



FOR IMMEDIATE RELEASE

ISOTeam kicks off FY2018 with 54.6% rise in 1Q earnings

- Order book as at 27 October 2017 stood at S\$87.2 million, which will be progressively delivered over the next two years.

Financial Highlights for the 3 Months Ended 30 September

S\$'m	1Q2018	1Q2017	Chg (%)
Revenue	25.1	20.8	20.9
Gross profit	4.4	4.7	(5.0)
Profit before tax	1.6	1.5	9.1
Net profit for the period	1.4	1.1	25.6
Profit attributable to equity holders	1.5	1.0	54.6
Earnings per share* (Singapore cents)	0.53	0.34	55.9

*Based on the weighted average number of ordinary shares in issue of 284,309,052 and 284,665,956 in 1Q2018 and 1Q2017 respectively.

SINGAPORE, 10 November 2017 – ISOTeam Ltd. (“ISOTeam” or together with its subsidiaries, the “Group”), an established eco-conscious Repairs and Redecoration (“R&R”), Addition and Alteration (“A&A”) and complementary niche services specialist in Singapore, kicked off the new financial year with a 54.6% year-on-year (“YOY”) increase in net attributable profit to S\$1.5 million for the three months ended 30 September 2017 (“1Q2018”), compared to S\$1.0 million for the three months ended 30 September 2016 (“1Q2017”).

The strong performance was on the back of a 20.9% YOY increase in revenue to S\$25.1 million from S\$20.8 million a year ago, buoyed by the strong double-digit revenue growth generated by the Group’s core R&R and A&A business segments in 1Q2018.



In line with this quarter's growth, the Group's Earnings Per Share rose to 0.53 Singapore cents for the three months ended 30 September 2017, based on the weighted average number of ordinary shares in issue of 284,309,052, as compared to 0.34 Singapore cents for the corresponding three months in 2016 (based on 284,665,956 weighted average number of ordinary shares in issue). Net Asset Value per share also increased to 20.81 cents Singapore as at 30 September 2017, up from 20.31 Singapore cents from the preceding three months.

Revenue by Segments

	1Q2018		1Q2017		Chg (%)
	S\$'m	%	S\$'m	%	
R&R	7.4	29.3	4.5	21.8	62.7
A&A	10.2	40.8	7.6	36.6	34.9
C&P	2.9	11.5	4.3	20.6	(32.5)
Others ⁺	4.6	18.4	4.4	21.0	5.9
Total	25.1	100.0	20.8	100.0	20.9

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

On a segmental basis, the Group's revenue from its R&R and A&A segments saw substantial increases of 62.7% and 34.9% respectively. In contrast, revenue for the C&P segment dropped 32.5% on the back of fewer projects available in the market.

The Group's financial position was further strengthened in the period, with cash and bank balances rising to a high of \$22.9 million, up 54.7% from S\$14.8 million in the preceding quarter.

Commenting on the Group's 1Q2018 performance, **Executive Director and Chief Executive Officer, Mr Anthony Koh (许统发)**, said: "I'm pleased that ISOTeam has gotten off to a promising start in the new financial year. The Group's core R&R and A&A businesses have



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done well in the quarter, with both segments posting double-digit YOY growth. With signs of improving economic conditions, we are also optimistic that more C&P projects will come up for tender soon and the segment is expected to recover after 1Q2018.”

Outlook

While the Group expects market conditions to remain challenging in the next 12 months, ISOTeam believes that it is well-positioned to tap into opportunities in the industries it operates in given its multi-disciplinary capabilities in the built environment, proven track record in public sector projects and growing market share in private sector projects and regional expansion. The Group is also keen to secure more projects from newly acquired customers in the public sector especially the government ministries.

As at 27 October 2017, the Group’s order book stood at a healthy S\$87.2 million, comprising both private and public sector projects which will be progressively delivered over the next two years.

Commenting on SG Bike Pte. Ltd. (“**SG Bike**”), **Mr. Koh** said: *“SG Bike has represented Singapore at the invitation of Land Transport Authority (“**LTA**”) as the only bike sharing company to exhibit and showcase our geo station technology for the future of mobility at the 24th Intelligent Transport System World Congress (“**ITSWC**”) recently held in Montreal. SG Bike is also one of the key speakers in LTA Future Mobility Symposium on 7 November 2017. We are pleased that SG Bike has received such vote of confidence despite being only recently launched and we look forward to rolling it out island wide in the coming months.”*



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On 1 November 2017, the Housing and Development Board (“**HDB**”) called its third and largest solar leasing tender to date under the Economic Development Board’s SolarNova programme¹. A total of 848 HDB blocks under West Coast and Choa Chu Kang town councils and 27 government sites will be installed with solar panels under the latest round of tender.

Commenting on the new tender, **Mr Koh** said: *“We are very excited about this latest and largest round of solar leasing tender. As one of the first movers to provide renewable energy installation services in Singapore, we hope it will give us an advantage to offer our services to the vendor who clinches the contract to supply the solar panels to HDB.”*

Mr Koh added: *“Moving forward, we intend to build on the momentum of our first quarter achievements and focus on increasing efficiencies within the Group, while looking to extract synergies from our recent acquisitions, investments and joint ventures. We will also continue to seek opportunities both locally and overseas to expand our suite of services to fulfil our ambition of being the Best and Preferred Partner for complete solution in built environment.”*

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¹ HDB calls 'largest tender' to install solar panels across government agencies. (Source: Channelnewsasia, 1 November 2017, www.channelnewsasia.com/news/singapore/hdb-calls-largest-tender-to-install-solar-panels-across-9365000)



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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 over 19 years of Repairs & Redecoration (R&R) and Addition & Alteration (A&A) experience. We have successfully undertaken 399 refurbishment and upgrading projects for close to 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 leasing, green solutions and mechanical and electrical works subsidiaries. An eco-conscious company, we integrate green methodologies in our R&R, A&A and Others 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 SGX-ST. 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, #40-01A Hong Leong Building, Singapore 048581, Telephone (65) 6415 9886.