



**IWOW TECHNOLOGY LIMITED**

(Company Registration Number: 199905973K)

**For Immediate Release**

## **iWOW Technology Poised for Synergistic Growth with Successful Acquisition of Roots Communications**

- iWOW successfully completes acquisition of Roots Communications Pte Ltd ("Roots"), a leading telecom solutions provider and regional value-added distributor serving telcos and enterprise clients.
- The acquisition, priced at 6x forward multiple, is value-accretive and is expected to provide an immediate earnings uplift.
- Together with Roots, iWOW is well poised to expand its regional presence and product offerings to capitalize on opportunities for wireless infrastructure (5G / Wifi 6) as well as Smart City IoT solutions.

**SINGAPORE, 31 January 2023 – iWOW Technology Limited ("iWOW" or the "Company", and together with its subsidiaries, the "Group"), a home-grown technology provider specializing in integrated wireless IoT solutions as a service, is pleased to announce the completion of the Acquisition of Roots Communications Pte Ltd, a Singapore-based telecommunications solutions provider and regional value-added distributor with a proven track record in serving telcos and enterprise clients with mission-critical infrastructure.**

The consideration for the acquisition will be based on 6x the audited annual average net profit after tax from 1 April 2023 to 31 March 2026 ("relevant period"). The Vendor have also provided a profit guarantee of up to S\$3.1 million, should Roots fail to achieve a forward average net profit of S\$1.35 million during the relevant period. As a reference, Roots recorded a historical revenue



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of S\$25.5 million and net profit of S\$0.9 million for the last financial year ended 31 Dec 2021. Comparatively, iWOW's historical revenue and profit (after adjusting for IPO expenses) for the last financial year were S\$34.5 million and S\$5.0 million respectively.

Both companies are veterans in the wireless technology sector; with Roots specializing in infrastructure building while iWOW specializes in developing and deploying innovative IoT solutions for end customers. In addition, both companies share many common marque customers and see significant cross-selling opportunities, especially in the commercial property, education & healthcare sectors. As a result of the complementary nature of the two companies, this synergistic acquisition will position iWOW well to continue riding the digitalization megatrend.

**Mr. Raymond Bo, Chief Executive Officer and Executive Director of iWOW Technology, said, “*With the acquisition of Roots, we have inherited a synergistic business with proven track record serving mission-critical customers such as telcos, rail operators and hospitals. We are confident that together we will be an even more credible contender for the Smart Nation opportunities.*”**

**Mr Chan Kin Kok, Chief Executive Officer of Roots, said, “We are very excited to be part of the iWOW family. Our shared passion for wireless technologies and collective culture of collaboration bring the companies together seamlessly. We look forward to bringing more home-grown and innovative IoT solutions to our customers.”**

**#End#**

### **About iWOW**

iWOW stands for inspiring the World of Wireless and is a technology provider specialising in integrated wireless IoT solutions as a service. Its vision is for a smarter, greener and safer world through innovations in wireless technology. The Company aims to provide innovative IoT solutions for an increasingly urbanised, aging and resource constrained world.



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For more information, please visit <https://www.iwow.com.sg/>

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This Press Release has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Evolve Capital Advisory Private Limited. (the "Sponsor"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.

This press release has not been reviewed by the MAS. This Press Release has also not been reviewed by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Press Release, including the correctness of any of the statements or opinions made or reports contained in this Press Release.

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