



**ISOTEAM**

ISOTEAM LTD.

(Company Registration No. 201230294M)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2024**

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A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group			
	Note	Six Months Ended		Change
		31.12.24	31.12.23	
		\$'000	\$'000	%
<b>Income Statement</b>				
Revenue	3	65,394	62,744	4.2
Cost of sales		(55,530)	(54,416)	2.0
Gross profit		9,864	8,328	18.4
Other income	4	436	598	(27.1)
Marketing and distribution expenses		(394)	(351)	12.3
General and administrative expenses		(5,811)	(5,647)	2.9
Finance costs	5	(1,193)	(1,253)	(4.8)
Impairment loss on receivables and contract assets		-	(98)	(100.0)
Other expenses		(580)	(302)	92.1
<b>Profit before tax</b>	6	<b>2,322</b>	<b>1,275</b>	82.1
Tax (expense)/credit	7	(11)	9	N/M
<b>Profit for the period</b>		<b>2,311</b>	<b>1,284</b>	80.0
<b>Profit/(loss) attributable to:</b>				
Equity holders of the Company		1,920	1,407	36.5
Non-controlling interests		391	(123)	N/M
		<b>2,311</b>	<b>1,284</b>	80.0

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONT'D)

	Group			
	Note	Six Months Ended		Change
		31.12.24	31.12.23	
		\$'000	\$'000	
<b>Statement of Comprehensive Income</b>				
Profit for the period		2,311	1,284	80.0
<b>Other comprehensive loss:</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Foreign currency translation loss		-	(1)	(100.0)
<b>Other comprehensive loss for the period, net of tax</b>		-	(1)	(100.0)
<b>Total comprehensive income for the period</b>		<b>2,311</b>	<b>1,283</b>	80.1
<b>Total comprehensive income/(loss) attributable to:</b>				
Equity holders of the Company		1,918	1,405	36.5
Non-controlling interests		393	(122)	N/M
		<b>2,311</b>	<b>1,283</b>	80.1

"N/M" denotes Not Meaningful

**B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

	Note	Group		Company	
		As at 31.12.24	As at 30.06.24	As at 31.12.24	As at 30.06.24
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b><u>Non-current assets</u></b>					
Property, plant and equipment		18,727	19,990	-	-
Goodwill	11	1,662	1,662	-	-
Intangible assets		101	128	-	-
Investment in subsidiaries	12	-	-	37,450	36,907
Other investments	13	4,675	4,675	4,675	4,675
Deferred tax assets		800	811	-	-
		<b>25,965</b>	<b>27,266</b>	<b>42,125</b>	<b>41,582</b>
<b><u>Current assets</u></b>					
Contract assets		42,036	42,237	-	-
Trade and other receivables		37,599	27,890	15,014	12,215
Cash and bank balances		9,889	10,911	505	1,101
<b>Total current assets</b>		<b>89,524</b>	<b>81,038</b>	<b>15,519</b>	<b>13,316</b>
<b>Total assets</b>		<b>115,489</b>	<b>108,304</b>	<b>57,644</b>	<b>54,898</b>
<b><u>Non-current liabilities</u></b>					
Lease liabilities	14	2,565	2,622	-	-
Deferred tax liabilities		105	105	4	4
Borrowings	14	9,427	10,051	1,327	1,079
<b>Total non-current liabilities</b>		<b>12,097</b>	<b>12,778</b>	<b>1,331</b>	<b>1,083</b>
<b><u>Current liabilities</u></b>					
Contract liabilities		1,922	1,635	-	-
Borrowings	14	25,105	24,094	5,886	5,108
Trade and other payables		30,126	25,433	6,055	4,017
Lease liabilities	14	772	1,205	-	-
Provision for taxation		286	284	-	-
<b>Total current liabilities</b>		<b>58,211</b>	<b>52,651</b>	<b>11,941</b>	<b>9,125</b>
<b>Total liabilities</b>		<b>70,308</b>	<b>65,429</b>	<b>13,272</b>	<b>10,208</b>
<b>Net assets</b>		<b>45,181</b>	<b>42,875</b>	<b>44,372</b>	<b>44,690</b>

**B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (CONT'D)**

	Note	Group		Company	
		As at 31.12.24	As at 30.06.24	As at 31.12.24	As at 30.06.24
		\$'000	\$'000	\$'000	\$'000
<b>Share capital and reserves</b>					
Share capital	15	34,322	54,321	34,322	54,321
Treasury shares	16	(152)	(152)	(152)	(152)
Accumulated profits/(losses)		17,317	(4,044)	9,480	(9,648)
Foreign currency translation reserve		30	30	-	-
Merger reserve		(7,305)	(7,305)	-	-
Other reserves		615	62	722	169
Equity attributable to equity holders of the Company		44,827	42,912	44,372	44,690
Non-controlling interests		354	(37)	-	-
<b>Total equity</b>		<b>45,181</b>	<b>42,875</b>	<b>44,372</b>	<b>44,690</b>

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

The Group	Attributable to equity holders of the Company						Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Other reserves \$'000	Accumulated (losses)/profits \$'000			
<b>At 1 July 2024</b>	<b>54,321</b>	<b>(152)</b>	<b>(7,305)</b>	<b>30</b>	<b>62</b>	<b>(4,044)</b>	<b>42,912</b>	<b>(37)</b>	<b>42,875</b>
Profit and comprehensive income for the period	-	-	-	-	-	1,920	1,920	391	2,311
<b>Contribution by and distributions to equity holders</b>									
Transaction costs related to issue of share-capital	1	-	-	-	-	(1)	-	-	-
Dividend paid	-	-	-	-	-	(558)	(558)	-	(558)
Cancellation of share capital	(20,000)	-	-	-	-	20,000	-	-	-
Total contribution by and distribution to equity holders	(19,999)	-	-	-	-	19,441	(558)	-	(558)

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

The Group	Attributable to equity holders of the Company						Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Other reserves \$'000	Accumulated (losses)/profits \$'000			
Equity-settled share-based payment	-	-	-	-	553	-	553	-	553
Total changes in ownership interests in subsidiaries	-	-	-	-	553	-	553	-	553
<b>At 31 December 2024</b>	<b>34,322</b>	<b>(152)</b>	<b>(7,305)</b>	<b>30</b>	<b>615</b>	<b>17,317</b>	<b>44,827</b>	<b>354</b>	<b>45,181</b>

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

The Group	Attributable to equity holders of the Company						Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Other reserves \$'000	Accumulated losses \$'000			
<b>At 1 July 2023</b>	<b>43,743</b>	<b>(152)</b>	<b>(7,305)</b>	<b>32</b>	<b>39</b>	<b>(10,557)</b>	<b>25,800</b>	<b>(129)</b>	<b>25,671</b>
Profit/(loss) for the period	-	-	-	-	-	1,407	1,407	(123)	1,284
<b>Other comprehensive (loss)/income</b>									
Foreign currency translation (loss)/gain	-	-	-	(2)	-	-	(2)	1	(1)
Other comprehensive (loss)/income for the period, net of tax	-	-	-	(2)	-	-	(2)	1	(1)
Total comprehensive income/(loss) for the period	-	-	-	(2)	-	1,407	1,405	(122)	1,283
<b>Contribution by and distributions to equity holders</b>									
Issue of share capital	10,415	-	-	-	-	-	10,415	-	10,415
Transaction costs related to issue of ordinary shares	(148)	-	-	-	-	-	(148)	-	(148)
Total contribution by and distribution to equity holders	10,267	-	-	-	-	-	10,267	-	10,267



C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

The Group	Attributable to equity holders of the Company						Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Foreign currency translation reserve \$'000	Other reserves \$'000	Accumulated losses \$'000			
Equity-settled share-based payment	-	-	-	-	192	-	192	-	192
Forfeiture of share awards	-	-	-	-	(3)	-	(3)	-	(3)
Total changes in ownership interests in subsidiaries	-	-	-	-	189	-	189	-	189
<b>At 31 December 2023</b>	<b>54,010</b>	<b>(152)</b>	<b>(7,305)</b>	<b>30</b>	<b>228</b>	<b>(9,150)</b>	<b>37,661</b>	<b>(251)</b>	<b>37,410</b>

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

The Company	Share capital \$'000	Treasury shares \$'000	Other reserves \$'000	Accumulated (losses)/profits \$'000	Total equity \$'000
<b>At 1 July 2024</b>	<b>54,321</b>	<b>(152)</b>	<b>169</b>	<b>(9,648)</b>	<b>44,690</b>
Loss and total comprehensive loss for the period	-	-	-	(313)	(313)
<b>Contribution by and distributions to equity holders</b>					
Transaction costs related to issue of share capital	1	-	-	1	-
Cancellation of share capital	(20,000)	-	-	20,000	-
Dividend paid	-	-	-	(558)	(558)
Total contribution by and distribution to equity holders	(19,999)	-	-	19,441	(558)
Equity-settled share-based payment	-	-	553	-	553
<b>Total transactions with equity holders of the Company</b>	<b>(19,999)</b>	<b>-</b>	<b>553</b>	<b>19,441</b>	<b>(5)</b>
<b>At 31 December 2024</b>	<b>34,322</b>	<b>(152)</b>	<b>722</b>	<b>9,480</b>	<b>44,372</b>

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

The Company	Share capital \$'000	Treasury shares \$'000	Other reserves \$'000	Accumulated losses \$'000	Total equity \$'000
<b>At 1 July 2023</b>	<b>43,743</b>	<b>(152)</b>	<b>146</b>	<b>(18,467)</b>	<b>25,270</b>
Loss and total comprehensive loss for the period	-	-	-	(133)	(133)
<b>Contribution by and distributions to equity holders</b>					
Issue of share capital	10,415	-	-	-	10,415
Transaction costs related to issue of share capital	(148)	-	-	-	(148)
Total contribution by and distribution to equity holders	10,267	-	-	-	10,267
Equity-settled share-based payment	-	-	192	-	192
Forfeiture of share awards	-	-	(3)	-	(3)
<b>Total transactions with equity holders of the Company</b>	<b>10,267</b>	<b>-</b>	<b>189</b>	<b>-</b>	<b>10,456</b>
<b>At 31 December 2023</b>	<b>54,010</b>	<b>(152)</b>	<b>335</b>	<b>(18,600)</b>	<b>35,593</b>

**D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Group</b>	
	<b>Six Months Ended</b>	
	<b>31.12.24</b>	<b>31.12.23</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Profit before income tax	2,322	1,275
Adjustments for: -		
Depreciation of property, plant and equipment	1,711	1,516
Net gain on disposal of property, plant and equipment	(58)	(14)
Interest income	(56)	(207)
Interest expense	1,041	1,113
Amortisation of intangible assets	28	113
Allowance for impairment on receivables and contract assets (net)	-	98
Bad debts recovered	(28)	(17)
Equity-settled share-based payment	553	189
<b>Operating cash flows before working capital changes</b>	<b>5,513</b>	<b>4,066</b>
Contract assets	285	2,909
Contract liabilities	201	1,506
Inventories	-	24
Trade and other receivables	(9,681)	(11,719)
Trade and other payables	4,698	4,318
<b>Cash generated from operations</b>	<b>1,016</b>	<b>1,104</b>
Interest received	56	207
<b>Net cash generated from operating activities</b>	<b>1,072</b>	<b>1,311</b>

**D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)**

	<b>Group</b>	
	<b>Six Months Ended</b>	
	<b>31.12.24</b>	<b>31.12.23</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from investing activities</b>		
Additions to intangible assets	-	(2)
Purchases of plant and equipment	(160)	(251)
Proceeds from disposal of property, plant and equipment	86	50
<b>Net cash used in investing activities</b>	<b>(74)</b>	<b>(203)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital	-	10,415
Transaction costs related to issue of share capital	-	(148)
Withdrawal of Fixed deposits pledged to banks	(2)	-
Due from related parties (non-trade)	-	(244)
Drawdown of bank borrowings	29,632	26,365
Repayment of bank borrowings	(29,078)	(30,448)
Interest paid	(1,047)	(1,085)
Dividend paid	(558)	-
Repayment of lease liabilities	(805)	(587)
<b>Net cash (used in)/generated from financing activities</b>	<b>(1,858)</b>	<b>4,268</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(860)</b>	<b>5,376</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>7,576</b>	<b>1,766</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>6,716</b>	<b>7,142</b>

**Notes to the Consolidated Statement of Cash Flows**

Cash and cash equivalents included in the consolidated statement of cash flows consist of the following: -

	<b>Group</b>	
	<b>Six Months Ended</b>	
	<b>31.12.24</b>	<b>31.12.23</b>
	<b>\$'000</b>	<b>\$'000</b>
Cash in hand and at bank	6,716	7,142
Fixed deposits	3,173	4,167
	9,889	11,309
Less: Fixed deposits pledged	(3,173)	(4,167)
	6,716	7,142

## **E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

### **1. Corporate information**

The Company (Co. Reg. No. 201230294M) is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office and principal place of business of the Company is at No. 8 Changi North Street 1, Singapore 498829.

The principal activities of the Group are provision of repair and redecoration services, addition and alteration services, provision of coating and painting services and others including revenue from home retrofitting business, landscaping works, interior designs, renewable solutions works, mechanical & electrical engineering works, vector control services and handyman services.

### **2. Basis of preparation**

The condensed interim financial statements for the six months ended 31 December 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 30 June 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollars ("S") which is the Company's functional currency and all values are rounded to the nearest thousand ("S'000") as indicated.

#### **2.1. New and amended standard adopted by the Group**

A number of amendments to SFRS(I)s have become applicable for the current reporting period, which does not have significant impact to the Group.

#### **2.2. Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2024.

## E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

### 2.2. Use of judgements and estimates (Cont'd)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following note:

- (i) Note 11: Impairment testing of goodwill - Key assumptions underlying recoverable amounts
- (ii) Fair value of financial assets not quoted in an active market

As disclosed in Note 13, other investments are relatively illiquid with no public market. Management valued the investments in SA Sub-Fund and GH Sub-Fund based on the Group's share of the fair value of the underlying net assets of portfolio companies invested as per the quarterly report issued by the VCC's professional fund manager based on the income approach method, and the market approach method respectively.

Because of the inherent uncertainty of the valuation, management's estimate of fair values which are derived from the reported proportionate share of the fair value of the underlying net assets of the portfolio companies, may differ significantly from the values that would have been used had a ready market existed for the investment.

- (iii) Construction contracts

The Group recognises contract revenue over time by reference to the stage of completion of the contract work. The stage of completion is determined by reference to the contract costs incurred to-date relative to the estimated total contract costs for the contract.

Significant assumptions are used to estimate the total contract revenue (including variation of claims) and total contract costs (including estimated costs to complete), at the inception of the contract and at the end of each reporting period and the determination of the stage of completion. In making these estimates, management devised a robust process for budgeting contract costs and also relied on past experience and technical knowledge of the contract team. The contract teams monitor contract costs incurred closely and ensure that any project cost overruns, provision for onerous contract, liquidated damages and rectification cost are accounted for appropriately in the financial statements.

The carrying amounts of the contract assets and liabilities arising at the end of each reporting period are \$42,036,000 and \$1,922,000 as at 31 December 2024 (30 June 2024: \$42,237,000 and \$1,635,000).

### 3. Segment and revenue information

The Group is organised into the following main business segments:

- Segment 1: Repairs & Redecoration ("R&R")
- Segment 2: Addition & Alteration ("A&A")
- Segment 3: Coating & Painting ("C&P")
- Segment 4: Others included revenue from home retrofitting business, landscaping works, interior design, mechanical & electrical engineering works, renewable solutions works, vector control services and handyman service.

These operating segments are a component of the Group that engages in business activities from which it may earn revenues and incurs expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decisions about allocating resources and assessing performance of the operating segments.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

3. Segment and revenue information (Cont'd)

3.1 Operating segments

1 July 2024 to 31 December 2024	R&R \$'000	A&A \$'000	C&P \$'000	Others \$'000	Total \$'000
<b>Segment revenue</b>	18,844	30,265	7,508	8,777	<b>65,394</b>
<b>Segment profit</b>	<b>3,786</b>	<b>246</b>	<b>1,402</b>	<b>235</b>	<b>5,669</b>
Depreciation and amortisation					(1,739)
Other non-cash income/(expense)					(471)
Interest income					56
Finance costs					(1,193)
<b>Profit before tax</b>					<b>2,322</b>
<b>Segment assets</b>	22,334	31,797	10,798	45,028	109,957
<b>Unallocated assets</b>					5,532
<b>Total assets</b>					<b>115,489</b>
<b>Segment liabilities</b>	5,520	1,060	5,118	10,264	21,962
<b>Unallocated liabilities</b>					48,346
<b>Total liabilities</b>					<b>70,308</b>
1 July 2023 to 31 December 2023	R&R \$'000	A&A \$'000	C&P \$'000	Others \$'000	Total \$'000
<b>Segment revenue</b>	26,343	18,730	7,665	10,006	<b>62,744</b>
<b>Segment profit/(loss)</b>	<b>6,573</b>	<b>(142)</b>	<b>1,380</b>	<b>(3,763)</b>	<b>4,048</b>
Depreciation and amortisation					(1,629)
Other non-cash income/(expense)					(98)
Interest income					207
Finance costs					(1,253)
<b>Profit before tax</b>					<b>1,275</b>
<b>Segment assets</b>	21,736	23,610	11,316	52,547	109,209
<b>Unallocated assets</b>					3,560
<b>Total assets</b>					<b>112,769</b>
<b>Segment liabilities</b>	6,633	1,509	5,514	21,169	34,825
<b>Unallocated liabilities</b>					40,534
<b>Total liabilities</b>					<b>75,359</b>



E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

3.2. Disaggregation of revenue

	The Group				Total
	6 months ended 31 December 2024				
1 July 2024 to 31 December 2024	R&R \$'000	A&A \$'000	C&P \$'000	Others \$'000	\$'000
Types of goods or service:					
Revenue from contracts	18,844	30,265	7,508	8,521	65,139
Revenue from other services	-	-	-	256	256
<b>Total revenue</b>	<b>18,844</b>	<b>30,265</b>	<b>7,508</b>	<b>8,777</b>	<b>65,394</b>
Timing of revenue recognition:					
Over time	18,844	30,265	7,508	8,777	65,394
<b>Total revenue</b>	<b>18,844</b>	<b>30,265</b>	<b>7,508</b>	<b>8,777</b>	<b>65,394</b>

	The Group				Total
	6 months ended 31 December 2023				
1 July 2023 to 31 December 2023	R&R \$'000	A&A \$'000	C&P \$'000	Others \$'000	\$'000
Types of goods or service:					
Revenue from contracts	26,343	18,730	7,665	9,522	62,260
Revenue from other services	-	-	-	484	484
<b>Total revenue</b>	<b>26,343</b>	<b>18,730</b>	<b>7,665</b>	<b>10,006</b>	<b>62,744</b>
Timing of revenue recognition:					
Over time	26,343	18,730	7,665	10,006	62,744
<b>Total revenue</b>	<b>26,343</b>	<b>18,730</b>	<b>7,665</b>	<b>10,006</b>	<b>62,744</b>

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4. Other Income

	The Group	
	6 months ended	
	31 December 2024	31 December 2023
	\$'000	\$'000
Government grants	19	89
Gain on disposal of property, plant and equipment	58	17
Rental income	46	74
Interest income	56	207
Administrative income	54	46
Foreign exchange gain	-	4
Bad debts recovered	42	17
Others	161	144
	<b>436</b>	<b>598</b>

5. Finance costs

	The Group	
	6 months ended	
	31 December 2024	31 December 2023
	\$'000	\$'000
Interest expenses	1,041	1,113
Bank charges	124	101
Factoring charges	28	39
	<b>1,193</b>	<b>1,253</b>

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

6. Profit before tax

	The Group	
	6 months ended	
	31 December 2024	31 December 2023
	\$'000	\$'000
Amortisation of intangible asset	28	113
Bad debts recovered	(28)	(17)
Depreciation of property, plant and equipment	1,711	1,516
Net gain on disposal of property, plant and equipment	(58)	(14)
Allowance for impairment on receivables and contract assets, net	-	98
Equity-settled share-based payment	553	189

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	The Group	
	6 months ended	
	31 December 2024	31 December 2023
	\$'000	\$'000
Tax expense/(credit) attributable to profit:		
Income tax:		
- Over provision in prior years	-	3
Deferred tax:		
- Current year	11	(12)
	<b>11</b>	<b>(9)</b>

**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**8. Earnings per share**

The following reflects the profit attributable to the equity holders of the Company used in the earnings per share computation:

	<b>The Group</b>	
	<b>6 months ended</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>
Profit attributable to equity holders of the Company (\$'000)	1,920	1,407
Weighted average number of ordinary shares Ordinary shares used in calculation of basic earnings per ordinary shares	697,566,862	544,472,415
Potential ordinary shares issuable under ISOTeam PSP	9,675,000	3,225,000
Weighted average number of ordinary shares outstanding for diluted earnings per ordinary shares	707,241,862	547,697,415
Basic earnings per share (cents)	0.28	0.26
Diluted earnings per share (cents)	0.27	0.26

For the financial period ended 31 December 2023 and 31 December 2024, the potential ordinary shares used to compute the “diluted earnings per share” included the 3,225,000 share awards and 9,675,000 share awards granted under ISOTeam Performance Share Plan 2013 (“PSP 2013”) and ISOTeam Performance Share Plan (“PSP 2023”) respectively.

**9. Net Asset Value**

	<b>The Group As at</b>		<b>The Company As at</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>	<b>31 December 2024</b>	<b>30 June 2024</b>
Net assets value attributable to equity holders of the Company (\$'000)	44,827	42,912	44,372	44,690
Number of ordinary shares	697,566,862	697,566,862	697,566,862	697,566,862
Net assets value per ordinary share (cents)	6.43	6.15	6.36	6.41

**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**10. Property, plant and equipment**

During the 6 months ended 31 December 2024, the Group acquired plant and equipment amounting to \$475,000 (31 December 2023: \$270,000) of which \$22,000 (31 December 2023: \$20,000) relates to the new leases of right-of-use assets which were not acquired by means of hire purchase. Cash payment of \$138,000 (31 December 2023: \$231,000) was made to purchase plant and equipment. The Group had disposed of plant and equipment amounting to \$27,000 (31 December 2023: \$40,000).

**11. Goodwill**

	The Group	
	As at	
	31 December 2024	30 June 2024
Cost	S\$'000	S\$'000
At 1 July/31 December/ 30 June	9,520	9,520
<b>Accumulated impairment loss</b>		
At 1 July/31 December/30 June	7,858	7,858
<b>Net carrying value</b>	<b>1,662</b>	<b>1,662</b>

**Impairment testing of goodwill**

The recoverable amount of the CGU has been determined based on value-in-use calculation using cash flow projections from financial budgets approved by management covering a five-year period.

As at 31 December 2024, the Group reviewed the key assumptions used in the value-in-use calculation as at 30 June 2024 impairment test and noted that the assumptions remained reasonable. No impairment loss was recognised as at 31 December 2024.

Goodwill allocated to the respective cash generating unit ("CGU") are as follows:

	The Group	
	As at	
	31 December 2024	30 June 2024
Cash Generating Unit and principal activities	S\$'000	S\$'000
<b>CGU 1</b> - Repair & redecoration and coatings & paintings	1,383	1,383
<b>CGU 2</b> - Landscaping works	279	279
	<b>1,662</b>	<b>1,662</b>

**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**12. Investment in subsidiaries**

**Impairment assessment of the Company's investment in subsidiaries**

Determining whether investments in subsidiaries are impaired requires an estimate of the value-in-use (“VIU”) of the subsidiaries. Estimating the VIU requires the Company to make an estimate of the future cash flows expected from the cash generating unit and appropriate discount rate in order to calculate the present value of these cash flows. The forecasts used to estimate the future cash flows are subject to the risks noted in the impairment assessments of the goodwill. Information about the assumptions and risk factors are disclosed in Note 11.

No impairment was made during this period.

**13. Other investments**

	<b>The Group</b>	
	<b>As at</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Financial assets at fair value through profit or loss		
- Equity investment in sub-funds (unquoted)	4,675	4,675

The Sub-Funds will be managed by a fund manager appointed by the Variable Capital Company (“VCC”) during the investment period of 24 months (the “Term”). Upon expiry of the Term or the occurrence of certain events, the Company will redeem its investment in the Sub-Funds with the redemption price being the net proceeds from the liquidation or disposal of the investments in the Sub-Funds. Consequently, the Group measures the interests in the Sub-Funds at fair value through profit or loss.

The fair values of SA Sub-Fund and GH Sub-Fund are determined by reference to quarterly reports issued by the VCC’s professional fund manager based on the income approach method, and the market approach method respectively. This fair value measurement was categorised in Level 3 of the fair value hierarchy.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

14. Borrowings

	The Group As at	
	31 December 2024 \$'000	30 June 2024 \$'000
<b><u>Amount repayable in one year or less, or on demand</u></b>		
Secured	25,277	23,494
Unsecured	600	600
<b><u>Amount repayable after one year</u></b>		
Secured	11,992	10,051
	<b><u>37,869</u></b>	<b><u>34,145</u></b>

**Notes**

( a ) Bank borrowings amounting to \$33.9 million are secured by:

- i. charges over fixed deposits;
- ii. mortgage over the Group's leasehold properties;
- iii. first fixed charge over receivables arising from invoices financed directly or indirectly over the account in which the receivables are deposited; and
- iv. corporate guarantee from the Company and a subsidiary.

( b ) Lease liabilities of the Group amounting to \$3.4 million are secured by the rights to the leased equipment, machineries and motor vehicles.

15. Share capital

	Group and Company			
	31 December 2024		30 June 2024	
	Number of issued shares '000	Issued share capital \$'000	Number of issued shares '000	Issued share capital \$'000
At 1 July	698,762	54,321	348,366	43,743
Cancellation of share capital	-	(20,000)	-	-
Transaction costs related to issue of share capital	-	1	-	-
Rights Issue	-	-	347,171	10,267
Equity-settled share-based payment vested	-	-	3,225	311
At 31 December/30 June	<b>698,762</b>	<b>34,322</b>	<b>698,762</b>	<b>54,321</b>

On 18 December 2024, the Company has completed its capital reduction exercise by way of cancellation of part of its issued and fully paid-up capital which has been lost and unrepresented by available assets to the extent of the amount of the accumulated losses of the Company.

**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**15. Share capital (cont'd)**

	<b>Group and Company</b>	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	No. of shares '000	No. of shares '000
Total number of issued shares, including treasury shares	698,762	698,762
Treasury shares	(1,195)	(1,195)
Total number of issued shares, excluding treasury shares	<b>697,567</b>	<b>697,567</b>

Following the grant of award shares pursuant to the ISOTeam Performance Share Plan, 9,675,000 ordinary shares had vested on 31 December 2024 (comprising 3,225,000 ordinary shares pursuant to the ISOTeam PSP 2013 and 6,450,000 ordinary shares pursuant to the ISOTeam PSP 2023) and had been issued and allotted on 2 January 2025. The total number of issued shares has increased from 697,566,862 to 707,241,862 ordinary shares (excluding treasury shares) as at 2 January 2025.

**16. Treasury shares**

	<b>Group and Company</b>			
	<b>31 December 2024</b>		<b>31 December 2023</b>	
	Number of issued shares '000	Issued share capital \$'000	Number of issued shares '000	Issued share capital \$'000
At 1 July/31 December	1,195	152	1,195	152
Percentage (%) of treasury shares against total number of shares outstanding as at 31 December	0.2%		0.2%	

Treasury shares relate to ordinary shares of the Company that is held by the Company.

As at 31 December 2024 and 31 December 2023, the Company does not have any outstanding convertibles.

There were no subsidiary holdings as at 31 December 2024 and 31 December 2023.



**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**17. Related parties**

**17a.** In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and the related parties at terms agreed between the parties:

	<b>The Group</b>	
	<b>6 months ended</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Group</b>	<b>\$'000</b>	<b>\$'000</b>
<b>With related parties</b>		
<i>Expenses</i>		
Purchases	2,386	2,262
<b>Company</b>		
Loan	866	7,498
Repayment of loan	(600)	(225)
<i>Income</i>		
Management fee	(1,155)	(1,132)
Interest income	(16)	(40)
<i>Expenses</i>		
Recharge of expense	55	38

**17b. Compensation of key management personnel.**

There were no significant changes to the key management personnel in 1HY2025. There were no changes to the compensation scheme in 1HY2025.

**18. Fair value hierarchy**

The Group and Company classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- a) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- c) Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

**E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**

**18. Fair value hierarchy (Cont'd)**

**Assets measured at fair value**

The financial assets at fair value through profit or loss is classified as Level 3. The fair value of the unquoted equity shares is determined by reference to the investee company's share issuance transaction price in prior year. The measurement of fair value of the unquoted equity shares is performed by the Group's finance team, based on evidence obtained from the investee company to assess if the share issuance transaction price is supportable and the appropriate classification of the fair value level hierarchy measurement for this financial asset.

A higher share issuance transaction price will result in a higher fair value measurement.

Movements in Level 3 assets and liabilities measured at fair value

	Unquoted equity shares	
	<b>31 December 2024</b>	<b>30 June 2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at beginning of financial year	4,675	3,467
Fair value gain recognised in profit or loss	-	1,208
Balance at end of financial year	<b>4,675</b>	<b>4,675</b>

**19. Subsequent events**

The Company had on 2 January 2025 issued and allotted an aggregate of 9,675,000 new ordinary shares in the capital of the Company comprising 3,225,000 ordinary shares pursuant to the ISOTeam PSP 2013 and 6,450,000 ordinary shares pursuant to the ISOTeam PSP 2023. Please refer to the Company's announcement dated 2 January 2025 for further details.

**Other Information Required by Listing Rule**

**Appendix 7C**

## OTHER INFORMATION

1. The condensed interim consolidated statements of financial position of ISOTeams Ltd and its subsidiaries as at 31 December 2024 and the related condensed interim consolidated statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-months period ended 31 December 2024 and certain explanatory notes have not been audited or reviewed.
2. **Review of performance of the Group**

Revenue	Group				
	Six Months Ended				
	31.12.2024		31.12.2023		Change
	\$'000	%	\$'000	%	%
R&R	18,844	28.8	26,343	42.0	(28.5)
A&A	30,265	46.3	18,730	29.9	61.6
C&P	7,508	11.5	7,665	12.2	(2.0)
Others <sup>(a)</sup>	8,777	13.4	10,006	15.9	(12.3)
	<b>65,394</b>	<b>100.0</b>	<b>62,744</b>	<b>100.0</b>	4.2

<sup>(a)</sup> Others included revenue from home retrofitting business, landscaping works, interior designs, mechanical & electrical engineering works, renewable solutions works, vector control services and handyman services.

### Condensed Interim Consolidated Statement of Comprehensive income

#### Revenue

##### 1HY2025 vs 1HY2024

Revenue increased by \$2.6 million or 4.2% from \$62.7 million in 1HY2024 to \$65.3 million in 1HY2025. The increase was mainly due to an increase in revenue contributed by the A&A business segment partially offset by the decrease in the R&R, C&P and Others segments.

#### Gross profit and gross profit margin

##### 1HY2025 vs 1HY2024

Gross profit increased by \$1.6 million or 18.4% from \$8.3 million in 1HY2024 to \$9.9 million in 1HY2025 mainly due to improved margins of 15.1% in 1HY2025 compared to 13.3% in 1HY2024.

#### Other income

##### 1HY2025 vs 1HY2024

Other income decreased by \$0.2 million from \$0.6 million in 1HY2024 to \$0.4 million in 1HY2025 mainly due to lesser government grants, rental and interest income, partially offset by gain on disposal of property, plant and equipment and recovery of bad debts.

## **2. Review of performance of the Group (Cont'd)**

### **Condensed Interim Consolidated Statement of Comprehensive income (Cont'd)**

#### **Marketing and distribution expenses**

##### **1HY2025 vs 1HY2024**

Marketing and distribution expenses increased by \$0.1 million or 12.3% from \$0.3 million in 1HY2024 to \$0.4 million in 1HY2025. The increase was mainly due to an increase in staff costs.

#### **General and administrative expenses**

##### **1HY2025 vs 1HY2024**

There were no material changes in the Group's general and administrative expenses in 1HY2025.

#### **Finance costs**

##### **1HY2025 vs 1HY2024**

There were no material changes in the Group's finance costs in 1HY2025.

#### **Other expenses**

##### **1HY2025 vs 1HY2024**

Other expenses increased by \$0.3 million or 92.1% from \$0.3 million in 1HY2024 to \$0.6 million in 1HY2025 mainly due to share-based payment compensation under the ISOTeam PSP2023 in 1HY2025.

#### **Profit before tax**

##### **1HY2025 vs 1HY2024**

As a result of the above, the Group recorded a profit before tax of \$2.3 million in 1HY2025 compared to \$1.3 million in 1HY2024.

#### **Tax expense and Profit after tax**

##### **1HY2025 vs 1HY2024**

There were no material changes in the Group's tax expense in 1HY2025. Accordingly, the Group recorded a profit after tax of \$2.3 million in 1HY2025 as compared to \$1.3 million in 1HY2024.

## **2. Review of performance of the Group (Cont'd)**

### **Condensed Interim Statements of Financial Position**

#### **Non-current assets**

Non-current assets decreased by \$1.3 million or 4.8% from \$27.3 million as at 30 June 2024 to \$26.0 million as at 31 December 2024, mainly due to decrease in property, plant and equipment as a result of depreciation charges.

#### **Current assets**

Current assets increased by \$8.5 million or 10.5% from \$81.0 million as at 30 June 2024 to \$89.5 million as at 31 December 2024 mainly due to increase in trade and other receivables partially offset by the decrease in cash and bank balances due to repayment of bank borrowings.

#### **Non-current liabilities**

The decrease in non-current liabilities of \$0.7 million or 5.3% from \$12.8 million as at 30 June 2024 to \$12.1 million as at 31 December 2024 was mainly due to repayment of bank borrowings and lease liabilities.

#### **Current liabilities**

The increase in current liabilities of \$5.5 million or 10.6% from \$52.7 million as at 30 June 2024 to \$58.2 million as at 31 December 2024 was mainly due to increase in trade and other payables and borrowings partially offset by the repayment of lease liabilities.

### **Condensed Interim Consolidated Statement of Cash Flows**

#### **Net cash generated from operating activities**

##### **1HY2025**

Net cash generated from operating activities amounted to \$1.0 million in 1HY2025 was mainly due to increase in trade and other receivables which were partially offset by the increase in trade and other payables.

#### **Net cash used in from investing activities**

##### **1HY2025**

Net cash used in investing activities amounted to \$0.1 million in 1HY2025 was mainly due to purchases of plant and equipment such as motor vehicles and machineries.

#### **Net cash used in financing activities**

##### **1HY2025**

Net cash used in financing activities of \$1.9 million in 1HY2025 was mainly due to drawdown of bank borrowings which were partially offset by repayment of bank borrowings, interest paid, repayment of lease liabilities and dividend paid.

**3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

According to the Building and Construction Authority (BCA), the total construction demand, i.e. the value of construction contracts to be awarded, is projected to range between S\$47 billion and S\$53 billion in nominal terms in 2025. Normalised to real values, 2025's demand is projected to range between \$35 billion and \$39 billion, which is between 0.3% to 11.7% higher than pre-COVID levels in 2019. The strong demand is underpinned by the expected award of contracts for several large-scale developments, such as Changi Airport Terminal 5 (T5) and the expansion of the Marina Bay Sands Integrated Resort, alongside public housing development and upgrading works. Other contributors include high-specification industrial buildings, educational developments, healthcare facilities, Mechanical and Engineering contracts for the Thomson-East Coast Line Extension (TEL) and Cross Island Line (CRL), and infrastructure works for the Woodlands Checkpoint extension and the Tuas Port.<sup>#</sup>

In light of the above, the Group remains cautiously optimistic of the market conditions in the construction sector. As at the date of this announcement, the order book of the Group stands at \$188.7 million, which should support the Group's activities to FY2029. The Group will selectively tender for public and private sector projects, taking into consideration the prevailing market conditions including rising manpower and material costs. Accordingly, the Group continues to prioritise cash conservation and cost control.

<sup>#</sup><https://www1.bca.gov.sg/about-us/news-and-publications/media-releases/2025/01/23/construction-demand-to-remain-strong-for-2025>

**5. If a decision regarding dividend has been made:**

**( a ) Whether an interim (final) ordinary dividend has been declared (recommended); and**

No dividend declared or recommended.

**( b )(i) Amount per share in cents**

Not applicable.

**( b )(ii) Previous corresponding period in cents**

Not applicable

**( c ) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**( d ) The date the dividend is payable**

Not applicable.

**5. If a decision regarding dividend has been made: (Cont'd)**

**( e ) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

**6. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Dividends (if any) are declared on an annual basis for the full year results ending 30 June.

**7. If the Group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for IPTs pursuant to Rule 920(1)(a)(ii).

**8. Negative confirmation pursuant to Rule 705(5)**

We, David Ng Cheng Lian and Anthony Koh Thong Huat, being the directors of the Company, do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial information for 1HY2025 to be false or misleading in any material aspect.

**9. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H of the Catalist Rules) under Rule 720(1) of the Catalist Rules.

**10. Acquisition or sale of shares in subsidiaries and/or associated companies under Rule 706(A)**

On 2 July 2024, TMS Alliances Pte Ltd, a wholly-owned subsidiary of the Company, had incorporated a wholly-owned subsidiary, ISOTeam BuildTech Pte. Ltd., with an issued and paid-up capital of \$100 comprising 100 ordinary shares. Please refer to the Company's announcement dated 2 July 2024 for more information.

**BY ORDER OF THE BOARD**

**David Ng Cheng Lian**  
**Executive Chairman**  
**11 February 2025**

**Anthony Koh Thong Huat**  
**CEO**

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This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

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