



ISOTEAM LTD.

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

PROPOSED ACQUISITION OF ASSETS IN SINGAPORE MOBIKE PTE. LTD.

Unless otherwise defined or the context otherwise requires, all capitalised terms used herein bear the same meanings as in the Announcements (as defined below).

1. INTRODUCTION

The Board of Directors (the "**Board**" or "**Directors**") of ISOTeam Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's announcements dated 9 August 2019, 15 August 2019, 17 September 2019, 2 October 2019 and 1 November 2019 (the "**Announcements**") relating to the Proposed Acquisition.

The Board wishes to announce that SG Bike Pte. Ltd. ("**SG Bike**") has on 25 November 2019 entered into an amended and restated asset transfer agreement (the "**Amended ATA**") with Singapore Mobike Pte. Ltd. (the "**Seller**") and mobike Ltd. ("**Mobike**") to vary the terms and conditions of the Proposed Acquisition. The Amended ATA supersedes and replaces the original ATA in its entirety.

2. VARIED TERMS IN THE AMENDED ATA

2.1 The key varied terms under the Amended ATA include, amongst others:

- (i) Under the Amended ATA, the Seller shall sell and SG Bike shall purchase:
 - (a) the license issued by the LTA to the Seller in respect of 25,000 bicycles for the period commencing from 1 November 2019 to 31 October 2020 ("**LTA Permit**"), and the effective amount of the license fees paid by Seller to LTA for the LTA Permit of S\$375,000 (taking into account the amount of S\$375,000 refunded by the LTA to the Seller on 21 November 2019 in respect of the revision of license fees by LTA with effect from 1 July 2019) ("**License Fee**");
 - (b) 25,000 bicycles, each with the IoT smart lock installed thereon, consisting of:
 - i. 18,000 Street Bicycles, in an aggregate amount of S\$100,000;
 - ii. 7,000 Warehouse Bicycles, pursuant to the quality examination standards under the Amended ATA, in an aggregate amount of US\$64,000 (or approximately S\$87,040 based on the exchange rate of US\$1:S\$1.36); and
 - iii. related bicycle service fee of US\$26,000 (or approximately S\$35,360) for the bicycle storage costs in relation to the Warehouse Bicycles prior to the 2nd Closing date,

(collectively, the "**Transferred Assets**").

- (ii) The purchase consideration for the Transferred Assets under the Amended ATA (“**Revised Purchase Consideration**”) will be paid in cash by SG Bike to the Seller in two instalments as follows:
 - (a) The first instalment to be paid on the 1st Closing date shall be the aggregate of:
 - i. S\$100,000, being the aggregate consideration for the Street Bicycles;
 - ii. US\$64,000 (or approximately S\$87,040), being partial payment for the Warehouse Bicycles;
 - iii. S\$375,000, being the License Fee in respect of the LTA Permit; and
 - iv. bicycle service fee of US\$26,000 (or approximately S\$35,360),
 - (b) The second instalment to be paid on the 2nd Closing date shall be the aggregate sum calculated by multiplying the number of Warehouse Bicycles determined after the completion of the quality examination by US\$32 (or approximately S\$43) *minus* US\$64,000 (or approximately S\$87,040). In the event that the aggregate consideration for the Warehouse Bicycles is less than US\$64,000, the Seller and/or Mobike undertake to make payment to SG Bike of the excess amount in cash on the 2nd Closing date.

Accordingly, the Revised Purchase Consideration will no longer be subject to adjustments as detailed in paragraph 3.1(ii) of the Company’s announcement dated 9 August 2019.

- (iii) Each of the Seller and Mobike agrees and undertakes that on and from the 1st Closing date, the Seller and/or Mobike shall not scrap or remove or in any way affect the condition of any Street Bicycles and Warehouse Bicycles.
- (iv) Each of the Seller and Mobike further agrees and undertakes to procure the provision of the source code of the Mobike APIs and related backend systems including IoT smart lock, IoT Driver, IoT Firmware and any relevant document in relation thereto, to the Purchaser.

2.2 Save for the above, there are no material changes to the other key terms in respect of the Proposed Acquisition.

3. FINANCIAL EFFECTS

There were no material changes in the net tangible assets per share of the Group for the financial year ended 30 June 2019 (“**FY2019**”) and the earnings per share of the Group for FY2019, before and after the Proposed Acquisition, calculated based on the audited consolidated financial statements of the Group for FY2019 and the unaudited financial statements of the Seller for the financial period from 1 July 2018 to 30 June 2019 in respect of the Amended ATA.

4. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

Based on the Revised Purchase Consideration and the Assumed Liabilities, all of the relative figures for the Proposed Acquisition under the Amended ATA computed on the relevant bases set out in Rule 1006 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited amounts to less than 5%.

5. DOCUMENT FOR INSPECTION

A copy of the Amended ATA is available for inspection during normal business hours at the Company’s registered office at 8 Changi North Street 1, ISOTeam Building, Singapore 498829 for a period of three (3) months from the date of this announcement.

By Order of the Board

Anthony Koh Thong Huat
Executive Director and Chief Executive Officer
25 November 2019

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Hong Leong Finance Limited ("**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").*

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.

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