



FOR IMMEDIATE RELEASE

ISOTeam continues to achieve positive results on the back of strong order book of S\$132.8 million

- *Earnings increased 62.5% to S\$1.3 million in 2QFY2019 on the back of a 68.1% increase in revenue to S\$45.9 million as compared to 1QFY2019.*
- *Performance buoyed by higher contributions across all business segments in 2QFY2019.*
- *Record order book of S\$132.8 million (to be delivered over two years).*

Financial Highlights[#]

S\$'m	2QFY2019	2QFY2018	Chg (%)	1HFY2019	1HFY2018	Chg (%)
Revenue	45.9	23.8	93.1	73.1	48.9	49.7
Gross profit	5.3	5.0	5.7	10.2	9.4	7.7
Profit before tax	1.7	1.3	29.8	2.4	2.9	(20.0)
Net profit for the period	1.2	1.4	(9.9)	1.7	2.8	(38.1)
Profit attributable to equity holders	1.3	1.9	(29.5)	2.1	3.4	(37.4)
Earnings per share* (Singapore cents)	0.47	0.67	(29.9)	0.75	1.20	(37.5)

[#]Financial year-end: 30 June

*Based on the weighted average number of ordinary shares in issue of 284,623,662 in 2QFY2019; 284,935,584 in 1HFY2019; 283,762,041 in 2QFY2018 and 284,035,546 in 1HFY2018.

SINGAPORE, 13 February 2019 – ISOTeam Ltd. (“ISOTeam” or together with its subsidiaries, the “Group”), an established and leading player in Singapore’s building maintenance and estate upgrading industry, today reported a 62.5% growth in profit attributable profit to equity holders to S\$1.3 million for the three months ended 31 December 2018 (“2QFY2019”), compared to S\$0.8 million for the three months ended 30 September 2018 (“1QFY2019”). The strong performance came on the back of a 68.1% quarter-on-quarter (“QoQ”) increase in revenue to S\$45.9 million in 2QFY2019, buoyed by higher contributions across all business segments.



Total expenses during the quarter fell 13.6% QoQ from S\$4.4 million in 1QFY2019 to S\$3.8 million in 2QFY2019, which is partly due to the cost savings from the integration of operations following the consolidation of all its business units at its current corporate headquarters.

Executive Director and Chief Executive Officer, Mr Anthony Koh (许统发), said, *“While the overall market remains challenging, the Group has achieved strong quarter-on-quarter double-digit growth in top-lines and bottom-lines, having seen an improvement quarter-on-quarter since 4QFY2018. Our efforts to adapt our strategy in response to changes in the operating landscape has paid off, as evident from the stronger contributions across all segments as compared to the previous quarter. We have also made progress on the cost front, having previously articulated our desire to increase efficiency and lower costs by consolidating our various operational and administrative functions under one roof at our current office premises. The expected cost savings are now beginning to materialise gradually. Looking ahead, we expect to realise greater savings as we continue to look for ways to optimise our resources.”*

On a year-on-year (“YoY”) basis, the Group’s revenue grew 49.7% to S\$73.1 million for the six months ended 31 December 2018 (“1HFY2019”), as compared to S\$48.9 million for the same period a year ago (“1HFY2018”). Profit attributable to equity holders was down 37.4% from S\$3.4 million in 1HFY2018 to S\$2.1 million in 1HFY2019. The decline was mainly due to reduction in government grants received, as well as higher finance costs associated with the financing for the purchase of the Group’s current office building.



Revenue by Segments

	2QFY2019		2QFY2018		Chg (%)
	S\$'m	%	S\$'m	%	
R&R	5.2	11.3	4.6	19.5	11.7
A&A	30.5	66.4	11.8	49.6	158.9
C&P	4.1	9.0	2.0	8.4	105.5
Others ⁺	6.1	13.3	5.3	22.5	14.3
Total	45.9	100.0	23.8	100.0	93.1

⁺Others includes revenue from commercial interior designs ("ID"), home retrofitting business, landscaping works, leasing services, waterproofing, green solutions business, mechanical and electrical ("M&E") engineering works and handyman services.

The Group has achieved strong growth across all its business segments particularly the significant growth generated by A&A and C&P. The Group expects the momentum to continue over the next two quarters of its current financial year in view of its order book, which stands at a record S\$132.8 million and it is expected to be delivered over the next two years.

ISOTeam started 2019 positively having made two announcements on contract wins in January 2019. These included two significant new contracts – its second Home Improvement Programme ("HIP") project worth S\$26.3 million, and the upcoming installation of Singapore's largest floating solar panel system worth S\$11.0 million. The Group has seen an improvement in the R&R sector with the Group having won a few sizeable projects worth in aggregate S\$9.8 million recently.

Commenting on the contract wins, **Mr Koh** said, *"The HIP and solar panel installation projects are very significant for us because they open up opportunities for us to clinch more similar projects as we continue to build our track record for handling such projects."*

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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.

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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 SGXST. The Sponsor has not independently verified the contents of this press release. 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. The contact person for the Sponsor is Mr Tang Yeng Yuen, Vice President, Head of Corporate Finance, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, Telephone (65) 6415 9886.