



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 to raise up to S\$10.3m from rights issue to support higher level of business activities

- *Proceeds from proposed rights issue will strengthen the Group's financial position and provide flexibility for its working capital needs.*
- *Increases the Group's ability to seize opportunities for business growth and expansion at the opportune time.*

SINGAPORE, 26 June 2023 – 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 proposed a renounceable non-underwritten rights issue of up to 347.2 million new ordinary shares (“Rights Shares”) at an issue price of S\$0.03 for each Rights Share and amounting to net proceeds of approximately S\$10.3 million.

The Rights Issue will be offered on a renounceable basis of one Rights Share for every one existing ordinary share in the capital of the Company held by eligible shareholders as at the record date¹. The issue price represents a discount of approximately 60.5% to the closing price of S\$0.076 per share, and 43.4% to the theoretical ex-rights price of S\$0.053 per share, for trades done on the SGX-ST on 26 June 2023².

ISOTeAM has earmarked S\$7.2 million of the net proceeds from the Rights Issue for general working capital requirements, with the remainder to be allocated for the repayment of banking facilities. The funds raised are expected to strengthen the Group’s financial position while giving it the flexibility to pursue business growth and expansion at the opportune time.

¹ *The Rights Issue shall take place as at a time and date to be determined by the Directors, at and on which the register of members of the Company and the transfer books will be closed to determine the provisional allotment of the Rights Shares of the entitled shareholders.*

² *Being the last trading day where there were shares traded immediately prior to the date of this announcement.*



The building and construction industry has gradually gotten back to its feet following a tough three-year period during the pandemic era when the sector was badly affected by safe management measures, supply chain disruptions and manpower shortages. Reflecting the improved conditions, ISOTeAM's revenue for the six months ended 31 December 2022 was 18.6% higher year-on-year as business activities picked up on the back of a strong order book from new contract wins.

Despite the more positive post-Covid environment and increased business activities, the Group expects to face ongoing pressures on its margins as labour and raw material costs continue to be high due to inflation, heightened geopolitical tensions, soaring interest rates and manpower constraints. The proceeds from the Rights Issue will provide additional cash reserves to support the Group's working capital needs.

Group Executive Director and Chief Executive Officer, Mr Anthony Koh (许统发), said: *"The Rights Issue will strengthen ISOTeAM's balance sheet and put us in a better position to manage the increased cost of project financing due to interest rate increases. It will also give us the flexibility to pursue suitable business opportunities in a timely manner."*

"While we have considered other forms of financing, we believe the Rights Issue is in the best interests of our shareholders as it will enable them to maintain their equity participation in the Group and invest in our future growth without significant dilution to their holdings. The Board of Directors and management team of ISOTeAM remain confident about the prospects of our industry and we hope that our shareholders will continue to support us unwaveringly by subscribing to the Rights Issue."

As at 29 May 2023, ISOTeAM's order book stood at S\$195.1 million with projects to be delivered between June 2023 and March 2026. Leveraging its multidisciplinary capabilities and core construction related services, the Group continues to actively tender for new projects to beef up its pipeline.

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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 and eco-conscious 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 also offers specialist Coating & Painting (C&P) services as well as complementary niche services (Others) including specialist waterproofing, commercial interior design and home retrofitting (ID), landscaping, mechanical and electrical works (M&E), vector control services and handyman services. 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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