



**ISOTEAM LTD.**

(Company Registration No: 201230294M)  
(Incorporated in the Republic of Singapore on 12 December 2012)

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**PROPOSED JOINT VENTURE**

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**1. INTRODUCTION**

The Board of Directors (the "**Board**") of ISOTeam Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement made by the Company on 11 August 2016 relating to the entry into a memorandum of understanding with BT Industrial Coating (M) Sdn. Bhd. ("**BT Industrial**") to establish a joint venture for the purpose of engaging in the business of providing interior design services in Malaysia (the "**Proposed Joint Venture**").

The Board wishes to announce that the Company has entered into a shareholders agreement (the "**SHA**") with ITG Projects Sdn Bhd (the "**JVC**") and BT Industrial to regulate the rights of the Company and BT Industrial as the shareholders of the JVC.

**2. INFORMATION ON THE JVC**

The JVC was incorporated on 28 July 2016 in Malaysia with an initial issued and paid up share capital of RM2 divided into two ordinary shares of RM1 each (the "**Subscribers Shares**") and each currently held by Lee Ngee Shion and Yee Thong Fatt (the "**Initial Subscribers**") who are the shareholders of BT Industrial.

**3. CAPITAL CONTRIBUTION TOWARDS THE JVC**

3.1 Pursuant to the SHA, the issued and paid-up share capital of the JVC will be increased from RM2 to RM2,000,000 divided into 2,000,000 ordinary shares, by way of an allotment and issue of 1,100,000 new ordinary shares of RM1 each to the Company for a cash consideration of RM1,100,000 and an allotment and issue of 899,998 new ordinary shares of RM1 each to BT Industrial for a cash consideration of RM899,998.

3.2 Upon completion of the subscription of shares as provided in paragraph 3.1 above, BT Industrial will procure the transfer of the Subscribers Shares from the Initial Subscribers to BT Industrial such that the Company and BT Industrial will hold 55% and 45% of the resultant share capital of the JVC respectively.

3.3 The Group will finance the subscription of shares in the JVC by the proceeds raised from a placement of 9,000,000 ordinary shares in the capital of the Company, completed on 15 June 2015.

#### 4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Joint Venture, the JVC and BT Industrial, other than through their respective shareholdings (if any) in the Company.

#### 5. FINANCIAL EFFECTS

The Proposed Joint Venture is not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of the Group for the current financial year ending 30 June 2017.

#### 6. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the SHA is available for inspection at the Company's registered office at 57, Kaki Bukit Place, Eunos Techpark, Singapore 416231 during normal business hours for a period of three months from the date of this announcement.

By Order of the Board

Anthony Koh Thong Huat  
Executive Director and Chief Executive Officer  
19 September 2016

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Hong Leong Finance Limited for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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.*

*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.*