



**ISOTEAM LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration Number 201230294M)

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**PROPOSED PLACEMENT OF:**

**(A) UP TO 86,158,138 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT A SHARE PLACEMENT PRICE OF S\$0.08126 PER PLACEMENT SHARE AND APPOINTMENT OF PLACEMENT AGENT; AND**

**(B) CONVERTIBLE BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF UP TO S\$3,000,000 AND APPOINTMENT OF PLACEMENT AGENT**

**(EACH, A “PROPOSED PLACEMENT” AND COLLECTIVELY, THE “PROPOSED PLACEMENTS”)**

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**1. INTRODUCTION**

The Board of Directors (the “**Board**”) of ISOTeam Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce that the Company has on 10 September 2025 entered into:

- (a) a placement agreement (the “**Share Placement Agreement**”) with SAC Capital Private Limited (the “**Share Placement Agent**”). The Share Placement Agent has appointed Maybank Securities Pte. Ltd. as sub-placement agent in relation to the Proposed Share Placement (as defined below). Pursuant to the Share Placement Agreement, the Company has agreed to offer, by way of placement, and the Share Placement Agent has agreed, on a best endeavours basis, to procure subscriptions for an aggregate of up to 86,158,138 fully paid-up ordinary shares in the capital of the Company (the “**Placement Shares**”) at an issue price of S\$0.08126 per Placement Share (the “**Share Placement Price**”), amounting to an aggregate consideration of up to approximately S\$7,001,210 (the “**Proposed Share Placement**”); and
- (b) a placement agreement (the “**Convertible Bond Placement Agreement**”) with Soochow Singapore Capital Markets (Asia) Pte. Ltd. (the “**Convertible Bond Placement Agent**”). The Convertible Bond Placement Agent has appointed Maybank Securities Pte. Ltd. as sub-placement agent in relation to the Proposed Convertible Bond Placement (as defined below). Pursuant to the Convertible Bond Placement Agreement, the Convertible Bond Placement Agent will agree to use its best efforts to procure subscribers to subscribe for unlisted convertible bonds in the aggregate principal amount of up to S\$3,000,000 (the “**Bonds**”) due September 2028 by way of placement (the “**Proposed Convertible Bond Placement**”) which may be converted into shares in the capital of the Company at a conversion price of S\$0.09126 in accordance with the terms and conditions of the Bond Subscription Agreement (as defined below).

The Proposed Share Placement is not underwritten and will be undertaken on the basis of the exemptions set out in Sections 272B(1) and/or 274 and/or 275 (as applicable) of the Securities and Futures Act 2001 of Singapore (the “SFA”). The Proposed Convertible Bond Placement is also not underwritten and will be undertaken by way of a private placement pursuant to Sections 274 and 275 of the SFA. As such, no prospectus or offer information statement will be lodged with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) or the Monetary Authority of Singapore.

## **2. THE PROPOSED SHARE PLACEMENT AND SALIENT TERMS OF THE SHARE PLACEMENT AGREEMENT**

### **2.1 Placement Price**

The Placement Price was arrived at pursuant to discussions with the Share Placement Agent, taking into account, among others, the prevailing market price of the Shares and represents a discount of approximately 9% to the volume-weighted average price (the “VWAP”) of S\$0.08930 per ordinary share in the capital of the Company (“Share”) for trades done on the Shares on the SGX-ST for the full market day on 8 September 2025, being the last full market day prior to the trading halt called by the Company and execution of the Share Placement Agreement.

### **2.2 Placement Shares**

The Placement Shares represent approximately 12.18% of the existing issued and paid-up share capital of the Company comprising 707,241,862 Shares in issue (excluding treasury shares) and will represent approximately 10.86% of the enlarged number of issued Shares in the capital of the Company of 793,400,000 Shares (excluding treasury shares and without taking into consideration the Conversion Shares (as defined below) arising from the conversion of the Bonds). The Placement Shares shall be issued free from all claims, pledges, mortgages, charges, liens and encumbrances and shall rank in all respects *pari passu* with all existing issued Shares except that the Placement Shares will not rank for any dividends, rights, allotments or other distributions, the record date for which falls on or before the date of allotment and issue of the Placement Shares.

The Placement Shares will not be placed to any person who is a Director or substantial shareholder of the Company as at the date of this announcement, an interested person as defined in Chapter 9 of the Listing Manual Section B: Rules of Catalist (the “Catalist Rules”) or any other person in the categories set out in Rule 812(1) of the Catalist Rules (unless such persons fall within the exemptions set out in Rule 812(3) of the Catalist Rules and/or unless such subscription is otherwise agreed to by the SGX-ST). The Proposed Share Placement will also not result in any transfer of controlling interest (as defined in the Catalist Rules) in the Company.

### **Salient Terms of the Share Placement Agreement**

### **2.3 Commission**

The Company shall pay to the Share Placement Agent, a placement commission of 3.0% of the Share Placement Price for each Placement Share that the Share Placement Agent has procured placees for as at the Completion Date (each, a “Placed Share”) (and if applicable,

goods and services tax thereon), according to the relevant number of Placed Shares issued through the Share Placement Agent pursuant to the Proposed Share Placement.

The sub-placement agent for the Proposed Share Placement, who shall receive the placement monies from end-placees, shall be entitled to set off and deduct from the placement monies payable to the Company any amount owing by the Company to the sub-placement agent.

In addition to the commissions, costs, charges and expenses referred to herein, the Share Placement Agent and the sub-placement agent shall be entitled to keep for its own account any brokerage that it may receive from the subscribers whom they may have procured subscriptions and payment of the Placement Shares from. The Share Placement Agent and the sub-placement agent shall be entitled to charge each end-placee, and each end-placee shall pay to the Share Placement Agent or the sub-placement agent (as the case may be), an end-placees' commission of 1.0% of the Share Placement Price (including, applicable, any goods and services tax thereon) for each Placed Share.

## 2.4 **Completion**

Subject to the terms and conditions of the Share Placement Agreement, completion of the Proposed Share Placement (the "**Completion**") shall take place on the date (the "**Completion Date**") falling no later than three (3) business days after the condition precedents are fulfilled, but in any event being a date no later than the date falling eight (8) weeks after the date of the Share Placement Agreement or such other date as the Company and the Share Placement Agent may mutually agree.

## 2.5 **Conditions Precedent**

The obligations of each Share Investor to proceed with completion of the issuance of Placement Shares shall be conditional upon the following:

- (a) as of the Completion Date, the trading of the Placement Shares on the Catalist not being suspended by the SGX-ST (other than a trading halt on a temporary basis requested by the Company) and the Shares not having been delisted from the Catalist;
- (b) an applicable safe harbour exemption or exemptions under the SFA exempting the Company from having to register a prospectus in relation to the Proposed Share Placement being applicable to the Proposed Share Placement under the Share Placement Agreement, including any of sections 272B, 274 and 275 of the SFA;
- (c) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Share Placement Agreement by any legislative, executive or regulatory body or authority of Singapore or any other jurisdiction, which is applicable to the Company or the Share Placement Agent;
- (d) the delivery to the Share Placement Agent on Completion Date, of a certificate, substantially in the form set out in the Share Placement Agreement, signed on behalf of the Company by its duly authorised officers;
- (e) the Placement Shares being issued in reliance of the share issue mandate obtained by the Company in its annual general meeting on 25 October 2024 and there being no

further shareholders' approval required for and in connection with the Share Placement;

- (f) there not having occurred, in the reasonable opinion of the Share Placement Agent, any circumstance, event or situation which is or are likely to have a material adverse effect (as defined in the Share Placement Agreement), subsequent to the date of the Share Placement Agreement which, in the reasonable opinion of the Share Placement Agent, is or is reasonably likely to make it impracticable or inadvisable or inexpedient to proceed with the Share Placement or is reasonably likely to prejudice materially the success of the Share Placement or dealings in the Placement Shares in the secondary market; and
- (g) the representations, warranties and undertakings of the Company remaining true and correct in all material respects as at the Completion Date and the Company having performed all of its obligations hereunder to be performed on or before the Completion Date.

### 3. PRINCIPAL TERMS OF THE PROPOSED CONVERTIBLE BOND PLACEMENT

#### 3.1 Proposed Convertible Bond Placement

The Company will be entering into a subscription agreement (the “**Bond Subscription Agreement**”) with each of the subscribers (each, a “**Bond Investor**”) in connection with the subscription for the Bonds.

Pursuant to the terms and conditions of the Bonds, the Bonds are convertible into new ordinary shares in the capital of the Company (the “**Conversion Shares**”).

The Bonds will not be placed to any person who is a director of the Company (each a “**Director**”) or a substantial shareholder of the Company, an interested person as defined in Chapter 9 of the Catalyst Rules, or any other person in the categories as set out in Rule 812(1) of the Catalyst Rules.

The conversion of the Bonds into the Conversion Shares will not result in a transfer of controlling interest (as defined in the Catalyst Rules) of the Company.

#### 3.2 Conditions Precedent

The obligations of each Bond Investor to proceed with completion of the subscription of the Bonds (the “**Bond Completion**”) shall be conditional upon the following:

- (a) all necessary consents, approvals, and waivers of any government bodies, stock exchange, and other regulatory authority having jurisdiction over the entry into the Bond Subscription Agreement and the issuance of the Bonds (whether in Singapore and/or any other applicable jurisdiction) and all other transactions in connection therewith and incidental thereto, having been obtained or procured by the Company, as the case may be, such consents, approvals and waivers not having been amended or revoked before the date five (5) business days after the conditions precedent set out herein have been fulfilled but in any event being a date not later than two (2) months after the date of the Bond Subscription Agreement or such other date as the Company and the Investor may mutually agree to (the “**Bond Completion Date**”), and to the extent that such

consents, approvals and waivers are subject to any conditions required to be fulfilled before the Bond Completion Date, all such conditions having been duly so fulfilled;

- (b) the listing and quotation notice in relation to the Conversion Shares (the “**LQN**”) being obtained from the SGX-ST, and where the LQN is subject to conditions, such conditions being reasonably acceptable to the Bond Investor, and to the extent that any conditions for the listing and quotation of the Conversion Shares on the SGX-ST are required to be fulfilled as at the Bond Completion, they are so fulfilled, the SGX-ST not having withdrawn or changed the terms and conditions of the LQN and the Company having complied with any such conditions to the satisfaction of the SGX-ST and there not having occurred any event or condition on or prior to the Bond Completion that would prevent the subsequent quotation and trading of the Conversion Shares on the SGX-ST;
- (c) the transactions contemplated in the Bond Subscription Agreement (including but not limited to the allotment, issue and subscription of the Bonds) not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Bond Subscription Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company or the Bond Investor;
- (d) on the Bond Completion Date, the representations and warranties of the Company and the Bond Investor herein being true, accurate and correct in all material respects as if made on the Bond Completion Date, with reference to the then existing circumstances, and the Company having performed in all material respects all of its obligations hereunder to be performed on or before the Bond Completion Date; and
- (e) the Convertible Bond Placement Agreement not having been terminated prior to the Bond Completion.

### 3.3 Salient terms and conditions of the Bonds

The Bonds shall be issued in registered form at a minimum principal amount of S\$250,000. A bond certificate (each, a “**Certificate**”) will be issued to each holder of the Bonds (each, a “**Bondholder**”) in respect of its registered holding of Bonds. Each Bond will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Bondholders which the Company will keep.

A summary of the key terms of the Bonds is set out below:

Subscription Price : 100% of the aggregate principal amount paid for the Bonds

Maturity Date : 36 months from the date of issue of the Bonds

Status : The Bonds constitute and will at all times constitute, direct, unconditional, unsubordinated and unsecured obligations of the Company and rank *pari passu* among themselves and senior to all other present and future unsecured and unsubordinated obligations of the Company, including employees, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors’ rights.

For the avoidance of doubt, in the event of a liquidation or winding up of the Company, the Bondholder shall rank in priority over shareholders of the Company (the “**Shareholders**”), in the repayment process with respect to any net proceeds arising from the liquidation of the Company.

Interest Rate : The Bonds bear interest from its date of issue at the rate of 4.00% per annum of the principal amount outstanding of the Bonds from the date of issue of the Bonds (the “**Bonds Issue Date**”), payable half-yearly in arrears from the Bonds Issue Date.

Modification of Terms : Any material alteration to the terms of the Bonds after the issue of the Bonds to the advantage of the Bondholders and prejudicial to the Shareholders must be approved by the Shareholders in general meeting, except where the alterations are made pursuant to the terms of the Bonds.

Listing : The Bonds will not be listed on any stock exchange.

Transfer : The Bonds are non-transferable.

Conversion Terms : At any time commencing from one (1) day after the Bonds Issue Date to the date falling 30 days prior to the Maturity Date, the Bond may, at the election of the Bondholder, in whole or in part (subject to a minimum amount of S\$250,000 and in integral multiples of S\$250,000) be convertible into Conversion Shares at a conversion price of S\$0.09126 per Conversion Share (the “**Conversion Price**”).

If a *bona fide* offer is made under the Singapore Code on Take-overs and Mergers for all the Shares in the form of a mandatory offer, voluntary offer, scheme of arrangement, delisting and exit offer, and amalgamation (but not a partial offer) and such offer turns unconditional (the “**Specified Events**”), where the offer price per Share is less than the Conversion Price (the “**Specified Event Offer Price**”), the Conversion Price shall be reduced to the Specified Event Offer Price (the “**Revised Conversion Price**”). The Revised Conversion Price shall not, in any circumstances, be less than S\$0.08126 (the “**Minimum Conversion Price**”).

Conversion Shares : Assuming no occurrence of any Specified Events, up to 32,873,109 Conversion Shares to be allotted and issued by the Company upon conversion of all the Bonds.

Assuming a Specified Event occurs, up to 36,918,533 Conversion Shares to be allotted and issued by the Company upon conversion of all the Bonds.

The Conversion Shares shall rank *pari passu* in all respects with the outstanding ordinary shares for the time being in the capital of the Company (save for any dividend, right, allotment or other distributions, the record date of which is on or before the date of issue of such Conversion Shares) with the right to participate in full in all dividends

resolved to be paid or paid on the ordinary shares after the date on which the Conversion Shares are allotted to a Bond Investor pursuant to the conversion of his Bond(s) (the “**Conversion Date**”) whether or not such dividends are resolved or paid wholly or in part in respect of the period prior to the Conversion Date.

- Final Redemption : Unless previously redeemed or converted in accordance with the  
on Maturity Date Bond Subscription Agreement, the Bonds shall be redeemed by the Company on the Maturity Date at a redemption price equal to the outstanding principal amount of the Bonds and any accrued and unpaid interest on the outstanding principal amount.
- Adjustments to : The Conversion Price and the Minimum Conversion Price will be  
Conversion Price subject to adjustments in circumstances such as, among others, in the  
and Minimum event of a rights issue, bonus issue, reclassification, subdivision or  
Conversion Price consolidation of Shares and/or issues below market price, as set out in the terms and conditions of the Bond Subscription Agreement.
- Notification of : The Company shall, not later than one (1) month before the Maturity  
Maturity Date Date, give notice to the Bondholder of the Maturity Date. In addition, the Company shall announce the expiry of the Bonds through an announcement to be released on the SGXNET.
- Governing Law : The Bonds are governed by and shall be construed in accordance with the laws of the Republic of Singapore.

### 3.4 Conversion Shares

Assuming full subscription for the Bonds and full conversion of the Bonds into Conversion Shares at a conversion price of S\$0.09126 (being the Conversion Price) and S\$0.08126 per Conversion Share (being the Minimum Conversion Price applicable in the event of occurrence of any of the Specified Events) (the “**Maximum Subscription Scenario**”), a total of 32,873,109 and 36,918,533 Conversion Shares will be issued respectively. Based on the current 707,241,862 Shares in issue (excluding treasury shares) (and assuming no other changes in the share capital of the Company), such number of Conversion Shares would represent approximately 4.44% and 4.96% of the enlarged number of issued Shares in the capital of the Company respectively of 740,114,971 and 744,160,395 Shares respectively (excluding treasury shares and without taking into consideration the Proposed Share Placement). Further, in converting the Bonds into Conversion Shares, the Company shall have the sole discretion to transfer such number of treasury shares as it may then own to the Bondholder as full or partial satisfaction (as the case may be) of such conversion.

The conversion price of S\$0.08126 (being the Minimum Conversion Price applicable in the event of occurrence of any of the Specified Events) and S\$0.09126 (being the Conversion Price) per Conversion Share represents a discount of 9.0% and a premium of 2.19% to the volume-weighted average price (the “**VWAP**”) of S\$0.08930 per Share for trades done on the Shares on the SGX-ST on 8 September 2025 respectively, being the last full market day on which the Shares were traded prior to the trading halt called by the Company and execution of the Convertible Bond Placement Agreement. For the avoidance of doubt, there were no trades done on the Shares on 9 September 2025 and 10 September 2025 due to a trading halt. The conversion price of the Bonds was agreed upon between the Company and the Convertible

Bond Placement Agent based on arm's length negotiations taking into account, among others, the VWAP of the Shares quoted on the SGX-ST on 8 September 2025.

#### **4. SALIENT TERMS OF THE CONVERTIBLE BOND PLACEMENT AGREEMENT**

##### **4.1 Commission**

In consideration of the agreement of the Convertible Bond Placement Agent to procure subscriptions and payment for the Bonds by subscribers on a best effort basis, the Company shall pay to the Convertible Bond Placement Agent a placement commission of 3.0% of the subscription proceeds.

##### **4.2 Closing**

Subject to the terms and conditions of the Convertible Bond Placement Agreement (and in particular, but without limitation, the satisfaction of the conditions set out in paragraph 4.3 below), the Bond Completion shall take place as follows on the Bond Completion Date:

- (a) each Bondholder shall, and the Convertible Bond Placement Agent shall use best efforts to procure that the Bondholder shall, on the Bond Completion Date, deliver to the Company, a signed copy of the Convertible Bond Subscription Agreement in relation to the Proposed Convertible Bond Placement, to pay or procure payment to the Company by cheque to the Company's designated bank account, or by cashier's order or bank draft drawn on a reputable bank in Singapore made out in favour of the Company, or via electronic payments, at the election of the Company, the payment of which shall constitute full and complete discharge of the obligations of the Convertible Bond Placement Agent.
- (b) the Company shall, on the Bond Completion Date, deliver to the Convertible Bond Placement Agent a certificate substantially in the form set out in the Convertible Bond Placement Agreement dated as of the Bond Completion Date and signed by a duly authorised officer of the Company;
- (c) against the provision of the certificate in accordance with sub-paragraph (b) above, the Convertible Bond Placement Agent shall provide the Company with all information regarding the Bondholders reasonably necessary for the issuance and delivery of the certificates, in the name of the Bondholder; and
- (d) against the provision of the information by the Convertible Bond Placement Agent in accordance with sub-paragraph (c) above, the Company shall, no later than six (6) Business Days after the Bond Completion Date, issue and deliver the certificates to the subscribers.

##### **4.3 Conditions**

The Bond Completion is conditional upon the performance by the Company of its obligations under the Convertible Bond Placement Agreement and also upon the following:

- (a) the representations, warranties and undertakings set out in the Convertible Bond Placement Agreement, remaining true and correct in all aspects as at the Bond Completion Date, and the Company having performed all of its respective obligations



to be performed under the Convertible Bond Placement Agreement on or before the Bond Completion Date;

- (b) the LQN having been received from the SGX-ST, and where the LQN is subject to conditions, such conditions being acceptable to the Convertible Bond Placement Agent, and to the extent that any conditions for the listing and quotation of the Conversion Shares on the SGX-ST are required to be fulfilled on or before the Bond Completion Date, they are so fulfilled, the SGX-ST not having withdrawn or changed the terms and conditions of the LQN and the Company having complied with any such conditions to the satisfaction of the SGX-ST and there not having occurred any event or condition on or prior to the Bond Completion Date that would prevent the subsequent trading of the Conversion Shares on the SGX-ST;
- (c) the transactions contemplated in the Convertible Bond Placement Agreement not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Convertible Bond Placement Agreement by any legislative, executive or regulatory body or authority of Singapore or any other jurisdiction, which is applicable to the Company, the Convertible Bond Placement Agent or the Bondholder;
- (d) the Company having the full authority for the allotment and issuance of the Conversion Shares and the Bonds and such authority being in full force and effect and not having been revoked, cancelled, terminated or varied on the Bond Completion Date;
- (e) there not having occurred since the date of the Convertible Bond Placement Agreement until the Bond Completion Date:
  - (i) any change, or any development involving a prospective change, in the condition (financial or otherwise) of the Company or the Group taken as a whole that impairs or may impair the investment quality of the Bonds; or
  - (ii) any change in national or international financial, political or economic conditions or currency exchange rates or exchange controls, as would, be likely to materially or adversely prejudice the Proposed Convertible Bond Placement; and
- (f) the Convertible Bond Placement Agent having received on the Bond Completion Date, a certificate substantially in the form set out in the Convertible Bond Placement Agreement, dated as of the Bond Completion Date and signed by a duly authorised officer of the Company.

## 5. AUTHORITY FOR THE ISSUANCE OF PLACEMENT SHARES AND BONDS

- 5.1 The Company will be relying on the existing general share issue mandate approved by shareholders of the Company by way of an ordinary resolution at the annual general meeting of the Company held on 25 October 2024 (the "**General Mandate**").
- 5.2 As at the date on which the General Mandate was approved by the Shareholders, the Company had 697,566,862 Shares (excluding treasury shares and subsidiary holdings) in issue. The aggregate number of Shares and convertible securities that may be issued pursuant to the General Mandate is no more than 348,783,431 Shares on any other basis other than on a *pro rata* basis. As at the date of this announcement, no Shares had been issued pursuant to the General Mandate.

- 5.3 Accordingly, the proposed issuance of an aggregate of 123,076,671 new Shares (comprising a maximum of 36,918,533 Conversion Shares based on the Minimum Conversion Price and 86,158,138 Placement Shares, assuming that the Maximum Subscription Scenario applies) will be within the limits of the General Mandate and specific approval of the Shareholders will therefore not be required for the allotment and issue of the Conversion Shares and Placement Shares.

## 6. ADDITIONAL LISTING APPLICATION

The Company will be making an application to the SGX-ST via the Company's sponsor, Hong Leong Finance Limited, for the listing of and quotation for the Conversion Shares and Placement Shares on the Catalist Board of the SGX-ST. The Company will make the necessary announcement in due course upon receipt of the listing and quotation notice from the SGX-ST.

## 7. RATIONALE FOR THE PROPOSED PLACEMENTS

### 7.1 Rationale

The Company has decided to undertake the Proposed Placements to increase resources available to the Company. The Directors are of the opinion that the Proposed Placements are beneficial for the Group as this can support the final development and commercialisation of the Group's drone painting technology and to further support the future digitalisation initiative of the Group.

### 7.2 Use of Proceeds

The estimated gross proceeds to be raised, assuming that the Bonds are fully subscribed for and all the Placement Shares are issued, would be approximately S\$10,001,210 (the "Investment Proceeds"). The estimated net proceeds from the Proposed Placements, after deducting estimated fees and expenses (including listing and application fees, the commission payable to the Share Placement Agent and the Convertible Bond Placement Agent (collectively, the "Placement Agents"), professional fees and other miscellaneous expenses of approximately S\$349,000, is approximately S\$9,652,210 (the "Net Proceeds").

Assuming that the Bonds are fully subscribed for and all the Placement Shares are issued, the Company intends to use the Net Proceeds for the following purposes:

Use of Net Proceeds	Amount <sup>(2)</sup>	Estimated Percentage of Net Proceeds <sup>(2)</sup>
General working capital for the Company <sup>(1)</sup>	S\$3,860,000	40%
Commercialisation of drones	S\$3,861,000	40%
Final development of drones	S\$1,931,000	20%

**Note:**

(1) General working capital includes corporate expenses, hiring of drone pilots, software engineers and other related specialist staff.

(2) Any difference is due to rounding.

- 7.3 The Company will make periodic announcement(s) as to the use of the Net Proceeds as and when such Net Proceeds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the proceeds raised from the Proposed Placements in the Company's interim and full-year financial statements issued under Rule 705 of the Catalist Rules and the Company's annual report. Where the Net Proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the announcements and status report. Where there is any material deviation from the stated use, the Company will announce the reasons for such deviation.
- 7.4 Pending deployment of the Net Proceeds, such Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments or debt instruments or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit from time to time.

## 8. FINANCIAL EFFECTS

- 8.1 The *pro forma* financial effects of the Proposed Placements on the Company's share capital and the Group's net tangible assets ("**NTA**") per Share and earnings per Share ("**EPS**") set forth below are strictly for illustrative purposes and are not indicative of the actual financial position and results of the Group following the completion of the Proposed Placements.
- 8.2 The *pro forma* financial effects of the Proposed Placements have been computed based on the audited consolidated financial statements of the Group for its financial year ended 30 June 2024 ("**FY2024**"). For illustration purposes only, the financial effects of the two (2) scenarios being:
- (i) the completion of the issue of Bonds, without any conversion of any principal amount of the Bonds ("**Minimum Subscription Scenario**"), and completion of the Proposed Share Placement;
  - (ii) the Maximum Subscription Scenario (on the basis of a conversion price of S\$0.09126 per Conversion Share) and completion of the Proposed Share Placement;

having been computed on the following bases and assumptions:

- (a) the financial effects of the Proposed Placements on NTA per Share is computed on the assumption that the Proposed Placements had been completed on 30 June 2024;
- (b) the financial effects of the Proposed Placements on the EPS of the Company is computed on the assumption that the Proposed Placements had been completed on 1 July 2023;
- (c) the issue and allotment of 6,450,000 Shares pursuant to the ISOTeam Performance Share Plan 2023 as announced on 1 July 2024 having completed on 30 June 2024 for purposes of computation of NTA per Share and on 1 July 2023 for purposes of computation of EPS of the Company;
- (d) the capital reduction as having been approved by shareholders at an extraordinary general meeting held on 25 October 2024 having been completed as at 30 June 2024 for purposes of computation of NTA of per Share;
- (e) the estimated fees and expenses incurred by the Company in connection with the Proposed Placements is approximately S\$349,000.

Share Capital	Before the Proposed Placements	After the Proposed Placements	
		Minimum Bond Subscription Scenario	Maximum Bond Subscription Scenario
Issued and paid-up share capital (S\$)	35,027,000	42,028,210	45,028,210
Total number of issued shares (excluding treasury shares)	707,241,862	793,400,000	826,273,109
Total number of issued shares (including treasury shares)	708,437,521	794,595,659	827,468,768

Earnings ("EPS") per share	Before the Proposed Placements	After the Proposed Placements	
		Minimum Bond Subscription Scenario	Maximum Bond Subscription Scenario
Net earnings for FY2024 attributable to Shareholders (S\$'000)	6,513	5,708	5,626
Weighted average no. of shares	707,241,862	796,139,425	826,273,109
EPS (S\$ cents)	0.92	0.72	0.68

Net tangible asset ("NTA") per share	Before the Proposed Placements	After the Proposed Placements	
		Minimum Bond Subscription Scenario	Maximum Bond Subscription Scenario
NTA attributable to owners of the Company (S\$'000)	40,311	47,045	49,963
Number of issued Shares (excluding treasury shares)	707,241,862	793,400,000	826,273,109
NTA per Share (S\$ cents)	5.70	5.93	6.05

## **9. DIRECTORS' OPINION**

In accordance with Rule 810(1)(c) of the Catalist Rules, the Directors are of the opinion that after taking into consideration:

- (a) the Group's present bank facilities, internal resources and operating cashflows, the working capital available to the Group is sufficient to meet its present requirements. In this regard, please refer to Paragraph 7.1 of this announcement for the rationale for the Proposed Placements; and
- (b) the Group's present bank facilities, internal resources and operating cashflows, and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

## **10. CONFIRMATIONS BY PLACEMENT AGENTS**

The Placement Agents have confirmed, to the best of its knowledge, and in relation to each of the Proposed Convertible Bond Placement and Proposed Share Placement respectively that:

- (a) the commission payable by the Company to each Placement Agent for each Proposed Placement will not be shared with any of the end-placees of the Proposed Placements;
- (b) each Placement Agent has obtained or will obtain (as the case may be) representations from the end-placees and/or the sub-placement agent on behalf of the end-placees procured by it (as the case may be) of each Proposed Placement that the end-placees are not acting in concert (as defined under the Singapore Code on Take-overs and Mergers) with any other party in each Proposed Placement;
- (c) the Bonds and Placement Shares will not be placed or issued to any person who is a director or a substantial shareholder of the Company, an interested person as defined in Chapter 9 of the Catalist Rules or any other person in the categories set out in Rule 812(1) of the Catalist Rules (unless such persons fall within Rule 812(3) of the Catalist Rules);
- (d) each Placement Agent has obtained or will obtain (as the case may be) representations from the end-placees and/or the sub-placement agent on behalf of the end-placees procured by it (as the case may be) that each of them and their directors and substantial shareholders (to the extent applicable) do not have any relationships/ connections (including any business relationship) with the Company and its directors and substantial shareholders;
- (e) each of the end-placees will not acquire a controlling interest consequent to the issuance of Placement Shares and subscription of the Bonds (including upon the conversion of the Bonds), and accordingly, the Proposed Placements will not result in the transfer of a controlling interest of the Company under Rule 803 of the Catalist Rules; and
- (f) there are no share borrowing arrangements entered into to facilitate the Proposed Placements.

**11. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

Save as disclosed in this announcement, none of the Directors or substantial shareholders of the Company and their respective associates have any interest, direct or indirect, in the Proposed Placements, other than through their respective shareholdings (if any) in the Company.

**12. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the Share Placement Agreement, Convertible Bond Placement Agreement and Bond Subscription Agreements (when available) may be inspected at the Company's registered office at 8 Changi North Street 1, ISOTeam Building, Singapore 498829 during normal business hours for three (3) months from the date of this announcement.

**13. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placements, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

**14. FURTHER ANNOUNCEMENTS**

The Company will continue to keep Shareholders updated and release announcements relating to the Proposed Placements (including any material developments and progress made) as may be appropriate from time to time.

**15. CAUTIONARY STATEMENT**

Shareholders should note that the Proposed Placements remains subject to, among others, the fulfilment of the conditions precedent pursuant to the Share Placement Agreement, Convertible Bond Placement Agreement and Convertible Bond Subscription Agreements respectively. There is no certainty or assurance that the conditions precedent can be fulfilled or that the Proposed Placements will be undertaken.

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully and to exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisers.

BY ORDER OF THE BOARD  
**ISOTEAM LTD.**

Anthony Koh Thong Huat  
Executive Director and Chief Executive Officer  
11 September 2025

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange 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 Kaeson Chui, Vice President, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, Telephone (65) 6415 9886.*