



## **iWOW Technology Limited**

(Company Registration No.: 199905973K)  
(Incorporated in the Republic of Singapore on 1 October 1999)

### **Unaudited Condensed Interim Financial Statements**

**For The Six Months And Full Year  
Ended 31 March 2022**

*This announcement has been prepared by iWOW Technology Limited (the “Company”) and its contents have been reviewed by the Company’s sponsor, Evolve Capital Advisory Private Limited (the “Sponsor”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “SGX-ST”). The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST. 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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*Certain numerical figures set out in this Announcement, including financial data presented in millions or thousands and percentages, have been subject to rounding adjustments, and, as a result, the totals of the data in this Announcement may vary slightly from the actual arithmetic totals of such information.*

*Percentages and amounts reflecting changes over time periods relating to financial and other data set forth in this Announcement are approximate figures and have been calculated using the numerical data in our consolidated financial statements or the tabular presentation of other data (subject to rounding) contained in this Announcement, as applicable, and not using the numerical data in the narrative description thereof.*

**A. Condensed interim consolidated statement of profit or loss and other comprehensive income**

	Note	<b>Group</b>					
		2nd Half Ended		+ / (-) %	Full Year Ended		+ / (-) %
		31/3/2022	31/3/2021		31/3/2022	31/3/2021	
		S\$'000	S\$'000		S\$'000	S\$'000	
Revenue	4	17,016	24,165	(30)	34,532	26,422	31
Other operating income	5	178	300	(41)	224	541	(59)
Changes in inventories & raw materials used		(11,630)	(18,019)	(35)	(24,418)	(18,654)	31
Employee benefits expense		(1,364)	(1,586)	(14)	(2,580)	(2,400)	8
Amortisation & depreciation expense		(610)	(694)	(12)	(1,111)	(1,148)	(3)
Other operating expenses		(385)	(286)	35	(818)	(388)	111
Listing expenses		(626)	–	n.m.	(1,177)	–	n.m.
Finance costs	6	(130)	(195)	(33)	(280)	(302)	(7)
<b>Profit before income tax</b>	7	<u>2,449</u>	<u>3,685</u>	(34)	<u>4,372</u>	<u>4,071</u>	7
Income tax expense	9	(141)	(356)	(60)	(506)	(356)	42
<b>Profit for the year</b>		<u>2,308</u>	<u>3,329</u>	(31)	<u>3,866</u>	<u>3,715</u>	4
<b>Other comprehensive income:</b>							
<b>Components of other comprehensive income that will be classified to profit or loss, net of taxation</b>							
Reclassification of cumulative exchange differences relating to liquidation of a subsidiary included in profit or loss		–	–	n.m.	79	–	n.m.
<b>Total other comprehensive income that will be reclassified to profit or loss, net of taxation</b>		–	–	n.m.	79	–	n.m.
<b>Total other comprehensive income, net of taxation</b>		–	–	n.m.	79	–	n.m.
<b>Total comprehensive income for the year</b>		<u>2,308</u>	<u>3,329</u>	(31)	<u>3,945</u>	<u>3,715</u>	6
<b>Earnings per share attributable to owners of the Company</b>							
Basic earnings per share (cents)	11	1.03	1.48		1.72	1.66	
Diluted earnings per share (cents)	11	1.03	1.48		1.72	1.66	

n.m. = not meaningful

**B. Condensed interim statements of financial position**

	Note	Group		Company	
		31/3/2022	31/3/2021	31/3/2022	31/3/2021
		S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Investment in subsidiaries		–	–	1,380	1,380
Property, plant and equipment	13	2,128	1,006	928	914
Intangible assets	14	1,785	1,739	21	133
<b>Total non-current assets</b>		<b>3,913</b>	<b>2,745</b>	<b>2,329</b>	<b>2,427</b>
<b>Current assets</b>					
Inventories	17	1,632	1,022	1,226	639
Trade receivables	15	5,059	3,599	4,790	3,178
Other receivables	16	1,871	3,608	5,216	3,779
Cash and cash equivalents		4,797	4,656	4,388	4,423
<b>Total current assets</b>		<b>13,359</b>	<b>12,885</b>	<b>15,620</b>	<b>12,019</b>
<b>Total assets</b>		<b>17,272</b>	<b>15,630</b>	<b>17,949</b>	<b>14,446</b>
<b>EQUITY &amp; LIABILITIES</b>					
<b>Equity</b>					
Share capital	19	21,403	20,903	21,403	20,903
Capital reserve		–	285	–	285
Foreign currency translation reserve		–	(79)	–	–
Accumulated losses		(14,246)	(15,197)	(17,015)	(15,614)
<b>Total equity</b>		<b>7,157</b>	<b>5,912</b>	<b>4,388</b>	<b>5,574</b>
<b>Non-current liabilities</b>					
Borrowings	18	621	863	621	863
Lease liabilities		201	98	117	99
<b>Total non-current liabilities</b>		<b>822</b>	<b>961</b>	<b>738</b>	<b>962</b>
<b>Current liabilities</b>					
Borrowings	18	242	618	242	618
Lease liabilities		174	151	106	129
Trade payables		1,396	4,589	894	4,246
Other payables		2,153	1,311	6,313	964
Contract liabilities		4,809	1,719	4,765	1,592
Provision for taxation		519	369	503	361
<b>Total current liabilities</b>		<b>9,293</b>	<b>8,757</b>	<b>12,823</b>	<b>7,910</b>
<b>Total liabilities</b>		<b>10,115</b>	<b>9,718</b>	<b>13,561</b>	<b>8,872</b>
<b>Total equity and liabilities</b>		<b>17,272</b>	<b>15,630</b>	<b>17,949</b>	<b>14,446</b>

**C. Condensed interim statements of changes in equity**

<u>Group</u>	Note	Share capital S\$'000	Capital reserve S\$'000	Foreign currency translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000
<b>Balance at 1 April 2020</b>		19,203	265	(79)	(18,912)	477
Profit for the year, representing total comprehensive income		–	–	–	3,715	3,715
Issuance of ordinary shares	19	1,700	–	–	–	1,700
Remeasurement of convertible loan		–	20	–	–	20
<b>Balance at 31 March 2021</b>		20,903	285	(79)	(15,197)	5,912
Issuance of ordinary shares	19	500	–	–	–	500
Reclassification of cumulative exchange differences relating to liquidation of a subsidiary included in profit or loss		–	–	79	–	79
Profit for the year		–	–	–	3,866	3,866
Total comprehensive income		–	–	79	3,866	3,945
Redemption of convertible bonds		–	(285)	–	285	–
Interim tax-exempt (one-tier) dividend	10	–	–	–	(3,200)	(3,200)
<b>Balance at 31 March 2022</b>		21,403	–	–	(14,246)	7,157

**C. Condensed interim statements of changes in equity (Cont'd)**

<u>Company</u>	Note	Share capital S\$'000	Capital reserve S\$'000	Accumulated losses S\$'000	Total S\$'000
<b>Balance at 1 April 2020</b>		19,203	265	(20,294)	(826)
Profit for the year, representing total comprehensive income		–	–	4,680	4,680
Issuance of ordinary shares	19	1,700	–	–	1,700
Remeasurement of convertible loan		–	20	–	20
<b>Balance at 31 March 2021</b>		20,903	285	(15,614)	5,574
Issuance of ordinary shares	19	500	–	–	500
Profit for the year, representing total comprehensive income		–	–	1,514	1,514
Redemption of convertible bonds		–	(285)	285	–
Interim tax-exempt (one-tier) dividend	10	–	–	(3,200)	(3,200)
<b>Balance at 31 March 2022</b>		21,403	–	(17,015)	4,388

**D. Condensed interim consolidated statement of cash flows**

	Note	<b>Group</b>	
		Full Year Ended	
		31/3/2022	31/3/2021
		S\$'000	S\$'000
<b>OPERATING ACTIVITIES</b>			
Profit before income tax		4,372	4,071
Adjustments for:			
Depreciation of property, plant and equipment		611	580
Amortisation of intangible assets	14	500	568
Allowance for inventory obsolescence	17	22	10
Gain on disposal of property, plant and equipment		(4)	–
Trade payables written off	5	(99)	(34)
Loss on deconsolidation of subsidiary		79	–
Interest expense	6	97	170
Operating cash flows before working capital changes		5,578	5,365
Inventories		(632)	(376)
Trade and other receivables		277	(5,965)
Trade payables, other payables and contract liabilities		821	5,609
Cash generated from operations		6,044	4,633
Interest paid		(76)	(102)
Income tax paid		(356)	–
Cash flows generated from operating activities		5,612	4,531
<b>INVESTING ACTIVITIES</b>			
Acquisition of a subsidiary		–	13
Purchase of property, plant and equipment		(1,401)	(513)
Addition of intangible assets	14	(546)	–
Proceeds from the disposal of property, plant and equipment		8	–
Cash flows used in investing activities		(1,939)	(500)
<b>FINANCING ACTIVITIES</b>			
Repayment of borrowings		(137)	(297)
Proceeds from borrowings		–	1,000
Repayment of lease liabilities		(206)	(107)
Dividend paid	10	(3,189)	–
Cash flows (used in)/generated from financing activities		(3,532)	596
Net increase in cash and cash equivalents		141	4,627
Cash and cash equivalents at beginning of year		4,656	29
Cash and cash equivalents at end of year		4,797	4,656

## **E. Notes to the condensed interim consolidated financial statements**

### **1. Corporate information**

The Company was incorporated in Singapore on 1 October 1999 as a private limited company, under the name of “iWOW Technology Pte Ltd”. The Company was converted into a public limited company on 27 December 2021 and its name was changed to “iWOW Technology Limited”.

The Company was listed on the Catalist Board of Singapore Exchange Securities Trading Limited on 14 April 2022 and its registered office and principal place of business is at 1004 Toa Payoh North, #02-17, Singapore 318995.

These condensed interim consolidated financial statements as at and for the six months and full year ended 31 March 2022 comprise the Company and its subsidiaries (collectively, the “Group”). The principal activity of the Company is that of investment holding company and research and development as well as manufacture of wireless communication equipment.

The principal activities of the Group include:

- (a) Research and development on telecommunication software;
- (b) Provision of IoT services and Smart City Solutions;
- (c) Manufacturing of wireless communications devices and equipment; and
- (d) Provision of Smart Metering Services.

### **2. Basis of preparation**

The condensed interim financial statements for the six months ended 31 March 2022 (“2H2022”) and full year ended 31 March 2022 (“FY2022”) have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and the Group’s performance since the last interim financial statements for the six-month financial period ended 30 September 2021.

The Group’s accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1. The condensed interim financial statements are presented in Singapore Dollar (“S\$”), which is the Company’s functional currency. All values in the tables are rounded to the nearest thousand (“S\$’000”) except when otherwise indicated.

#### **2.1 New and amended standards adopted by the Group**

The Group has adopted the new and revised SFRS(I)s and SFRS(I) Interpretations and amendments to SFRS(I) that are mandatory for application from 1 April 2021:

- Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16: Interest Rate Benchmark Reform – Phase 2
- Amendment to SFRS(I) 16: Covid-19- Related Rent Concessions beyond 30 June 2021

The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.



**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**2. Basis of preparation (Cont'd)**

**2.2 Use of judgement and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 March 2021 ("FY2021").

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following notes:

- Note 14 – Impairment test of goodwill: key assumptions underlying recoverable amounts
- Note 15 – Provision for expected credit losses of trade debtors
- Note 17 – Allowance for slow-moving and obsolete inventory

**3. Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

However, as disclosed in the offer document, project gestation period can be long, ranging from between one (1) and three (3) years.

**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**4. Revenue and segment information**

	<b>Group</b>			
	2 <sup>nd</sup> Half Ended		Full Year Ended	
	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue from contract with customers				
- Sale of products and installation services	12,361	22,262	28,064	22,528
- System solution and consultancy services	72	193	252	382
- Silver generation solutions	2,404	515	2,585	1,297
- Provision of electronic monitoring services	1,820	1,080	3,020	1,995
- Metering subscription fee	264	113	514	211
- Others	95	2	97	9
	<u>17,016</u>	<u>24,165</u>	<u>34,532</u>	<u>26,422</u>

The disaggregation of revenue from contracts with customers is as follows:

	<b>Group</b>			
	2 <sup>nd</sup> Half Ended		Full Year Ended	
	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Geographical markets</u>				
Singapore	15,262	24,152	32,699	26,409
Others	1,754	13	1,833	13
	<u>17,016</u>	<u>24,165</u>	<u>34,532</u>	<u>26,422</u>
<u>Timing of revenue recognition</u>				
Goods transferred at point in time	14,932	22,971	30,998	24,215
Services transferred overtime	2,084	1,194	3,534	2,207
	<u>17,016</u>	<u>24,165</u>	<u>34,532</u>	<u>26,422</u>

The Group is organised into the following main business segments:

- Segment 1: Internet of things-as-a-Service("IaS");
- Segment 2: Smart City Solutions ("SCS"); and
- Segment 3: Trading & Others.

These operating segments are reported in a manner consistent with internal reporting provided to the Group CEO who is responsible for allocating resources and assessing performance of the operating segments.

**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**4. Revenue and segment information (Cont'd)**

	<u>IaS</u>		<u>SCS</u>		<u>Trading &amp; Others</u>		<u>Unallocated</u>		<u>Total</u>	
	2H2022 S\$'000	2H2021 S\$'000	2H2022 S\$'000	2H2021 S\$'000	2H2022 S\$'000	2H2021 S\$'000	2H2022 S\$'000	2H2021 S\$'000	2H2022 S\$'000	2H2021 S\$'000
<b>Revenue:</b>										
External sales	2,232	1,516	12,960	22,543	1,824	106	–	–	17,016	24,165
Inter-segment sales	–	–	–	–	–	–	–	–	–	–
	<u>2,232</u>	<u>1,516</u>	<u>12,960</u>	<u>22,543</u>	<u>1,824</u>	<u>106</u>	<u>–</u>	<u>–</u>	<u>17,016</u>	<u>24,165</u>
<b>Results:</b>										
Other income	53	36	124	263	1	1	–	–	178	300
Changes in inventories & raw materials used	(433)	(164)	(10,139)	(17,740)	(1,058)	(115)	–	–	(11,630)	(18,019)
Employee benefits expense	(576)	(621)	(777)	(951)	(11)	(14)	–	–	(1,364)	(1,586)
Amortisation & depreciation expense	(598)	(579)	(12)	(113)	–	(2)	–	–	(610)	(694)
Allowance for inventory obsolescence	(4)	(1)	(9)	(9)	–	–	–	–	(13)	(10)
Other operating expenses	(124)	(158)	(248)	(116)	–	(2)	–	–	(372)	(276)
Listing expenses	–	–	–	–	–	–	(626)	–	(626)	–
Finance costs	–	–	(129)	(194)	(1)	(1)	–	–	(130)	(195)
Segment profit/(loss)	<u>550</u>	<u>29</u>	<u>1,770</u>	<u>3,683</u>	<u>755</u>	<u>(27)</u>	<u>(626)</u>	<u>–</u>	<u>2,449</u>	<u>3,685</u>
<b>Assets/liabilities:</b>										
Segment assets	5,680	3,748	6,782	7,186	13	40	4,797	4,656	17,272	15,630
Segment liabilities	(892)	(1,215)	(7,457)	(6,374)	(11)	(29)	(1,755)	(2,100)	(10,115)	(9,718)

**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**4. Revenue and segment information (Cont'd)**

	<b>laS</b>		<b>SCS</b>		<b>Trading &amp; Others</b>		<b>Unallocated</b>		<b>Total</b>	
	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Revenue:</b>										
External sales	4,052	2,814	28,051	23,442	2,429	166	–	–	34,532	26,422
Inter-segment sales	–	–	–	–	–	–	–	–	–	–
	<u>4,052</u>	<u>2,814</u>	<u>28,051</u>	<u>23,442</u>	<u>2,429</u>	<u>166</u>	<u>–</u>	<u>–</u>	<u>34,532</u>	<u>26,422</u>
<b>Results:</b>										
Other income	67	102	155	436	2	3	–	–	224	541
Changes in inventories & raw materials used	(837)	(299)	(22,237)	(18,195)	(1,344)	(160)	–	–	(24,418)	(18,654)
Employee benefits expense	(1,089)	(994)	(1,470)	(1,386)	(21)	(20)	–	–	(2,580)	(2,400)
Amortisation & depreciation expense	(881)	(704)	(228)	(438)	(2)	(6)	–	–	(1,111)	(1,148)
Allowance for inventory obsolescence	(5)	(1)	(17)	(9)	–	–	–	–	(22)	(10)
Other operating expenses	(316)	(209)	(475)	(167)	(5)	(2)	–	–	(796)	(378)
Listing expenses	–	–	–	–	–	–	(1,177)	–	(1,177)	–
Finance costs	–	–	(277)	(301)	(3)	(1)	–	–	(280)	(302)
Segment profit/(loss)	<u>991</u>	<u>709</u>	<u>3,502</u>	<u>3,382</u>	<u>1,056</u>	<u>(20)</u>	<u>(1,177)</u>	<u>–</u>	<u>4,372</u>	<u>4,071</u>
<b>Assets/liabilities:</b>										
Segment assets	5,680	3,748	6,782	7,186	13	40	4,797	4,656	17,272	15,630
Segment liabilities	(892)	(1,215)	(7,457)	(6,374)	(11)	(29)	(1,755)	(2,100)	(10,115)	(9,718)

**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**5. Other operating income**

	<b>Group</b>			
	2 <sup>nd</sup> Half Ended		Full Year Ended	
	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>
	S\$'000	S\$'000	S\$'000	S\$'000
Government grants	78	123	123	338
Reimbursement income	–	20	–	20
Trade payables written-off	99	34	99	34
Others	1	123	2	149
	<u>178</u>	<u>300</u>	<u>224</u>	<u>541</u>

Included in government grants is an amount of S\$6,000 (FY2021: S\$302,000) which was recognised during the financial year under the Jobs Support Scheme (the “JSS”). The JSS is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

**6. Finance costs**

	<b>Group</b>			
	2 <sup>nd</sup> Half Ended		Full Year Ended	
	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>
	S\$'000	S\$'000	S\$'000	S\$'000
Trade finance charges	1	5	3	5
Factoring charges	97	127	180	127
Interest on borrowings - trade finance	8	4	16	4
Interest on borrowings	16	54	66	156
Interest on lease liabilities	8	5	15	10
	<u>130</u>	<u>195</u>	<u>280</u>	<u>302</u>

**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**7. Profit before income tax**

	<b>Group</b>			
	2nd Half Ended		Full Year Ended	
	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment	349	297	611	580
Amortisation of intangible assets	261	397	500	568
Directors' remuneration other than fees:				
i) Directors of the Company				
- Short-term benefits	126	600	205	673
- Employers' contribution to defined contribution plan	6	8	17	14
ii) Directors of the subsidiaries				
- Short-term benefits	148	69	263	138
- Employers' contribution to defined contribution plan	16	11	28	17
Allowance for inventory obsolescence	13	10	22	10
Foreign exchange losses	22	54	14	48

**8. Related party transactions**

During the financial year, other than those disclosed elsewhere in the financial statements, the Group had no significant transactions with related parties.

**9. Income tax expense**

	<b>Group</b>			
	2nd Half Ended		Full Year Ended	
	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax				
- Current	141	356	506	356
Total income tax expense	141	356	506	356

**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**10. Dividends**

	<b>Group &amp; Company</b>	
	<b>FY2022</b>	<b>FY2021</b>
	S\$'000	S\$'000
<u>Ordinary dividend paid:</u>		
Interim tax-exempt (one-tier) dividend in respect of the financial year ended 31 March 2021	3,200	–
	<u>3,200</u>	<u>–</u>

Subsequent to 31 March 2022, the Directors of the Company recommended a final tax-exempt dividend of 0.36 cent per ordinary share amounting to S\$0.9 million for FY2022 (“**Final Dividend**”). The Final Dividend is subject to the approval of shareholders of the Company at the forthcoming annual general meeting and has not been included as a liability in these financial statements.

**11. Earnings per share (“EPS”)**

	<b>Group</b>			
	2 <sup>nd</sup> Half Ended		Full Year Ended	
	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>
Profit attributable to ordinary equity holders of the Company (S\$'000)	<u>2,308</u>	<u>3,329</u>	<u>3,866</u>	<u>3,715</u>
EPS (basic and diluted) - (cents)	<u>1.03</u>	<u>1.48</u>	<u>1.72</u>	<u>1.66</u>

***Number of shares used for the calculation of EPS***

For comparative purposes, EPS has been computed based on the profit attributable to ordinary equity holders of our Company for the relevant financial year/period and the Company’s pre-placement share capital of 224,430,260 ordinary shares.

The diluted EPS for the relevant financial year/period are the same as the basic EPS as the Group did not have any dilutive instruments prior to the placement.

**12. Net asset value (“NAV”)**

	<b>Group</b>		<b>Company</b>	
	<b>FY2022</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2021</b>
NAV - (S\$'000)	<u>7,157</u>	<u>5,912</u>	<u>4,388</u>	<u>5,574</u>
NAV per ordinary share - (cents)	<u>3.19</u>	<u>2.63</u>	<u>1.95</u>	<u>2.48</u>

***Number of shares used for the calculation of NAV***

For comparative purposes, NAV has been computed based on equity attributable to the ordinary equity holders of our Company at the respective financial year end and the Company’s pre-placement share capital of 224,430,260 ordinary shares.

**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**13. Property, plant and equipment**

During the financial year ended 31 March 2022, the Group acquired assets amounting to S\$1.7 million (FY2021: S\$0.8 million) of which approximately S\$0.3 million (FY2021: S\$0.1 million) was acquired through the capitalisation of leases. The Group also disposed of assets with net book value amounting to S\$3,000 (FY2021: S\$Nil).

In the prior financial year, the Group also acquired assets of S\$0.2 million by acquisition of a subsidiary.

**14. Intangible assets**

	Group		Company	
	FY2022	FY2021	FY2022	FY2021
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cost:</b>				
At beginning of financial year	3,624	2,795	731	731
Additions	546	–	187	–
Goodwill arising on acquisition of a subsidiary	–	829	–	–
At end of financial year	<u>4,170</u>	<u>3,624</u>	<u>918</u>	<u>731</u>
<b>Amortisation:</b>				
At beginning of financial year	1,885	1,317	598	457
Amortisation for the financial year	500	568	299	141
At end of financial year	<u>2,385</u>	<u>1,885</u>	<u>897</u>	<u>598</u>
<b>Carrying amount:</b>				
At end of financial year	<u>1,785</u>	<u>1,739</u>	<u>21</u>	<u>133</u>

During the financial year ended 31 March 2022 and 31 March 2021, the intangible assets comprised of goodwill, platform development and module development.

The addition in FY2022 relates to capitalisation of module development costs for the Group's Electronic Monitoring solutions, which was internally generated.

The Group assesses goodwill for impairment annually, or more frequently when there is an indication for impairment. Determining whether goodwill is impaired requires an estimation of the value-in-use of the CGU to which goodwill has been allocated. Cash flow projections used in the value-in-use calculations were based on financial budgets covering a five-year period. The key assumptions for these value-in-use calculations are those regarding the discount rates, growth rates and expected changes to gross margins during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rates are based on industry growth forecasts. Changes in gross margins are based on past practices and expectations of future changes in the market.

No impairment loss was recognised during the current and prior financial years.



**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**15. Trade receivables**

	Group		Company	
	FY2022	FY2021	FY2022	FY2021
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables	3,136	3,049	2,929	2,762
Accrued revenue	1,923	550	1,861	417
Less: loss allowance	–	–	–	(1)
	<u>5,059</u>	<u>3,599</u>	<u>4,790</u>	<u>3,178</u>

The accrued revenue relates to the revenue recognised to date for satisfied performance obligations but has not been invoiced to the customer as at the financial year end and is transferred to trade receivables at the point when it is invoiced to the customers.

The Group uses an allowance matrix to measure ECL for trade receivables. The ECL rates are based on the Group's historical loss experience of the customers, for the last 3 years prior to the reporting date for various customer groups that are assessed by geographical locations, adjusted for forward looking factors, specific to the debtors and the economic environment which could affect the ability of the debtors to settle the trade receivables. The Group adjusts, as necessary, the allowance matrix at each reporting date. Such estimation of the ECL rates may not be representative of the actual default in the future.

**16. Other receivables**

	Group		Company	
	FY2022	FY2021	FY2022	FY2021
	S\$'000	S\$'000	S\$'000	S\$'000
Amounts due from subsidiaries	–	–	14,318	10,957
Amounts due from a director	–	29	–	29
Deposits	89	70	68	52
Advance payments to suppliers in relation to supplied goods	1,733	3,439	1,572	3,439
Prepayments	40	24	34	19
Other receivables	9	–	9	–
GST receivable	–	46	–	55
Less: loss allowance	–	–	(10,785)	(10,772)
	<u>1,871</u>	<u>3,608</u>	<u>5,216</u>	<u>3,779</u>

**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**17. Inventories**

	Group		Company	
	FY2022	FY2021	FY2022	FY2021
	S\$'000	S\$'000	S\$'000	S\$'000
Raw materials	73	49	–	–
Goods in transit	779	–	779	–
Finished goods	780	973	447	639
	<u>1,632</u>	<u>1,022</u>	<u>1,226</u>	<u>639</u>

Inventories are stated at net realisable value after providing the allowance for inventories obsolescence as follows:

	Group		Company	
	FY2022	FY2021	FY2022	FY2021
	S\$'000	S\$'000	S\$'000	S\$'000
At beginning of the financial year	54	7	–	–
Allowance for obsolescence	22	10	–	–
Acquired on acquisition of a subsidiary	–	37	–	–
At end of financial year	<u>76</u>	<u>54</u>	<u>–</u>	<u>–</u>

The Group reviews its inventory levels in order to identify slow-moving and obsolete inventory and identifies items of inventory which have a market price, being the selling price quoted from the market of similar items that is lower than its carrying amount. Management then estimates the amount of inventory loss as an allowance on inventory. Changes in demand levels, technological developments and pricing competition could affect the saleability and values of the inventory.

**18. Borrowings**

	Group & Company	
	FY2022	FY2021
	S\$'000	S\$'000
Bank loans	863	1,000
Convertible loan	–	481
	<u>863</u>	<u>1,481</u>

Borrowings are repayable as follows:

Within one year	242	618
After one year but within five years	621	863
	<u>863</u>	<u>1,481</u>

The banking facilities are secured by the following:

- (a) All sums in the current account with DBS bank;
- (b) Corporate guarantee by a subsidiary, iWOW Connections Pte Ltd; and
- (c) Personal guarantees from certain directors of the Company.

Subsequent to 31 March 2022, the personal guarantees from certain directors of the Company were discharged by the bank upon the Company's listing in April 2022.

**E. Notes to the condensed interim consolidated financial statements (Cont'd)**

**19. Share capital**

Issued and fully paid	Group & Company			
	FY2022		FY2021	
	No. of shares '000	Share capital S\$'000	No. of shares '000	Share capital S\$'000
<u>Ordinary Shares</u>				
At beginning of the financial year	54,163	20,253	49,780	18,553
Issuance of ordinary shares	1,753	500	4,383	1,700
Conversion of preference shares	191	650	–	–
Shares arising from share split and consolidation	168,323	–	–	–
At end of the financial year	224,430	21,403	54,163	20,253
<u>Preference Shares</u>				
At beginning of the financial year	191	650	191	650
Conversion of preference shares	(191)	(650)	–	–
At end of the financial year	–	–	191	650
	<u>224,430</u>	<u>21,403</u>	<u>54,354</u>	<u>20,903</u>

***Issuance of Ordinary Shares***

Ordinary shares were issued in FY2021 and FY2022 by the Company, pursuant to the capitalisation of convertible loans as well as for the partial settlement of the consideration for the acquisition of a subsidiary. Please refer to the section entitled “Share Capital” in the offer document for further details.

***Conversion of Preference Shares***

On 3 August 2021, 191,176 ordinary shares of the Company were issued to Daetum Sdn Bhd, pursuant to the conversion of 191,176 Preference Shares held by Daetum Sdn Bhd. There was no implication to the share capital as both Ordinary Shares and Preference Shares were categorised as Share Capital.

***Share Split and Consolidation***

The share split and consolidation were effected pursuant to resolutions passed at the extraordinary general meetings of the Company on 22 December 2021 and 9 March 2022 respectively. Please refer to the section entitled “Share Capital” in the offer document for further details.

***Treasury Shares, Subsidiary Holdings and Convertibles***

As at 31 March 2021 and 31 March 2022, there were no treasury shares held by the Company and there were no subsidiary holdings. As at 31 March 2022, there were no outstanding convertibles.

**20. Subsequent events**

The Company received approval from SGX-ST and was listed on the Catalist Board of SGX-ST on 14 April 2022.

Pursuant to the placement, 26,000,000 placement shares were issued at S\$0.25 each and gross proceeds amounted to S\$6.5 million. As a result, the enlarged issued and paid-up capital of the Company comprised 250,430,260 ordinary shares.

## **F. Other information**

### **1. Review**

The condensed interim statements of financial position of iWOW Technology Limited and its subsidiaries as at 31 March 2022 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim statement of cash flows for the six-months and financial year ended 31 March 2022 and certain explanatory notes have not been audited or reviewed.

### **2. Review of performance of the Group**

#### **INCOME STATEMENT - Comparing FY2022 to FY2021**

**Revenue** increased by 31% from approximately S\$26.4 million in FY2021 to approximately S\$34.5 million in FY2022, contributed by increases from all segments as follows:

- (a) revenue for IoT-as-a-service (“IaS”) segment grew by 44% from approximately S\$2.8 million to approximately S\$4.1 million due to higher sales for Electronic Monitoring Solutions, Alert Alarm System and Smart Metering Services;
- (b) revenue for Smart City Solutions (“SCS”) segment grew by 20% from approximately S\$23.4 million to approximately S\$28.1 million mainly due to higher sales for Trace Tokens and Installation works for Alert Alarm System; and
- (c) revenue for Trading & Others segment grew by approximately S\$2.3 million, representing a 15-fold increase from approximately S\$0.2 million to approximately S\$2.4 million, mainly due to sale of non-core products to customers in Singapore and Hong Kong.

**Other income** decreased by 59% from approximately S\$0.5 million in FY2021 to approximately S\$0.2 million in FY2022, mainly due to (a) lower government grants in FY2022 due to the cessation of pandemic-related grants such as the JSS.

**Changes in Inventory & raw materials used** increased by 31% from approximately S\$18.7 million in FY2021 to approximately S\$24.4 million in FY2022, which is in line with the increased revenue.

**Employee benefits expense** increased by 8% from approximately S\$2.4 million in FY2021 to approximately S\$2.6 million in FY2022, mainly due to (a) an expansion of workforce to support the Group’s growth; and (b) Group wide remuneration adjustments following a remuneration benchmarking review. The increase is partially offset by the capitalisation of research and development costs of approximately S\$0.5 million for the new Electronic Monitoring solution in 2H2022.

**Other operating expenses** increased by 111% from approximately S\$0.4 million in FY2021 to approximately S\$0.8 million in FY2022, mainly due to (a) higher other cost of sales and distribution costs, which is consistent with the higher revenue in FY2021; (b) higher general and administrative expenses as a result of the listing, which includes professional fees and director fees; and (c) full year contribution of expenses from the subsidiary acquired in the last quarter of FY2021.

**Listing expense** increased from S\$Nil in FY2021 to approximately S\$1.2 million in FY2022, as the listing project only commenced in FY2022.

**Finance cost** decreased by 7% from approximately S\$302,000 in FY2021 to approximately S\$280,000 in FY2022, mainly due to lower loan interest, with the capitalisation of a S\$0.5 million convertible loan to share capital. The decrease is partially offset by higher financing charges from bank facilities which the Group utilised from 2H2021.

**F. Other information (Cont'd)**

**2. Review of performance of the Group (Cont'd)**

**INCOME STATEMENT - Comparing FY2022 to FY2021 (Cont'd)**

**Income tax expense** increased by 42% from approximately S\$0.4 million in FY2021 to approximately S\$0.5 million in FY2022, which is in line with the increased revenue and adjusted profit before income tax (adjusted for listing expenses which is non tax-deductible).

**Profit for the year** increased by 4% from approximately S\$3.7 million in FY2021 to approximately S\$3.9 million in FY2022 as a result of the above. Excluding listing expenses, profit for the year increased by 36% from approximately S\$3.7 million in FY2021 to approximately S\$5.0 million in FY2022.

**Other comprehensive income** increased from S\$Nil in FY2021 to approximately S\$0.1 million in FY2022. This resulted from the liquidation of the Group's only foreign subsidiary during the financial year.

**INCOME STATEMENT - Comparing 2H2022 to 2H2021**

**Revenue** decreased by 30% from approximately S\$24.2 million in 2H2021 to approximately S\$17.0 million in 2H2022, mainly due to lower revenue from the SCS Segment, which is partially offset by increases from the IaS and Trading & Others segments as follows:

- (a) revenue for Smart City Solutions ("SCS") segment declined by 43% from approximately S\$22.5 million to approximately S\$13.0 million mainly due to lower revenue for Trace Tokens. As the Group commenced supplying Trace Tokens in 2H2021, the initial quantities ordered were "front loaded" to equip the population with the Trace Token while subsequent orders normalised due to the lower replacement rates;
- (b) revenue for IoT-as-a-service ("IaS") segment grew by 47% from approximately S\$1.5 million to approximately S\$2.2 million due to higher sales for Electronic Monitoring Solutions, Alert Alarm System and Smart Metering Services; and
- (c) revenue for Trading & Others segment grew by approximately S\$1.7 million, representing a 17-fold increase from approximately S\$0.1 million to approximately S\$1.8 million, mainly due to a sale of non-core product to a customer in Hong Kong.

**Other income** decreased by 41% from approximately S\$0.3 million in 2H2021 to approximately S\$0.2 million in 2H2022, mainly due to (a) lower government grants in 2H2022 due to the cessation of pandemic-related grants such as the JSS.

**Changes in Inventory & raw materials used** decreased by 35% from approximately S\$18.0 million in 2H2021 to approximately S\$11.6 million in 2H2022, which is in line with the decreased revenue, and mainly contributed by lower Trace Token sales for the period.

**F. Other information (Cont'd)**

**2. Review of performance of the Group (Cont'd)**

**INCOME STATEMENT - Comparing 2H2022 to 2H2021 (Cont'd)**

**Employee benefits expense** decreased by 14% from approximately S\$1.6 million in 2H2021 to approximately S\$1.4 million in 2H2022. Despite a higher cost base due to the expanding workforce and remuneration adjustments as detailed above, employee benefits expense declined in 2H2022 due to the capitalisation of research and development costs of approximately S\$0.5 million for the new Electronic Monitoring solution in 2H2022. There was no capitalisation of research and development costs in prior year.

**Amortization & depreciation expense** decreased by 12% from approximately S\$0.7 million in 2H2021 to approximately S\$0.6 million in 2H2022, mainly due to fully depreciated assets remaining in use.

**Other operating expenses** increased by 35% from approximately S\$0.3 million in 2H2021 to approximately S\$0.4 million in 2H2022, mainly due to (a) higher general and administrative expenses as a result of the listing, which includes professional fees and director fees; and (b) full period contribution of expenses from the subsidiary acquired in the last quarter of FY2021. This is partially offset by lower other cost of sales and distribution costs, which is consistent with the lower revenue in 2H2021.

**Listing expense** increased from S\$Nil in 2H2021 to approximately S\$0.6 million in 2H2022, as the listing project only commenced in FY2022.

**Finance cost** decreased by 33% from approximately S\$0.2 million in 2H2021 to approximately S\$0.1 million in 2H2022, mainly due to (a) lower loan interest, with the capitalisation of a S\$0.5 million convertible loan to share capital; and (b) lower financing charges from bank facilities due to lower utilisation, which is consistent with the lower revenue in 2H2022.

**Income tax expense** decreased by 60% from approximately S\$0.4 million in 2H2021 to approximately S\$0.1 million in 2H2022, which is in line with the lower revenue and adjusted profit before income tax (adjusted for listing expenses which is non tax-deductible).

**Profit for the period** decreased by 31% from approximately S\$3.3 million in 2H2021 to approximately S\$2.3 million in 2H2022 as a result of the above.

**GROUP'S FINANCIAL POSITION**

**Net asset** increased by 21% from approximately S\$5.9 million as at end of FY2021 to approximately S\$7.2 million as at end of FY2022, mainly due to FY2022 profits as well as the capitalisation of a convertible loan of S\$0.5 million during the financial year. The increase was partially offset by an interim dividend of S\$3.2 million distributed to shareholders during the financial year.

**Property, plant and equipment** increased by 112% from approximately S\$1.0 million as at end of FY2021 to approximately S\$2.1 million as at end of FY2022, mainly due to (a) the purchase of equipment of approximately S\$1.4 million which comprise mainly the new generation Electronic Monitoring devices and equipment for the renewed Electronic Monitoring contract during the financial year; and (b) capitalisation of new leases of approximately S\$0.3 million during the financial year. The increase was partially offset by FY2022's depreciation of approximately S\$0.6 million.

**F. Other information (Cont'd)**

**2. Review of performance of the Group (Cont'd)**

**GROUP'S FINANCIAL POSITION (Cont'd)**

**Intangible assets** remained unchanged at approximately S\$1.7 million as the capitalisation of research and development costs of approximately S\$0.5 million for the new Electronic Monitoring solution in FY2022 was offset by FY2022's amortization of approximately S\$0.5 million.

**Inventories** increased by 60% from approximately S\$1.0 million as at end of FY2021 to approximately S\$1.6 million as at end of FY2022, mainly due to Trace Tokens inventory being in transit to Singapore. In comparison, there were no goods in transit as at the end of FY2021.

**Trade receivables** increased by 41% from approximately S\$3.6 million as at end of FY2021 to approximately S\$5.1 million as at end of FY2022, mainly due to an increase of accrued revenue by approximately S\$1.4 million. The increase in accrued revenue was mainly due to certain 4<sup>th</sup> Quarter FY2022 billings for the silver generation solutions as well as new Electronic Monitoring contract being finalised only after the financial year end.

**Other receivables** decreased by 48% from approximately S\$3.6 million as at end of FY2021 to approximately S\$1.9 million as at end of FY2022, mainly due to a decrease of advance payments made to suppliers by approximately S\$1.7 million, which is consistent with the reduced purchases made in 2H2022.

**Share capital** increased by 2% from approximately S\$20.9 million as at end of FY2021 to approximately S\$21.4 million as at end of FY2022, due to the capitalisation of a convertible loan of S\$0.5 million during the financial year.

**Capital reserve** decreased by 100% from approximately S\$0.3 million as at end of FY2021 to S\$Nil as at end of FY2022, due to the capitalisation of the convertible loans.

**Foreign currency translation reserve** decreased by 100% from approximately S\$0.1 million as at end of FY2021 to S\$Nil as at end of FY2022, due to the liquidation of the Group's only foreign subsidiary during the financial year.

**Borrowings** decreased by 42% from approximately S\$1.5 million as at end of FY2021 to approximately S\$0.9 million as at end of FY2022, mainly due to the capitalisation of a convertible loan of S\$0.5 million and partial repayment of a bank loan of approximately S\$0.1 million during the financial year.

**Lease liabilities** increased by 51% from approximately S\$0.2 million as at end of FY2021 to approximately S\$0.4 million as at end of FY2022, mainly due to leases secured during the financial year for additional premises and goods vehicle required for the Group's expansion plans.

**Trade payables** decreased by 70% from approximately S\$4.6 million as at end of FY2021 to approximately S\$1.4 million as at end of FY2022, mainly due reduced Trace Tokens purchases made in 2H2022.

**Other payables** increased by 64% from approximately S\$1.3 million as at end of FY2021 to approximately S\$2.2 million as at end of FY2022, mainly due to (a) the absence of unbilled listing expenses accrual in prior year; and (b) higher accruals required for unbilled operational and statutory expenses as at end of FY2022.

**Contract liabilities** increased by approximately S\$3.1 million, representing a 3-fold increase from approximately S\$1.7 million as at end of FY2021 to approximately S\$4.8 million in FY2022, mainly due to higher advance billings for Trace Tokens made in the last quarter of FY2022.

**F. Other information (Cont'd)**

**2. Review of performance of the Group (Cont'd)**

**GROUP'S FINANCIAL POSITION (Cont'd)**

**Provision for taxation** increased by 41% from approximately S\$0.4 million as at end of FY2021 to approximately S\$0.5 million as at end of FY2022, mainly due to FY2022's higher profit before tax and listing expenses, as compared to FY2021.

**CASHFLOW**

The Group's cash and cash equivalents increased by approximately S\$0.1 million from FY2021 to FY2022, mainly due to the higher revenue in FY2022. The net cash generated from operating activities of approximately S\$5.6 million was largely offset by cash used in investing and financing activities.

Operating activities

The Group's net cash generated from operating activities was a result of operating cash flow before movement in working capital of approximately S\$5.6 million and net working capital inflows of approximately S\$0.4 million, partially offset by interest and tax paid of approximately S\$0.1 million and S\$0.3 million respectively.

The Group's net working capital inflow was mainly due to (a) a net decrease in receivables of approximately S\$0.2 million due to lower advance payment to suppliers in the last quarter of FY2022; and (b) a net increase in payables of approximately S\$0.8 million mainly due to advance billings in the last quarter of FY2022 and the accrual of unbilled listing and operational expenses, offset by a net increase in inventories of approximately S\$0.6 million due to goods in transit at the financial year end.

Investing activities

The Group used approximately S\$1.9 million in investing activities mainly for (a) purchase of plant and equipment of approximately S\$1.4 million which comprise mainly the new generation Electronic Monitoring devices and equipment for the renewed Electronic Monitoring contract; and (b) addition of intangible assets of approximately S\$0.5 million which relates to research and development costs for the new Electronic Monitoring solution.

Financing activities

The Group used approximately S\$3.5 million in financing activities mainly for (a) distribution of dividends of approximately S\$3.2 million; (b) repayment of obligations under leases of approximately S\$0.2 million; and (c) partial repayment of a bank loan of approximately S\$0.1 million.

**3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable. No forecast or prospect statement was previously disclosed to shareholders.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

The megatrends of climate change, urbanisation, aging demography and digitalisation continue to be strong transformative forces that changes the way we do business amidst today's global uncertainties. iWOW will continue to develop and offer new IoT solutions to ride on these megatrends as well as expand our reach to overseas markets.



**F. Other information (Cont'd)**

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months (Cont'd).**

We will continue to leverage on the Singapore Government's Smart Nation projects and initiatives. We are also in talks with other countries to pursue smart city opportunities. With a significant part of our business in the B2G space today, we expect our prospects in this sector to remain optimistic.

The general business environment however remains uncertain, amidst economical and geopolitical uncertainties, which may disrupt the Group's plans to expand its B2B customer base, with expected reduction in corporate spending.

The continual disruption to the semiconductor supply chain and shortage of electronic components may affect the delivery schedule of our products and/or erode margins in this competitive environment.

Trace Token Order Update

With reference to the Company's announcement dated 28 April 2022, in relation to the Group's Trace Token Orders, we would like to update that there has been no cancellation or suspension of any amount of the Trace Tokens order book disclosed in the Offer Document.

Current outstanding orders are expected to be fulfilled by the end of 2<sup>nd</sup> quarter of FY2023.

**5. Dividend information**

**i. Whether an interim / final ordinary dividend has been declared and/or recommended.**

Yes. As disclosed in the offer document, while the Company does not have a fixed dividend policy, the Board intends to recommend dividends of at least 20% of FY2022's net profit after tax, as the Company wish to reward its shareholders for participating in its growth.

**ii. Current financial period reported on.**

Name of dividend	Final
Dividend type	Cash
Dividend per ordinary share (cents)	0.36
Tax Rate	Tax exempted (one-tier)

**iii. Corresponding period of the immediate preceding financial year.**

No dividend was declared.

**iv. The date the dividend is payable.**

To be advised, as the Final Dividend is subject to Shareholders' approval at the forthcoming annual general meeting of the Company.

**v. The date on which Registrable Transfers received by the company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined.**

To be advised, as the Final Dividend is subject to Shareholders' approval at the forthcoming annual general meeting of the Company.

**F. Other information (Cont'd)**

**6. If no dividend has been declared / recommended, a statement to that effect and the reason(s) for the decision.**

Not applicable.

**7. If the group has obtained a general mandate from shareholders for Interested Persons Transactions (“IPTs”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders of the Company for IPTs. There were no transactions entered into between our Group and interested persons of S\$100,000 or more for the current financial period under review.

**8. Negative confirmation pursuant to Rule 705(5)**

Not required for announcement of full year results.

**9. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).**

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.

**10. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Please refer to Note 4 of Section E – Notes to the condensed interim consolidated financial statements.

**11. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to Note 2 of Section F – Other Information.

**12. A breakdown of sales:**

	<b>Group</b>		<b>+ / (-)</b>
	<b>Full Year Ended</b>		
	<b>FY2022</b>	<b>FY2021</b>	
	S\$'000	S\$'000	%
Sales reported for first half year	17,516	2,257	676
Profit after tax for first half year	<u>1,558</u>	<u>386</u>	304
Sales reported for second half year	17,016	24,165	(30)
Profit after tax for second half year	<u>2,308</u>	<u>3,329</u>	(31)

**F. Other information (Cont'd)**

**13. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	<b>Group &amp; Company</b>	
	<b>FY2022</b>	<b>FY2021</b>
	<u>S\$'000</u>	<u>S\$'000</u>
Ordinary	3,200 <sup>1</sup>	–
Preference	–	–
	<u>3,200</u>	<u>–</u>

<sup>1</sup> As disclosed in the offer document, an interim dividend of S\$3,200,000 was declared on 27 December 2021 and paid on 5 January 2022, prior to the listing of the Company.

Please refer to the section entitled “Dividends” in the offer document for further details.

**14. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10). If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(10) of the Catalist Rules, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

**F. Other information (Cont'd)**

**15. Use of Initial Public Offering (“IPO”) proceeds as at date of this announcement.**

Pursuant to the IPO on 14 April 2022, the Company received gross proceeds of S\$6.5 million from the placement of new shares.

As at the date of this announcement, the status on the use of the proceeds is as follows:

	<b>Amount allocated (1)</b>	<b>Amount utilised</b>	<b>Balance</b>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Enlarging our customer base by engaging both existing B2B customers and expanding our offerings to the B2C segments	1,000	(17)	983
Expanding our market reach by offering out IoT solutions in overseas markets	500	–	500
Enhancing our research and solution development activities to bolster our IoT offerings	1,250	(14)	1,236
Expanding our business through, <i>inter alia</i> , investments, mergers and acquisitions, joint ventures and/or strategic collaborations	1,000	–	1,000
Working capital	1,420	–	1,420
Listing expenses (2)	1,330	(1,313)	17
	<u>6,500</u>	<u>(1,344)</u>	<u>5,156</u>

**Notes:**

(1) As disclosed in the Offer Document dated 6 April 2022.

(2) The amount utilised as at the date of this announcement refers to the IPO expenses billed and paid to date.

**BY ORDER OF THE BOARD**

Raymond Bo  
 CEO and Executive Director

29 June 2022