47.4%
Net profit margin (%)	6.2%	12.5%	14.7%	13.4%	14.6%
EV/EBITDA (x)	13.6	5.3	3.2	7.8	6.7
P/E (x)	34.6	9.4	8.0	7.6	6.7
P/B (x)	1.8	1.6	1.3	1.2	1.0
Dividend yield (%)	3.0%	3.0%	6.1%	3.9%	4.4%
Net Debt/ Equity (x)	-0.3	-0.4	-0.6	0.6	0.5

* Historical EPS and DPS have been adjusted for placement of shares in October 2025 and the 1-for-1 bonus issue completed in March 2026. # For FY2026, interim dividend is 0.5 SG cents per share, final tax-exempt one-tier dividend is 0.5 SG cents per share, special tax-exempt one-tier dividend is 0.5 SG cents per share.

Reclaims Global Limited

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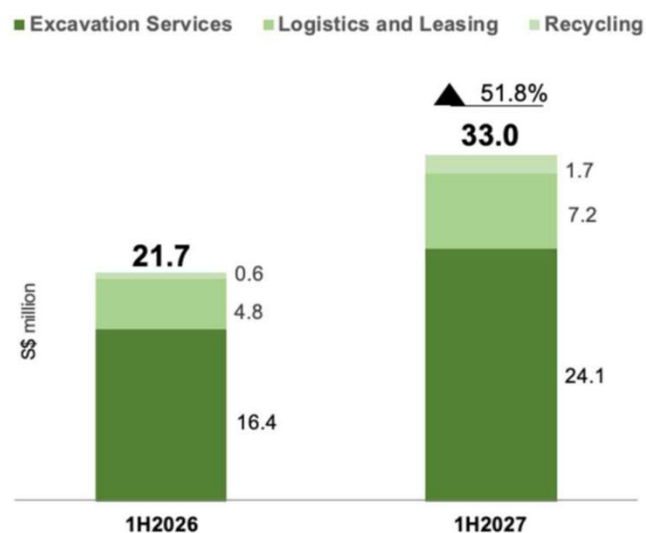
Risks. Key risks remain project-execution delays, margin pressure from higher labour and input costs, slower receivable collection and higher gearing following the completed property acquisitions.

Recommendation. We maintain our BUY recommendation and raise our Target Price by 20.5% to S\$0.265. This reflects our FY27E and FY28E earnings upgrades and PER expansion of its peers. This implies a potential upside of approximately 32.5% from current levels.

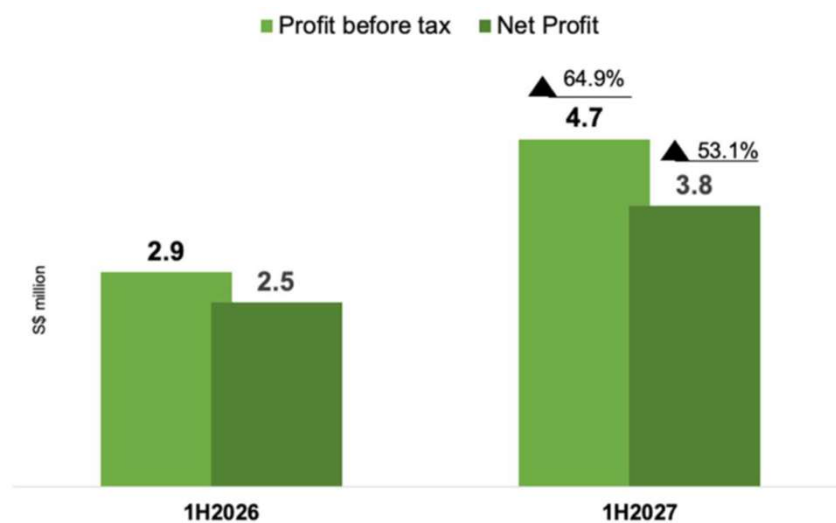
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Key Revenue Contributors



Source: Company



Source: Company

Income Statement

FYE Jan (\$Sm)	2024	2025	2026	2027E	2028E
Revenue	24.3	44.4	46.5	58.9	60.1
Cost of materials, services and consumables	(12.6)	(24.7)	(24.1)	(32.0)	(31.6)
Gross Profit	11.7	19.7	22.5	26.9	28.5
Interest income	0.2	0.1	0.1	0.1	0.1
Other income and gains	0.5	0.2	1.2	0.9	1.3
Rental Income	-	-	-	0.7	0.8
Finance costs	(0.0)	(0.0)	-	(0.9)	(0.9)
Depreciation expense	(1.8)	(1.8)	(1.6)	(1.5)	(1.8)
Depreciation of right-of-use-assets	(0.3)	(0.3)	(0.1)	-	-
Employee benefits expense	(5.8)	(7.4)	(8.8)	(10.5)	(11.0)
Other expenses	(2.8)	(3.8)	(4.3)	(5.7)	(5.7)
Other losses	(0.3)	(0.4)	(1.0)	(0.9)	(1.1)
Profit before tax from operations	1.5	6.5	7.9	9.2	10.2
Income tax (expense)/benefit	0.0	(0.9)	(1.1)	(1.3)	(1.4)
Profit from operations, net of tax	1.5	5.6	6.8	7.9	8.8

Balance Sheet

FYE Jan (\$Sm)	2024	2025	2026	2027E	2028E
ASSETS					
Non-current assets					
Property, plant and equipment	9.8	10.2	8.1	9.7	10.9
Right-of-use assets	3.0	2.7	-	-	-
Investment property	-	-	-	59.3	59.3
Investment in financial assets at FVTPL	-	-	-	-	-
Investment in a subsidiary	-	-	-	-	-
Total non-current assets	12.8	12.9	8.1	69.0	70.2
Current assets					
Inventories	0.0	0.0	0.0	0.0	0.0
Trade and other receivables	7.8	8.2	12.4	15.2	15.8
Other assets	3.6	5.3	6.8	8.1	8.5
Asset held for sale	-	-	-	-	-
Cash and cash equivalents	10.5	14.0	27.9	11.8	16.2
Total current assets	22.0	27.5	47.1	35.1	40.5
Total assets	34.8	40.4	55.3	104.1	110.7
EQUITY AND LIABILITIES					
Equity					
Share capital	19.4	19.4	26.9	26.9	26.9
Retained earnings	10.4	14.4	20.3	25.9	32.1
Treasury shares	-	-	-	(1.8)	(1.8)
Other reserves	-	-	-	-	-
Total equity	29.8	33.8	47.2	51.0	57.3
Non-current liabilities					
Deferred tax liabilities	0.6	0.7	0.7	0.7	0.7
Loans and borrowings	-	-	-	43.4	43.4
Lease liabilities, non-current	-	-	-	-	-
Total non-current liabilities	0.6	0.7	0.7	44.1	44.1
Current liabilities					
Income tax payable	0.2	1.0	0.9	1.0	1.2
Loans and borrowings	0.3	-	-	-	-
Lease liabilities, current	0.2	-	-	-	-
Trade and other payables	3.7	5.0	6.5	7.9	8.2
Total current liabilities	4.4	5.9	7.4	9.0	9.4
Total liabilities	5.0	6.7	8.1	53.1	53.5
Total equity and liabilities	34.8	40.4	55.3	104.1	110.7

Cash Flow Statement

FYE Jan (\$Sm)	2024	2025	2026	2027E	2028E
Cash flows from operating activities					
Profit before tax	1.5	6.5	7.9	9.2	10.2
Adjustments for:					
Interest income	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)
Interest expense	0.0	0.0	-	0.9	0.9
Impairment loss on property, plant and equipment	-	-	-	-	-
Allowance for trade receivables, net	0.2	0.4	1.0	1.5	1.2
Losses on fair value changes of investment at FVTPL	0.2	-	-	-	-
Depreciation of property, plant and equipment	1.8	1.8	1.6	1.5	1.8
Depreciation of right-of-use-assets	0.3	0.3	0.1	-	-
Reversal of provision of doubtful debts	-	-	-	-	-
Gain on disposal of property, plant and equipment	(0.1)	(0.1)	(1.2)	-	-
Net effect of exchange rate changes in consolidating subsidiary	(0.0)	-	-	-	-
Operating cash flows before changes in working capital	3.6	8.7	9.5	12.9	14.0
Inventories	0.0	0.0	-	(0.0)	(0.0)
Trade and other receivables	0.2	(0.8)	(5.2)	(4.3)	(1.8)
Other assets	0.3	(1.7)	(1.5)	(1.3)	(0.4)
Trade and other payables	0.5	1.3	1.5	1.4	0.3
Total	1.0	(1.2)	(5.1)	(4.2)	(1.9)
Net cash flows from operations	4.7	7.5	4.3	8.7	12.2
Income taxes refunded/(paid)	(0.4)	0.0	(1.2)	(1.1)	(1.3)
Net cash flows from operating activities	4.2	7.5	3.1	7.6	10.9
Cash flows used in investing activities					
Purchase of property, plant and equipment (Notes 14 and 21A)	(1.4)	(2.3)	(2.4)	(3.1)	(3.1)
Purchase of investment property	-	-	-	(59.3)	-
Proceeds from disposal of property, plant and equipment	0.4	0.3	6.6	-	-
Investment in financial assets at FVTPL	-	-	-	-	-
Interest income received	0.2	0.1	0.1	0.1	0.1
Net cash flows used in investing activities	(0.8)	(1.9)	4.3	(62.2)	(3.0)
Cash flows used in financing activities					
Dividends paid	(1.3)	(1.6)	(0.9)	(2.3)	(2.6)
Placement of shares	-	-	7.5	-	-
Interest expense paid	(0.0)	(0.0)	-	(0.9)	(0.9)
Proceeds from bank borrowings	-	-	-	43.4	-
Repayment of borrowings	(0.9)	(0.3)	-	-	-
Lease liabilities – principal portion paid	(0.6)	(0.2)	-	-	-
Purchase of treasury shares	-	-	-	(1.8)	-
Proceeds from issuance of shares	-	-	-	-	-
Net cash flows used in financing activities	(2.7)	(2.1)	6.6	38.5	(3.4)
Net increase in cash and cash equivalents	0.6	3.5	13.9	(16.2)	4.4
Cash and cash equivalents, beginning balance	9.9	10.5	14.0	27.9	11.8
Cash and cash equivalents, ending balance	10.5	14.0	27.9	11.8	16.2

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Nature of Business Relation	Date of Business Relation
Placement	October 2025
Continuing Sponsorship	Ongoing Relation

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