

FOR IMMEDIATE RELEASE

ISOTeam records revenue increase of 123.0% in 2H2021 as compared to the previous corresponding period.

- The revenue increase was led by the A&A segment, which generated revenue growth of 228.8% during the period.
- Narrows net attributable loss from S\$21.6 million in FY2020 to S\$14.5 million in FY2021.
- Performance continues to be impacted by the ongoing COVID-19 situation including supply chain disruptions and labour shortages.
- Order book stands healthy at S\$165.2 million as at 30 June 2021; projects expected to be delivered over the next two years.

Financial Highlights for the 12 Months Ended 30 June

S\$'m	2H2021	2H2020 (restated)	Change (%)	FY2021	FY2020 (restated)	Change (%)
Total revenue	62.3	27.9	123.0	99.0	91.7	8.0
- Repairs & Redecoration ("R&R")	15.8	8.4	87.2	29.5	26.3	12.2
- Addition & Alteration ("A&A")	25.9	7.9	228.8	38.8	32.1	20.9
- Coating & Painting ("C&P")	5.0	2.9	72.1	7.1	11.3	(36.6)
- Others ⁺	15.5	8.7	78.9	23.6	22.1	6.9
Gross profit / (Loss)	0.3	(7.8)	103.4	0.4	1.9	(76.5)
Loss attributable to equity holders	(8.6)	(24.4)	64.9	(14.5)	(21.6)	(32.5)

⁺ Includes revenue from commercial interior design, home retrofitting business, landscaping works, leasing service, waterproofing, green solutions business, mechanical & electrical engineering works, project management and handyman service.

SINGAPORE, 27 August 2021 – With business activity picking up in the second half, **ISOTeam Ltd.** ("ISOTeam" or together with its subsidiaries, the "Group"), an established and leading player in Singapore's building maintenance and estate upgrading industry, has achieved revenue growth of 123.0% in 2H2021 as compared to the previous corresponding period.



The topline improvement was due mainly to higher revenue achieved by all its business segments in the second half of the financial year (“**2H2021**”) as business activities resumed in tandem with the gradual easing of COVID-19 restrictions during the period. The stronger revenue performance was led by the Addition & Alteration segment (“**A&A**”), which generated a 228.8% increase in revenue to S\$25.9 million while the Repairs and Redecoration (“**R&R**”), Coating and Painting (“**C&P**”) and Others segments achieved YOY revenue expansion of 87.2% to S\$15.8 million, 72.1% to S\$5.0 million and 78.9% to S\$15.5 million respectively in 2H2021.

As a result of its stronger topline and partially mitigated by higher impairment loss on receivables and contract assets as well as higher other operating expenses attributed to the impairment of goodwill, the Group narrowed its net attributable loss to S\$14.5 million in FY2021 from S\$21.6 million in the previous corresponding period (“**FY2020**”).

Executive Director and Chief Executive Officer, Mr Anthony Koh (许统发) said:

“FY2021 was very tough for the construction and built-environment industry. While data from the Ministry of Trade and Industry showed that the construction sector expanded in 2Q2021¹, the industry is far from pre-COVID 19 levels. The Group continued to be impacted by the prolonged COVID-19 situation and the resultant border controls which had led to supply chain disruptions and labour shortages. This not only caused delays in the completion of projects but also significant cost increases during the period under review.

“Nevertheless, we are encouraged by our second half performance as it reflected green shoots of recovery in the industry. The Group is optimistic that the situation will continue to get better as vaccinations rates rise and countries and economies gradually open up. We have observed an increasing number of projects up for tender as activities slowly resume and we aim to actively tender for these to beef up our order book.”

¹ *Ministry of Trade and Industry press release: MTI Upgrades 2021 GDP Growth Forecast to “6.0 to 7.0 Per Cent” (11 August 2021)*



As at 30 June 2021, the Group's order book stood at S\$165.2 million with projects to be delivered over the next two years. ISOTeAM remains on strong financial footing with cash and bank balances at S\$15.5 million as at 30 June 2021 (S\$12.6 million as at 30 June 2020).

Outlook

The Group expects the next 12 months to be challenging as the COVID-19 situation remains fluid and may continue to impact the execution of construction works for new projects. Depending on Singapore's ability to control the spread of infection and the rate of population vaccination in the coming months, there may also be potential delays should there be a need to implement and comply with additional safety measures and policies.

Mr Koh said: *"Besides focusing on delivering the projects in our order book and securing more tenders, we have implemented cost cutting measures including salary adjustments for the management team. At the same time, we are seeking more areas where we can digitalise our operations so that we can become more efficient and less reliant on labour."*

The Group will endeavour to manage its liquidity prudently and focus on exploring business opportunities within its core business to improve operational efficiency, while closely monitoring and minimising any exposure to risks during this period.

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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 500 refurbishment and upgrading projects for well over 5,000 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 ("ID"), landscaping, access equipment leasing, green solutions and mechanical and electrical works ("M&E"), and project management and construction management services 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



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include town councils, government bodies, and private sector building owners. For more information, please visit www.isoteam.com.sg.

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