



FOR IMMEDIATE RELEASE

ISOTeam reorganises to sharpen focus on core competencies

- *Proposed transfer of non-core assets to variable capital company will enable the Group to reallocate resources to construction-related core segments that generate over 95% of its FY2022 revenue.*
- *Reorganisation will streamline the Group's structure and resources to better ride the recovery of Singapore's construction sector*

SINGAPORE, 5 December 2022 – Following a strategic review and reorganisation, **ISOTeam Ltd.** (“**ISOTeam**”, the “**Company**” or together with its subsidiaries, the “**Group**”), an established and leading player in Singapore’s building maintenance and estate upgrading industry, has announced the proposed transfer of its non-core assets to a private equity fund manager, which will enable the Group to fully focus on its core construction-related segments.

The Group has entered into subscription agreements with Multi-Asset Growth Strategy VCC (the “**VCC**”) for the proposed transfer of its interests in SGBike Pte Ltd (“**SGBike**”), ISOTeam Access Pte Ltd (“**IAC**”), and ISOTeam Green Solutions Pte Ltd (“**IGS**”) (collectively the “**Targets**”) as consideration for approximately 3.47 million participating shares of sub-funds of the VCC valued at S\$1.00 each (this transfer is hereinafter referred to as the “**Proposed Transaction**”).

The Proposed Transaction involves the Group’s 100% stake in both IAC and IGS as well as its 48% holding in SGBike, and certain outstandings owing by SGBike will also be transferred to the VCC. Upon completion of the Proposed Transaction, Atlas Asset Management Pte Ltd (“**Atlas**”), which is the fund manager of the VCC, will have full control of the Targets and will have the discretion to enhance their value by improving their performance with the intention of disposing them to an external party at an opportune time. The proceeds from the sale or closure of the Targets to the external parties will be distributed by the VCC to ISOTeam. Based on the book value of the Targets’ assets, the transaction is expected to result in a gain to the Group.



This strategic reorganisation will allow the Group to concentrate its energies and to allocate its resources to drive growth for its core business segments, which together contributed more than 95% to the Group's consolidated revenue in its latest financial year ended 30 June 2022 ("FY2022"). The core segments that make up the Group's bread and butter business include Repairs and Redecoration ("R&R"), Addition and Alteration ("A&A"), Coating and Painting ("C&P"), Landscaping and Interior design ("Landscaping & ID"), and Mechanical and Electrical engineering ("M&E").

Group Executive Director and Chief Executive Officer, Mr Anthony Koh (许统发), said: *"ISOTeAM has always positioned itself to be in line with the urban planning needs of the Singapore government. After careful deliberation and a strategic review of the individual operations and performance of each of our business units, we believe that it is in the best interests of the Group and its stakeholders to concentrate our energies on our core capabilities in estate upgrading and building maintenance. These are the strengths which we had cultivated since the Group was first established and they continue to form the backbone of ISOTeAM. By going back to the basics, we will be better positioned to ride the recovery of Singapore's construction sector, which grew 7.8% in 3Q2022, accelerating from the 4.8% growth in 2Q2022¹."*

He added: "Trimming our non-core assets via the Proposed Transaction releases us from the tasks of managing and preparing the Targets for a sale and seeking buyers for the sale, while giving us an opportunity to unlock some value from our investment."

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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 more than 20 years of Repairs & Redecoration (R&R) and Addition & Alteration (A&A) experience. We have successfully undertaken more than 550 refurbishment and upgrading projects for over 6,000 buildings and counting since inception. ISOTeAM

¹ MTI, "Singapore's Economy Expanded by 4.4 Per Cent in the Third Quarter of 2022", 14 Oct 2022



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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 ("ID"), landscaping, access equipment leasing, green solutions and mechanical and electrical works ("M&E"), and pest management services 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.

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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.

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 release.

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