



FOR IMMEDIATE RELEASE

ISOTeam delivers record revenue for three consecutive years; Topline up 44.8% to an all-time high of S\$69.9 million in FY2014

- Gross profit leaps by 64.7% to S\$13.5 million underpinned by a robust operational performance
- Proposes final dividend of S\$0.01 per ordinary share, or a payout ratio of 19.4%
- S\$73.2 million secured order book as at 30 June 2014 with an additional S\$39.8 million of potential projects

Financial Highlights for the year ended 30 June 2014

S\$'m	FY2014	FY2013	Chg (%)
Revenue	69.9	48.2	44.8
Gross profit	13.5	8.2	64.7
Profit before tax	6.7	6.4	4.0
Profit attributable to equity holders	6.1	6.0	0.8
Earnings per share* (Singapore cents)	5.15	5.11	0.8

* For comparative and illustrative purposes, EPS is based on the post-invitation share capital of 117,595,831 shares in issue.

SINGAPORE, 27 August 2014 – ISOTeam Ltd. (“ISOTeam” or together with its subsidiaries, the “Group”), an established eco-conscious Repairs and Redecoration (“R&R”) and Addition and Alteration (“A&A”) specialist in Singapore, has achieved its third consecutive year of record revenue performance with a 44.8% increase in sales to S\$69.9 million for the year ended 30 June 2014 (“FY2014”). This is almost double the S\$35.4 million revenue it achieved two years ago for the year ended 30 June 2012.

Congruently, gross profit rose 64.7% to S\$13.5 million in FY2014 compared to S\$8.2 million in the preceding year ended 30 June 2013 (“FY2013”), while gross profit margin saw a buoyant 2.3 percentage point uptick to 19.3% during the same period.



In line with this, the Group realised robust earnings from operations in FY2014 of S\$6.1 million as compared to S\$6.0 million in FY2013, which had included a one-off capital gain of S\$4.2 million on the disposal of a property.

Revenue by Segments

S\$'m	FY2014	FY2013	Chg (%)
R&R	48.3	26.4	83.2
A&A	20.4	21.8	(6.4)
Others ⁺	1.1	0.1	N.M.
Total	69.9	48.2	44.8

⁺ Includes the home retrofitting business and green solutions business

In FY2014, ISOTeam completed and delivered 20 R&R projects and two A&A projects. On a segmental basis, the Group raked in 83.2% higher revenue from its R&R business in the public and private sectors mainly from projects for SKK (S) Pte Ltd, Moulmein-Kallang Town Council, Tanjong Pagar Town Council and Pasir Ris-Punggol Town Council. In comparison, the Group's A&A segment experienced a slight dip of 6.4% due to lower revenue contributed by Neighbourhood Renewal Projects ("NRP") during the year.

Revenue contribution from the Group's Others business segment rose from \$0.1 million in FY2013 to \$1.1 million in FY2014. The increase was mainly attributable to the home retrofitting business which had gained increasing traction with the Group successfully securing over 20 projects within the first nine months of incorporation of Zara @ ISOTeam Pte Ltd.

As a result of another record showing in FY2014, ISOTeam more than doubled its cash and bank balances to S\$17.6 million.

Based on its post-invitation share capital of 117,595,831, Earnings Per Share and Net Asset Value per share as at 30 June 2014 increased to 5.15 Singapore cents and 21.87 Singapore cents respectively, compared to 5.11 Singapore cents and 16.84 Singapore cents in the preceding year.

Commenting on ISOTeam's third consecutive record year, Executive Director and Chief Executive Officer, Mr Anthony Koh (许统发), said: "FY2014 is a record-breaking year for ISOTeam in terms of



revenue and profit from operations. I am delighted that ISOTeAM continues to outdo itself year after year – it shows the Group is doing the right things and there is much dynamism in its operations. This further entrenches our leadership position in the industry and is a clear indication of our customers’ confidence in the Group’s ability to deliver high quality and value in the projects we secure.”

“To reward ISOTeAM’s loyal shareholders after this set of stellar results, the Group is pleased to propose a final cash dividend of 1.00 Singapore cents per share for FY2014 which translates to a payout ratio of 19.4%,” he added.

Outlook

Looking ahead, ISOTeAM expects demand for its R&R and A&A services to remain healthy in view of on-going government initiatives to renew and rejuvenate both public and private sector estates and buildings.

Said Mr Koh: *“ISOTeAM recently secured S\$25.7 million worth of R&R and A&A projects bringing our order book to S\$73.2 million as at 30 June 2014 and includes two NRP projects worth around S\$16.2 million. I believe the Group is in good stead with clear revenue visibility for these projects which will be delivered progressively over the next 24 months. In addition, we have also emerged as the lowest tenderer for six other public sector projects collectively worth S\$39.8 million and we will continue to aggressively tender for new projects. Furthermore, we have been very encouraged by the performance of Zara @ ISOTeAM and we will work hard to keep up the growth momentum of this new business as well as explore opportunities to expand our green solutions business.”*

The six projects for which ISOTeAM is the lowest tenderer are:

1. NRP project at blocks 241 to 259 Kim Keat Avenue/Link worth S\$4.7 million;
2. NRP and R&R project at Bukit Batok East Ave 3 and 4 worth S\$10.7 million;
3. R&R project at Redhill Close/Road and Lane; Henderson Road and Bukit Merah Central worth S\$2.9 million;
4. R&R project for Amoy Food Centre/Dunman Food Centre/Sembawang Food Centre worth S\$3.2 million;
5. A&A project at Teck Whye Primary School worth S\$8.9 million; and
6. A&A project at West View Primary School worth S\$9.4 million.



ISOTeAM Ltd.
(Company Registration No.: 201230294M)
(Incorporated in the Republic of Singapore on 12 December 2012)
No. 57 Kaki Bukit Place
Eunos Techpark
Singapore 416231
<http://isoteam.com.sg/>

According to Mr Koh, ISOTeAM's strong performance has given the Group more impetus to extend its services into other untapped sectors, including public sector projects such as education institutions and army camps, and non-public sector projects such as Management Corporation Strata Title, industrial and commercial projects.

Despite the positive outlook for the industry, the Group remains mindful of rising cost pressures in the next 12 months including higher sub-contracting and labour costs due to progressive increases in foreign workers' levies, general inflationary cost pressures and higher prices of paint due to healthy demand for refurbishment and repainting projects in Singapore as well as volatile crude oil prices.

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 15 years of Repairs & Redecoration (R&R) and Addition & Alteration (A&A) experience. We have successfully undertaken more than 230 public and private sector R&R and A&A projects for close to 2,500 buildings and counting since inception. An eco-conscious company, we integrate green methodologies in our R&R and A&A 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.

Issued by and on behalf of ISOTeAM Ltd.

August Consulting

Tel: 65 6733 8873

Silvia Heng, silvia@august.com.sg

Wrisney Tan, wrisney@august.com.sg

Dinesh Dayani, dinesh@august.com.sg

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



ISOTeam Ltd.
(Company Registration No.: 201230294M)
(Incorporated in the Republic of Singapore on 12 December 2012)
No. 57 Kaki Bukit Place
Eunos Techpark
Singapore 416231
<http://isoteam.com.sg/>

release. The contact person for the Sponsor is Ms Joan Ling, Senior Vice President, Head of Corporate Finance, at 16 Raffles Quay, #40-01A Hong Leong Building, Singapore 048581, Telephone (65) 6415 9886.