



ISOTeAM Ltd.
(Company Registration No.: 201230294M)
(Incorporated in the Republic of Singapore on 12 December 2012)
8 Changi North Street 1
ISOTeAM Building
Singapore 498829 <http://isoteam.com.sg/>

FOR IMMEDIATE RELEASE

ISOTeAM strengthens commercial and retail fitting-out capabilities and enlarges regional presence with proposed acquisition of Pure Group

- *Acquisition is earnings-accretive and will enable ISOTeAM to offer its services to new overseas markets such as Philippines, China, Malaysia and Thailand.*
- *Entitles ISOTeAM to earn-out payments if Pure Group achieves minimum profit after tax targets of S\$3.0 million and S\$5.0 million in FY2020 and FY2021 respectively.*

SINGAPORE – 24 July 2019 – ISOTeAM Ltd. (the “**Company**” or “**ISOTeAM**” and together with its subsidiaries, the “**Group**”), an established and leading player in Singapore’s building maintenance and estate upgrading industry in Singapore, has entered into a conditional sale and purchase agreement (“**Conditional SPA**”) with Coney International Ltd. (“**Coney International**”), for the proposed acquisition of six companies, collectively known as “**Pure Group**”. The purchase consideration will comprise a combination of 50% cash and 50% ISOTeAM shares by way of non-listed transferable warrants.

Besides strengthening its existing capabilities, the proposed acquisition is a significant boost to ISOTeAM’s overseas expansion plans. The Group currently has presence in Myanmar through ISOTeAM (TMS) Myanmar Limited, which undertakes repairs and redecoration projects, and in Malaysia through ITG Projects Sdn Bhd, which is involved in interior design works.

Pure Group is principally engaged in the provision of project and construction management services, as well as commercial and retail fitting-out works in Singapore, Philippines, China, Malaysia and Thailand. It manages turn-key retail and commercial projects with services ranging from design management and project management to contract administration to risk and stakeholder management. Notable past clients include Integrated Resorts in Singapore, Vanguard Hotels across Southeast Asia, Swarovski SEA, IKEA Mega Bangna in Bangkok, Thailand, MYTOWN Shopping Mall in Kuala Lumpur, Malaysia, and Mosaic Shopping Mall in Xi’An, China.



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The Conditional SPA covers Coney International's entire equity interest in Pure Group, which comprises Pure Group (Singapore) Pte. Ltd. in Singapore (100%-owned), Pure Projects (Philippines) Inc in the Philippines (99.9%-owned), Pure Projects Construction Advisory Shanghai Co Ltd in China (100%-owned), Pure Projects Management Sdn. Bhd. in Malaysia (100%-owned), Pure Projects SEA Pte. Ltd. (100%-owned), and Pure Projects SEA Ltd in Thailand (49%-owned).

Mr Anthony Koh (许统发), Executive Director and Chief Executive Officer of ISOTeam, said: *"Pure Group has built an excellent regional reputation for project and construction management since its establishment in 2010. Its geographical presence in major SEA markets including Northern Asia, will enable ISOTeam to offer turn-key commercial fitting-out services and break through the confines of the small and highly competitive Singapore market to offer our services to other countries and segments in the region. With its strong profitability track record, the acquisition of Pure Group will be earnings-accretive to ISOTeam.*

"Having worked closely with them for past projects, we are confident in the experience and professionalism of the team at Pure Group. We believe its capabilities and expertise in project and construction management are highly complementary to our own engineering services and solutions business and we very much look forward to leveraging their strengths and network to achieve further growth for ISOTeam."

Coney International Company Founder & Managing Director, Mr Peter Coney, said: *"ISOTeam is well known in our industry for its superior project performance, high standards and quality. We look forward to becoming part of the ISOTeam family so that together we can bring the business to a higher level of growth and sustainability."*

Over the last three financial years, Pure Group has generated strong multi million dollar profitability with cumulative earnings before interest and taxes.

This M&A is earnings accretive to ISOTeam with the newly integrated company Pure Project Group achieving a minimum profit after tax targets of S\$3.0 million for FY2020 and S\$5.0 million for FY2021.



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The Consideration Warrants, as part of the purchase consideration, will be held in escrow and released to Coney International upon the fulfilment of the respective earn-out conditions. Each Consideration Warrant carries the right to subscribe for one new ordinary share in ISOTeAM at the exercise price of \$0.2532, which represents a premium of approximately 1.24% to the volume weighted average price of \$0.2501 for trades done on the SGX-ST on 23 July 2019¹.

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Note: This press release should be read in conjunction with the Company's exchange filings on 24 July 2019 at www.sgx.com.

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 400 refurbishment and upgrading projects for well over 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 equipment leasing, green solutions, mechanical & electrical engineering works and handyman service 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 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. by

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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. This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility

¹ Being the last full market day on which the shares of the Company were traded prior to the date of the SPA.



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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, #01-05 Hong Leong Building, Singapore 048581, Telephone (65) 6415 9886.