



FOR IMMEDIATE RELEASE

## ISOTeam's full-year earnings increase significantly as revenue surges 63.0% in FY2019

- Achieves strong revenue growth across all segments in FY2019.
- Builds robust order book of S\$113.5 million as at 31 July 2019 to be delivered over the next two years.
- Proposes final dividend of 0.42 Singapore cents per ordinary share, reflecting a pay-out of 20.4% of its consolidated profit after tax and minority interests, excluding non-recurring, one-off and exceptional items.

### Financial Highlights for the 12 Months Ended 30 June

S\$'m	FY2019	FY2018 (restated) <sup>1</sup>	Chg (%)
<b>Total revenue</b>	<b>136.6</b>	<b>83.8</b>	<b>63.0</b>
– Repairs & Redecoration (“R&R”)	27.3	19.8	37.9
– Addition & Alteration (“A&A”)	67.7	36.2	86.8
– Coating & Painting (“C&P”)	14.4	9.9	45.0
– Others <sup>+</sup>	27.3	17.9	52.6
<b>Gross profit</b>	<b>21.6</b>	<b>13.0</b>	<b>66.9</b>
<b>Profit/(loss) before tax</b>	<b>7.3</b>	<b>(0.8)</b>	<b>NM</b>
<b>Net profit/(loss) for the period</b>	<b>6.3</b>	<b>(0.3)</b>	<b>NM</b>
<b>Profit attributable to equity holders</b>	<b>6.8</b>	<b>0.5</b>	<b>NM</b>
<b>Earnings per share* (Singapore cents)</b>	<b>2.37</b>	<b>0.17</b>	<b>NM</b>

- NM: Not meaningful

- <sup>+</sup> Includes revenue from commercial interior design (“ID”), home retrofitting business, landscaping works, leasing service, waterproofing, green solutions business, mechanical & electrical engineering works and handyman service.

- <sup>\*</sup> Based on the weighted average number of ordinary shares in issue of 284,725,505 and 284,508,757 in FY2019 and FY2018 respectively.

**SINGAPORE, 28 August 2019** – Driven by significant revenue growth across all its business segments, ISOTeam Ltd. (“ISOTeam” or together with its subsidiaries, the “Group”), an established and one of the leading players in Singapore’s building maintenance and estate upgrading industry, has

<sup>1</sup> The Group has adopted Singapore Financial Reporting Standards (International) (“SFRS(I)”) on 1 July 2018 which are effective for annual financial period beginning on 1 July 2018. The Group has also concurrently applied SFRS (I) 15 Revenue from Contracts with Customers and SFRS(I) 9 Financial Instruments. The Group has applied the changes in accounting policies retrospectively to each reporting period/year presented, using the full retrospective approach. The Group also applied practical expedients for completed contracts where completed projects that begin and end within the same year or are completed contracts at 1 July 2017 are not restated.



significantly increase its net attributable profit to S\$6.8 million as the Group revenue surged 63.0% to S\$136.6 million for the 12 months ended 30 June 2019 (“FY2019”).

Reflecting the success of the Group’s new tendering strategy, which was adopted after its last financial year ended 30 June 2018 (“FY2018”) to mitigate increasingly intense industry competition, all four of its business segments achieved strong double digit growth in FY2019. The Group’s core A&A business led the revenue expansion with an 86.8% year-on-year (“yoy”) increase followed by Others (52.6% higher), C&P (45.0% higher) and R&R (37.9% higher). In tandem with revenue growth, the Group’s gross profit in FY2019 rose 66.9% yoy to S\$21.6 million.

On a quarterly basis, the Group achieved revenue growth of 63.7% yoy to S\$33.1 million for the three months ended 30 June 2019 (“4Q2019”), reversing the attributable loss of S\$1.7 million for the three months ended 30 June 2018 (“4Q2018”) to a net attributable profit of S\$3.2 million in 4Q2019. The improvement was led by the sterling revenue growth generated by its R&R business, which grew 153.7% yoy, and its Others segment, which expanded 136.7% over the same period.

**Executive Director and Chief Executive Officer, Mr Anthony Koh (许统发)** said, “FY2019 was indeed a comeback year for ISOTeAM as we were able to accomplish a convincing improvement in our earnings performance as compared to FY2018. I am very proud of all my colleagues at ISOTeAM, who despite facing persistent industry challenges, had worked relentlessly to build a robust order book and to achieve this stellar outcome.”

In line with its FY2019 results, ISOTeAM’s earnings per share rose to 2.37 Singapore cents per ordinary share as compared to 0.17 Singapore cents in the previous corresponding year. Based on approximately 285.1 million ordinary shares, net asset value per share was 20.04 Singapore cents as at 30 June 2019 as compared to 17.95 Singapore cents as at 30 June 2018.



## Dividend

To distribute the fruits of a good year with shareholders, ISOTeAM's Board of Directors has recommended a final tax exempt (one-tier) dividend of 0.42 Singapore cents per ordinary share for FY2019. This represents a payout ratio of 20.4% of its consolidated profit after tax and minority interests, excluding non-recurring, one-off and exceptional items for the financial year.

## Outlook

Over the next two years, the Group expects to deliver S\$113.5 million worth of projects, which is the size of its order book as at 31 July 2019. Its latest slew of contract wins, which was recently announced on 30 July 2019, was worth S\$20.3 million.

On 24 July 2019, ISOTeAM announced the proposed acquisition of six companies collectively known as "Pure Group", to strengthen its commercial and retail fitting-out capabilities and project and management services. The proposed acquisition will also pave the way for the Group to enlarge its regional presence with Pure Group's network, which covers Singapore, the Philippines, China, Malaysia and Thailand.

Besides that, as an eco-conscious company the Group would like to enhance one of its subsidiaries-SG Bike Pte. Ltd.'s market share in the bike sharing industry in Singapore. Aligned to this, the Group has entered into an asset transfer agreement with Singapore Mobike Pte. Ltd. to purchase additional 25,000 bicycles along with the licenses issued by the Land Transport Authority of Singapore.

*Mr Koh said, "Having worked with Pure Group on several large-scale and successful projects for Singapore's integrated resorts in the past, we are confident of the team's competencies and professionalism. The addition of Pure Group into the ISOTeAM family will not only enhance our existing strengths in building and estate maintenance and upgrading but also better position us to capitalise on opportunities from the integrated resorts' future plans. We are excited about the next 12 months as we believe that this proposed acquisition will open new revenue streams for us domestically and regionally as we seek to bolster our overseas market presence and order book."*

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### **About ISOTeAM Ltd.**

*Founded in 1998 and listed on Catalist of the Singapore Exchange Securities Trading Limited (SGX-ST) (Ticker: 5WF) on 12 July 2013, ISOTeAM Ltd. is an established player in Singapore's building maintenance and estate upgrading industry with 20 years of Repairs & Redecoration (R&R) and Addition & Alteration (A&A) experience. We have successfully undertaken more than 400 refurbishment and upgrading projects for well over 4,000 buildings and counting since inception. ISOTeAM also offers specialist Coating & Painting (C&P) services as well as complementary niche services (Others) through its specialist waterproofing, commercial interior design and home retrofitting, landscaping, access equipment leasing, green solutions, mechanical & electrical engineering works and handyman service subsidiaries. An eco-conscious company, we integrate green methodologies in our projects, and actively work with strategic partners and technology companies to develop and commercialise green solutions / products. ISOTeAM's major customers include town councils, government bodies, and private sector building owners. For more information, please visit [www.isoteam.com.sg](http://www.isoteam.com.sg).*

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### **Issued by and on behalf of ISOTeAM Ltd. by**

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*ISOTeAM Ltd. (the "Company") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 12 July 2013. The initial public offering of the Company was sponsored by Hong Leong Finance Limited (the "Sponsor").*

*This press release has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of the SGX-ST.*

*This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made, or reports contained in this press release.*

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