



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 2024**

*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**”).*

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	Group					
		2 nd Half Ended		+ / (-) %	Full Year Ended		+ / (-) %
		<u>31/3/2024</u>	<u>31/3/2023</u>		<u>31/3/2024</u>	<u>31/3/2023</u>	
		S\$'000	S\$'000		S\$'000	S\$'000	
Revenue	4	29,139	8,508	242	46,405	25,569	81
Other operating income	5	401	324	24	630	729	(14)
Changes in inventories & raw materials used		(13,652)	(1,373)	894	(18,842)	(12,398)	52
Employee benefits expense		(6,112)	(2,976)	105	(12,031)	(4,948)	143
Amortisation & depreciation expense		(800)	(777)	3	(1,646)	(1,487)	11
Other operating expenses		(5,897)	(2,515)	134	(11,081)	(3,500)	217
Finance costs	6	(22)	(29)	(24)	(49)	(67)	(27)
Profit before income tax	7	<u>3,057</u>	<u>1,162</u>	163	<u>3,386</u>	<u>3,898</u>	(13)
Income tax expense	9	(562)	(3)	n.m.	(607)	(340)	79
Profit for the financial period / year		<u>2,495</u>	<u>1,159</u>	115	<u>2,779</u>	<u>3,558</u>	(22)
Other comprehensive income:							
Items that may be reclassified subsequently to profit or loss							
Exchange differences on translating foreign operations		(30)	(34)	(12)	(73)	(34)	115
Other comprehensive loss for the financial period / year		(30)	(34)	(12)	(73)	(34)	115
Total comprehensive income for the financial period / year		<u>2,465</u>	<u>1,125</u>	119	<u>2,706</u>	<u>3,524</u>	(23)
Earnings per share attributable to owners of the Company							
Basic (cents per share)	11	0.95	0.45		1.06	1.41	
Diluted (cents per share)	11	0.95	0.45		1.06	1.41	

n.m. = not meaningful

B. Condensed interim statements of financial position

Note	Group		Company		
	31/3/2024	31/3/2023	31/3/2024	31/3/2023	
	S\$'000	S\$'000	S\$'000	S\$'000	
ASSETS					
Non-current assets					
Investment in subsidiaries	13	–	–	11,395	11,380
Property, plant and equipment	14	1,545	2,698	595	916
Intangible assets	15	4,107	3,857	129	156
Total non-current assets		5,652	6,555	12,119	12,452
Current assets					
Inventories	18	3,888	4,186	398	136
Trade receivables	16	22,670	12,750	1,203	1,467
Other receivables	17	807	1,200	6,544	5,086
Fixed deposit pledged		54	57	–	–
Cash and cash equivalents		6,327	9,856	1,733	4,168
Total current assets		33,746	28,049	9,878	10,857
Total assets		39,398	34,604	21,997	23,309
EQUITY & LIABILITIES					
Equity					
Share capital	20	30,983	31,019	30,983	31,019
Foreign currency translation reserve		(107)	(34)	–	–
Accumulated losses		(9,548)	(11,590)	(14,995)	(15,718)
Total equity		21,328	19,395	15,988	15,301
Non-current liabilities					
Deferred tax liabilities		2	33	–	–
Borrowings	19	111	370	111	370
Other payables	13	1,900	1,900	1,900	1,900
Lease liabilities		122	253	101	153
Total non-current liabilities		2,135	2,556	2,112	2,423
Current liabilities					
Borrowings	19	259	251	259	251
Lease liabilities		285	562	171	160
Trade payables		6,951	2,854	104	71
Other payables		7,019	7,453	3,330	4,622
Contract liabilities		777	1,015	33	109
Provision for taxation		644	518	–	372
Total current liabilities		15,935	12,653	3,897	5,585
Total liabilities		18,070	15,209	6,009	8,008
Total equity and liabilities		39,398	34,604	21,997	23,309

C. Condensed interim statements of changes in equity

<u>Group</u>	Note	Share capital S\$'000	Foreign currency translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance at 1 April 2022		21,403	–	(14,246)	7,157
Issuance of ordinary shares pursuant to Initial Public Offering (“IPO”)	20	6,500	–	–	6,500
Share issue expenses	20	(124)	–	–	(124)
Issuance of ordinary shares pursuant to the acquisition of a subsidiary	20	3,240	–	–	3,240
Profit for the year		–	–	3,558	3,558
<i>Other comprehensive loss:</i> Exchange differences on translating foreign operations		–	(34)	–	(34)
Total comprehensive income		–	(34)	3,558	3,524
Tax-exempt (one-tier) dividend	10	–	–	(902)	(902)
Balance at 31 March 2023		31,019	(34)	(11,590)	19,395

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

<u>Group (Cont'd)</u>	Note	Share capital S\$'000	Foreign currency translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance at 1 April 2023		31,019	(34)	(11,590)	19,395
Purchase of treasury shares	20	(36)	–	–	(36)
Profit for the year		–	–	2,779	2,779
<i>Other comprehensive loss:</i> Exchange differences on translating foreign operations		–	(73)	–	(73)
Total comprehensive income		–	(73)	2,779	2,706
Tax-exempt (one-tier) dividend	10	–	–	(737)	(737)
Balance at 31 March 2024		30,983	(107)	(9,548)	21,328

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

<u>Company</u>	Note	Share capital S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance at 1 April 2022		21,403	(17,015)	4,388
Issuance of ordinary shares pursuant to Initial Public Offering ("IPO")	20	6,500	–	6,500
Share issue expenses	20	(124)	–	(124)
Issuance of ordinary shares pursuant to the acquisition of a subsidiary	20	3,240	–	3,240
Profit for the year, representing total comprehensive income		–	2,199	2,199
Tax-exempt (one-tier) dividend	10	–	(902)	(902)
Balance at 31 March 2023 and 1 April 2023		31,019	(15,718)	15,301
Purchase of treasury shares	20	(36)	–	(36)
Profit for the year, representing total comprehensive income		–	1,460	1,460
Tax-exempt (one-tier) dividend	10	–	(737)	(737)
Balance at 31 March 2024		30,983	(14,995)	15,988

D. Condensed interim consolidated statement of cash flows

	Note	Group	
		Full Year Ended	
		31/3/2024	31/3/2023
		S\$'000	S\$'000
OPERATING ACTIVITIES			
Profit before income tax		3,386	3,898
<u>Adjustments for:</u>			
Depreciation of property, plant and equipment		1,380	1,040
Amortisation of intangible assets	15	266	447
(Reversal of)/allowance for inventories obsolescence	18	(1)	46
Loss on disposal of property, plant and equipment		119	17
Trade payables written off	5	(129)	–
Provision on reinstatement		62	–
Allowance for expected credit loss on receivables		1	–
Unrealised exchange gain		(59)	(11)
Interest income	5	(162)	(136)
Interest expense	6	43	51
Operating cash flows before working capital changes		4,906	5,352
Inventories		299	715
Trade and other receivables		(9,528)	4,752
Trade payables, other payables and contract liabilities		3,506	(10,715)
Cash (used in)/generated from operations		(817)	104
Income tax paid		(512)	(498)
Cash flows used in operating activities		(1,329)	(394)
INVESTING ACTIVITIES			
Acquisition of a subsidiary		–	2,255
Addition of property, plant and equipment		(173)	(685)
Addition of intangible assets	15	(516)	(671)
Interest received		162	122
Cash flows (used in)/generated from investing activities		(527)	1,021
FINANCING ACTIVITIES			
Interest paid		(18)	(50)
Repayment of borrowings		(251)	(242)
Repayment of lease liabilities		(605)	(292)
Dividend paid	10	(751)	(899)
Proceeds from issuance of ordinary shares pursuant to IPO	20	–	6,500
Payment of IPO transaction costs		–	(563)
Purchase of treasury shares	20	(36)	–
Cash flows (used in)/generated from financing activities		(1,661)	4,454
Net (decrease)/increase in cash and cash equivalents		(3,517)	5,081
Cash and cash equivalents at beginning of year		9,856	4,797
Net effect of exchange rate changes on cash and cash equivalents		(12)	(22)
Cash and cash equivalents at end of year		6,327	9,856

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 2024 comprise the Company and its subsidiaries (collectively, the "**Group**"). The principal activities of the Company is that of investment holding company, research and development as well as provision of engineering, design and consultancy services.

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;
- (d) Provision of Smart Metering Services; and
- (e) Provision of engineering services relating to communication solutions.

2. Basis of preparation

The condensed interim financial statements for the six months ended 31 March 2024 ("**2H2024**") and full year ended 31 March 2024 ("**FY2024**") 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 2023.

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 2023:

- Amendments to SFRS(I) 1–8: Definition of Accounting Estimates
- Amendments to SFRS(I) 1–12: Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction
- Amendments to SFRS(I) 1–1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies

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 2023 ("FY2023").

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 15 – Impairment test of goodwill: key assumptions underlying recoverable amounts
- Note 16 – Provision for expected credit losses of trade debtors
- Note 18 – Allowance for slow-moving and obsolete inventory
- Note 13 – Contingent consideration

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 between one (1) and three (3) years.

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

4. Revenue and segment information

	Group			
	2 nd Half Ended		Full Year Ended	
	FY2024	FY2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue from contract with customers				
- Sale of goods and services rendered	3,268	2,130	5,395	15,822
- Silver generation solutions	462	496	951	1,316
- Provision of electronic monitoring services	2,231	2,218	4,384	4,496
- Maintenance and subscription fee	1,016	512	2,041	772
- Contract revenue	15,876	920	21,460	920
- Term contract	6,286	2,229	12,174	2,229
- Others	-	3	-	14
	<u>29,139</u>	<u>8,508</u>	<u>46,405</u>	<u>25,569</u>

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

	Group			
	2 nd Half Ended		Full Year Ended	
	FY2024	FY2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Geographical markets</u>				
Singapore	26,923	7,639	42,743	23,777
Hong Kong	100	117	100	948
Malaysia	1,876	247	2,841	336
Others	240	505	721	508
	<u>29,139</u>	<u>8,508</u>	<u>46,405</u>	<u>25,569</u>
<u>Timing of revenue recognition</u>				
Goods transferred at point in time	4,221	2,626	6,346	17,149
Services transferred overtime	24,918	5,882	40,059	8,420
	<u>29,139</u>	<u>8,508</u>	<u>46,405</u>	<u>25,569</u>

The Group is organised into the following main business segments:

- Segment 1: Internet of things-as-a-Service (“**laaS**”);
- Segment 2: Smart City Solutions (“**SCS**”);
- Segment 3: Trading & Others;
- Segment 4: Wireless Engineering Solutions (“**WES**”); and
- Segment 5: Datacomm & Enterprise Solutions (“**DES**”).

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>IaaS</u>		<u>SCS</u>		<u>WES</u>		<u>DES</u>		<u>Trading & Others</u>		<u>Unallocated</u>		<u>Total</u>	
	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000	2H2024 S\$'000	2H2023 S\$'000
Revenue:														
External customers	3,053	2,989	756	1,067	14,864	2,537	7,916	1,661	2,550	254	–	–	29,139	8,508
Results:														
Other operating income	18	166	240	120	128	–	15	38	–	–	–	–	401	324
Changes in inventories & raw materials used	(195)	(109)	(38)	247	(5,687)	(315)	(5,602)	(1,026)	(2,130)	(170)	–	–	(13,652)	(1,373)
Employee benefits expense	(1,499)	(1,145)	(866)	(583)	(1,945)	(765)	(1,799)	(480)	(3)	(3)	–	–	(6,112)	(2,976)
Amortisation & depreciation expense	(482)	(609)	(88)	(88)	(150)	(51)	(79)	(28)	(1)	(1)	–	–	(800)	(777)
Reversal of/(allowance for) inventories obsolescence	22	–	(33)	(38)	–	–	–	–	10	(8)	–	–	(1)	(46)
Other operating expenses	(501)	(561)	(444)	(497)	(4,624)	(1,270)	(206)	(124)	(2)	–	–	–	(5,777)	(2,452)
Loss on disposal of property, plant & equipment	(119)	–	–	–	–	(17)	–	–	–	–	–	–	(119)	(17)
Finance costs	(10)	(22)	(9)	(4)	(1)	(1)	(2)	(1)	–	(1)	–	–	(22)	(29)
Segment profit/(loss) before income tax	287	709	(482)	224	2,585	118	243	40	424	71	–	–	3,057	1,162
Assets/liabilities:														
Segment assets	4,544	4,505	998	2,094	15,523	9,879	8,334	7,432	1,131	395	8,868	10,299	39,398	34,604
Segment liabilities	(503)	(575)	(468)	(1,103)	(5,987)	(1,743)	(2,571)	(927)	(784)	(1,779)	(7,757)	(9,082)	(18,070)	(15,209)

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

4. Revenue and segment information (Cont'd)

	<u>laaS</u>		<u>SCS</u>		<u>WES</u>		<u>DES</u>		<u>Trading & Others</u>		<u>Unallocated</u>		<u>Total</u>	
	<u>FY2024</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2023</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Revenue:														
External customers	5,982	6,011	1,170	13,926	23,764	2,537	11,228	1,661	4,261	1,434	–	–	46,405	25,569
Results:														
Other operating income	37	200	258	197	184	–	105	38	–	1	46	293	630	729
Changes in inventories & raw materials used	(367)	(233)	(412)	(9,597)	(7,900)	(315)	(6,628)	(1,026)	(3,535)	(1,227)	–	–	(18,842)	(12,398)
Employee benefits expense	(2,776)	(2,134)	(1,469)	(1,562)	(4,543)	(765)	(3,222)	(480)	(21)	(7)	–	–	(12,031)	(4,948)
Amortisation & depreciation expense	(1,001)	(1,187)	(184)	(220)	(300)	(51)	(160)	(28)	(1)	(1)	–	–	(1,646)	(1,487)
Reversal of/(allowance for) inventories obsolescence	22	–	(31)	(38)	–	–	–	–	10	(8)	–	–	1	(46)
Other operating expenses	(1,027)	(991)	(938)	(1,049)	(7,596)	(1,270)	(1,398)	(124)	(4)	(3)	–	–	(10,963)	(3,437)
Loss on disposal of property, plant & equipment	(119)	–	–	–	–	(17)	–	–	–	–	–	–	(119)	(17)
Finance costs	(21)	(33)	(20)	(31)	(5)	(1)	(3)	(1)	–	(1)	–	–	(49)	(67)
Segment profit/(loss) before income tax	730	1,633	(1,626)	1,626	3,604	118	(78)	40	710	188	46	293	3,386	3,898
Assets/liabilities:														
Segment assets	4,544	4,505	998	2,094	15,523	9,879	8,334	7,432	1,131	395	8,868	10,299	39,398	34,604
Segment liabilities	(503)	(575)	(468)	(1,103)	(5,987)	(1,743)	(2,571)	(927)	(784)	(1,779)	(7,757)	(9,082)	(18,070)	(15,209)

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

5. Other operating income

	Group			
	2 nd Half Ended		Full Year Ended	
	FY2024	FY2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
Government grants	153	108	228	477
Foreign exchange gain	3	52	–	71
Interest income	68	130	162	136
Trade payables written off	129	–	129	–
Others	48	34	111	45
	<u>401</u>	<u>324</u>	<u>630</u>	<u>729</u>

6. Finance costs

	Group			
	2 nd Half Ended		Full Year Ended	
	FY2024	FY2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
Factoring charges	3	3	6	16
Interest on borrowings	8	13	18	26
Interest on lease liabilities	11	13	25	25
	<u>22</u>	<u>29</u>	<u>49</u>	<u>67</u>

7. Profit before income tax

	Group			
	2 nd Half Ended		Full Year Ended	
	FY2024	FY2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation of property, plant and equipment	667	564	1,380	1,040
Amortisation of intangible assets	133	213	266	447
Directors' remuneration other than fees:				
i) Directors of the Company				
- Short-term benefits	212	209	454	400
- Employers' contribution to defined contribution plan	6	6	17	12
- Directors' fee	85	85	170	170
ii) Directors of the subsidiaries				
- Short-term benefits	306	223	618	415
- Employers' contribution to defined contribution plan	21	14	42	25
- Directors' fee	3	–	6	–
Allowance for/(reversal of) inventories obsolescence	1	46	(1)	46
Loss on disposal of property, plant and equipment	119	17	119	17
Sub-contracting costs	4,884	245	8,862	399
Foreign exchange losses	–	–	15	–
	<u>–</u>	<u>–</u>	<u>15</u>	<u>–</u>

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

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

	Group			
	2 nd Half Ended		Full Year Ended	
	FY2024	FY2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax				
- Current	620	37	665	390
- Over provision in prior financial years	(27)	(34)	(27)	(50)
- Reversal of temporary differences	(31)	–	(31)	–
Total income tax expense	<u>562</u>	<u>3</u>	<u>607</u>	<u>340</u>

10. Dividends

	Group & Company	
	FY2024	FY2023
	S\$'000	S\$'000
<u>Ordinary dividend:</u>		
Final exempt (one-tier) dividend in respect of FY2022	–	902
Final exempt (one-tier) dividend in respect of FY2023	<u>737</u>	–
	<u>737</u>	<u>902</u>

As at 31 March 2024 and 31 March 2023, the Company has unclaimed dividends which amounted to S\$nil and S\$14,000 respectively.

Subsequent to 31 March 2024, the Directors of the Company recommended a final tax-exempt dividend of 0.22 cent per ordinary share amounting to approximately S\$0.6 million for FY2024 (“**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.

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

11. Earnings per share (“EPS”)

The calculation of the basic earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Group			
	2 nd Half Ended		Full Year Ended	
	FY2024	FY2023	FY2024	FY2023
Profit attributable to ordinary equity holders of the Company (S\$'000)	<u>2,495</u>	<u>1,159</u>	<u>2,779</u>	<u>3,558</u>
Weighted average number of ordinary shares outstanding	<u>263,345,725</u>	<u>254,750,260</u>	<u>263,367,993</u>	<u>252,590,260</u>
EPS (basic and diluted) in cents	<u>0.95</u>	<u>0.45</u>	<u>1.06</u>	<u>1.41</u>

Number of shares used for the calculation of EPS

The diluted EPS for the relevant financial periods/years are the same as the basic EPS as the Group did not have any dilutive instruments at the end of the respective financial periods/years.

12. Net asset value (“NAV”)

	Group		Company	
	FY2024	FY2023	FY2024	FY2023
NAV - (S\$'000)	<u>21,328</u>	<u>19,395</u>	<u>15,988</u>	<u>15,301</u>
Number of ordinary shares outstanding	<u>263,213,160</u>	<u>263,390,260</u>	<u>263,213,160</u>	<u>263,390,260</u>
NAV per ordinary share - (cents)	<u>8.10</u>	<u>7.36</u>	<u>6.07</u>	<u>5.81</u>

Number of shares used for the calculation of NAV

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 share capital at the respective financial year end.

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

13. Investment in subsidiaries

Acquisition of Roots Communications Pte. Ltd. ("Roots Singapore")

In FY2023, the Company acquired the entire share capital of Roots Singapore.

The Company offered a purchase consideration which is calculated based on six (6) times multiple of the audited annual average consolidated net profit after tax of Roots Singapore and its subsidiary Roots Communications Sdn. Bhd. (collectively, the "**Roots Group**") for the period from 1 April 2023 to 31 March 2026 and capped at S\$18,000,000.

The consideration would be satisfied by a combination of cash and issuance of shares in the Company in 2 portions as follow:

1. Initial payment of S\$8,100,000 which consists of S\$4,860,000 in cash and S\$3,240,000 in shares in the Company which has been paid in FY2023;
2. Balance payment of up to S\$9,900,000 which consist of S\$5,940,000 in cash and S\$3,960,000 in shares in the Company will be determined after the financial year ended 31 March 2026.

The payments above represents the maximum amount payable by the Company and will be reduced accordingly based on the Post Completion Tranche Payment ("**PCTP**"). Based on management's estimate of the Roots Group's annual average consolidated net profit after tax for the period from 1 April 2023 to 31 March 2026, the total consideration for the acquisition would be S\$10,000,000.

As such, a contingent consideration of S\$1,900,000 has been recognised since the acquisition date, which has been recorded under "Other payables" in non-current liabilities.

14. Property, plant and equipment

During the financial year ended 31 March 2024, the Group acquired assets amounting to S\$0.3 million (FY2023: S\$0.9 million) of which approximately S\$0.2 million (FY2023: S\$0.3 million) was acquired through the capitalisation of leases. Cash payments of S\$173,000 (FY2023: S\$685,000) were made to purchase property, plant and equipment.

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

15. Intangible assets

<u>Group</u>	Goodwill S\$'000	Trademark S\$'000	Development costs S\$'000	Total S\$'000
Cost:				
At 1/4/2022	829	–	3,341	4,170
Additions	1,848	–	671	2,519
At 31/3/2023 and 1/4/2023	<u>2,677</u>	–	<u>4,012</u>	<u>6,689</u>
Additions	–	5	511	516
At 31/3/2024	<u>2,677</u>	<u>5</u>	<u>4,523</u>	<u>7,205</u>
Accumulated Amortisation:				
At 1/4/2022	–	–	2,385	2,385
Charge for the year	–	–	447	447
At 31/3/2023 and 1/4/2023	–	–	<u>2,832</u>	<u>2,832</u>
Charge for the year	–	–	266	266
At 31/3/2024	–	–	<u>3,098</u>	<u>3,098</u>
Carrying amount:				
At 31/3/2024	<u>2,677</u>	<u>5</u>	<u>1,425</u>	<u>4,107</u>
At 31/3/2023	<u>2,677</u>	<u>–</u>	<u>1,180</u>	<u>3,857</u>

<u>Company</u>	Development costs S\$'000
Cost:	
At 1/4/2022	918
Additions	141
At 31/3/2023 and 1/4/2023	<u>1,059</u>
Transfer	(18)
At 31/3/2024	<u>1,041</u>
Accumulated Amortisation:	
At 1/4/2022	897
Charge for the year	6
At 31/3/2023 and 1/4/2023	<u>903</u>
Charge for the year	9
At 31/3/2024	<u>912</u>
Carrying amount:	
At 31/3/2024	<u>129</u>
At 31/3/2023	<u>156</u>

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

15. Intangible assets (Cont'd)

During the financial year ended 31 March 2024, the intangible assets comprised of goodwill, trademark, platform development and module development.

The additions in FY2024 mainly relates to the 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.

16. Trade receivables

	Group		Company	
	FY2024	FY2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
Trade receivables	11,566	7,362	788	1,099
Less: Loss allowance	(14)	(14)	–	–
	11,552	7,348	788	1,099
Amount owing from subsidiaries	–	–	39	4
Accrued revenue	11,118	5,402	376	364
	<u>22,670</u>	<u>12,750</u>	<u>1,203</u>	<u>1,467</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.

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

17. Other receivables

	Group		Company	
	FY2024	FY2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
Amounts due from subsidiaries	–	–	12,671	12,727
Less: Loss allowance	–	–	(9,231)	(10,787)
	–	–	3,440	1,940
Deposits	263	308	55	59
Advances to suppliers in relation to unsupplied goods	301	751	13	52
Prepayments	238	119	36	35
Others	5	22	–	–
Loan to a subsidiary	–	–	3,000	3,000
	<u>807</u>	<u>1,200</u>	<u>6,544</u>	<u>5,086</u>

18. Inventories

	Group		Company	
	FY2024	FY2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
Raw materials	66	126	–	–
Work in progress	253	957	255	13
Finished goods	3,569	3,103	143	123
	<u>3,888</u>	<u>4,186</u>	<u>398</u>	<u>136</u>

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

	Group		Company	
	FY2024	FY2023	FY2024	FY2023
	S\$'000	S\$'000	S\$'000	S\$'000
At beginning of the financial year	97	76	–	–
(Reversal of)/allowance for obsolescence	(1)	46	–	5
Write-offs	–	(25)	–	(5)
At end of financial year	<u>96</u>	<u>97</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.

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

19. Borrowings

	Group & Company	
	FY2024	FY2023
	S\$'000	S\$'000
Bank loans	<u>370</u>	<u>621</u>
<u>Borrowings are repayable as follows:</u>		
Within one year	259	251
After one year but within five years	111	370
	<u>370</u>	<u>621</u>

As at 31 March 2024, the banking facilities are secured by the following:

- (a) All sums in the current account with DBS bank; and
- (b) Corporate guarantee by a subsidiary, iWOW Connections Pte Ltd.

The bank loan will be fully repaid by July 2025.

20. Share capital

	Group & Company			
	FY2024		FY2023	
Issued and fully paid:	No. of shares	Share capital	No. of shares	Share capital
	'000	S\$'000	'000	S\$'000
<u>Ordinary Shares</u>				
At beginning of the financial year	263,390	31,019	224,430	21,403
Purchase of treasury shares	(177)	(36)	–	–
Issuance of ordinary shares pursuant to IPO	–	–	26,000	6,500
Share issue expenses	–	–	–	(124)
Issuance of ordinary shares pursuant to the acquisition of a subsidiary	–	–	12,960	3,240
At end of the financial year	<u>263,213</u>	<u>30,983</u>	<u>263,390</u>	<u>31,019</u>
<u>Treasury Shares</u>				
At beginning of the financial year	–	–	–	–
Repurchased during the financial year	177	36	–	–
At end of the financial year	<u>177</u>	<u>36</u>	<u>–</u>	<u>–</u>
% against outstanding shares	<u>0.07%</u>		<u>–</u>	
<u>Outstanding Shares</u>				
Issued and fully paid ordinary shares	263,390		263,390	
Less: Treasury shares	(177)		–	
Outstanding ordinary shares	<u>263,213</u>		<u>263,390</u>	

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

20. Share Capital (Cont'd)

Issuance of Ordinary Shares

During the prior financial year, the Company allotted and issued 38,960,000 ordinary shares as follows:

1. 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.

The offsetting of listing expenses to share capital on IPO amounted to approximately S\$124,000.

2. The Company acquired Roots Singapore, as disclosed in Note 13. 12,960,000 new ordinary shares were allotted and issued to Funtec Resources Pte. Ltd. as part of settlement for the acquisition, amounting to S\$3,240,000.

Treasury Shares

As at 31 March 2023, there were no treasury shares held by the Company.

In FY2024, the Company acquired 177,100 of its own shares through purchases on SGX. The total amount paid to acquire the shares was \$36,000 and has been deducted from shareholders' equity. The shares are held as treasury shares and the Company intends to reissue these shares to executives who exercise their share options under the iWOW Employee Share Option Scheme.

There were no sale, transfer, cancellation or use of treasury shares in both the current and prior financial years.

Subsidiary Holdings and Convertibles

As at 31 March 2024 and 31 March 2023, there were no subsidiary holdings and outstanding convertibles.

21. Subsequent events

There are no known subsequent events which have led to adjustments to this set of condensed financial statements.

F. Other information

1. Review

The condensed interim statements of financial position of iWOW Technology Limited and its subsidiaries as at 31 March 2024 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 2024 and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

INCOME STATEMENT - Comparing FY2024 to FY2023

Revenue increased by 81% from approximately S\$25.6 million in FY2023 to approximately S\$46.4 million in FY2024, mainly due to contribution from the WES, DES (collectively “**Smart City Infrastructure**”) and Trading & Others segments, which was partially offset by lower revenue from the SCS segment as follows:

- (a) revenue for IoT-as-a-service (“**laaS**”) segment remained unchanged at approximately S\$6.0 million for the sales of Electronic Monitoring Solutions (“**EMS**”), Alert Alarm System (“**AAS**”) and Smart Metering Services;
- (b) revenue for Smart City Solutions (“**SCS**”) segment declined by 92% from approximately S\$13.9 million in FY2023 to approximately S\$1.2 million in FY2024 mainly due to the absence for Trace Tokens sales and installation works for AAS due to project completion;
- (c) revenue for Wireless Engineering Solutions (“**WES**”) segment increased by S\$21.2 million from approximately S\$2.5 million in FY2023 to approximately S\$23.8 million in FY2024 mainly due to full year contribution in FY2024, as compared to just 2 months contribution in FY2023 following the acquisition. The increase was also contributed by progress made for the approximately S\$20.0 million Smart City Infrastructure contract announced in July 2023;
- (d) revenue for Datacomm & Enterprise Solutions (“**DES**”) segment increased by S\$9.6 million from approximately S\$1.7 million in FY2023 to approximately S\$11.2 million in FY2024 mainly due to full year contribution in FY2024, as compared to just 2 months contribution in FY2023 following the acquisition; and
- (e) revenue for Trading & Others segment increased by S\$2.8 million from approximately S\$1.4 million in FY2023 to approximately S\$4.3 million in FY2024, mainly due to higher regional sales attributed to Datacomm products.

Other operating income decreased by 14% from approximately \$0.7 million in FY2023 to approximately S\$0.6 million in FY2024, mainly due to the absence of the IPO related grant income and foreign exchange gain. The decrease was partially offset by a S\$0.1 million trade payable write off and higher interest income from short term deposits.

Changes in Inventories & raw materials used increased by 52% from approximately S\$12.4 million in FY2023 to approximately S\$18.8 million in FY2024, which is in line with the increased WES, DES and trading revenue in FY2024. The increase was partially offset by lower changes in inventories and raw materials used for the SCS segment, due to completion of the Trace Token project in prior year.

F. Other information (Cont'd)

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

INCOME STATEMENT - Comparing FY2024 to FY2023 (Cont'd)

Employee benefits expense increased by 143% from approximately S\$4.9 million in FY2023 to approximately S\$12.0 million in FY2024, mainly due to (a) full year contribution from the new Smart City Infrastructure segment, which has 94 full time employees as of the end of FY2024; and (b) an expansion of workforce to support the Group's growth. Excluding the Smart City Infrastructure segment, the Group's full time employees increased from 59 as of the end of FY2023 to 66 as of the end of FY2024.

Amortisation & depreciation expense increased by 11% from approximately S\$1.5 million in FY2023 to approximately S\$1.6 million in FY2024, mainly due to approximately S\$0.4 million increase in depreciation attributed to the Smart City Infrastructure segment as a result of a full year contribution in FY2024. The increase was partially offset by lower depreciation from the remaining segments due to fully depreciated / amortised assets.

Other operating expenses increased by S\$7.6 million, from approximately S\$3.5 million in FY2023 to approximately S\$11.1 million in FY2024, mainly due to an increase in sub-contracting expenses by approximately S\$8.5 million, which is in line with the increased WES and DES revenue in FY2024, partially offset by lower other cost of sales expenses.

Finance cost decreased by 27% from approximately S\$67,000 in FY2023 to approximately S\$49,000 in FY2024, mainly due to lower financing charges and interest from banking facilities as a result of lower fees and a reducing loan balance respectively.

Income tax expense increased by 79% from approximately S\$0.3 million in FY2023 to approximately S\$0.6 million in FY2024, due to the absence of brought forward tax credits applied in prior year.

Profit for the year decreased by 22% from approximately S\$3.6 million in FY2023 to approximately S\$2.8 million in FY2024, despite an increase in revenue. This was mainly due to lower margin projects, as well as the Group's continual investment in growing its R&D and business development headcounts over the past year, so as to build up its capabilities for pursuing new opportunities.

Segment profit for IaaS declined from S\$1.6 million in FY2023 to S\$0.7 million in FY2024, despite revenue remaining unchanged at approximately S\$6.0 million, mainly due to higher operating costs, lower R&D capitalization and a S\$0.1 million loss from the disposal of spent leasing assets. SCS recorded a segment loss of S\$1.6 million in FY2024, in comparison to a segment profit of S\$1.6 million in FY2023, mainly due to the lower revenue base which resulted from the completion of Trace Tokens and AAS installation works projects in prior year.

Other comprehensive income increased from approximately a loss of S\$34,000 in FY2023 to a loss of approximately S\$73,000 in FY2024, mainly due to currency translation differences attributed to the Group's Malaysian subsidiaries.

INCOME STATEMENT - Comparing 2H2024 to 2H2023

Revenue increased by S\$20.6 million from approximately S\$8.5 million in 2H2023 to approximately S\$29.1 million in 2H2024, mainly due to higher revenue from WES, DES and Trading & Others segments, which was partially offset by lower revenue from SCS segment as follows:

F. Other information (Cont'd)

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

INCOME STATEMENT - Comparing 2H2024 to 2H2023 (Cont'd)

- (a) revenue for IoT-as-a-service (“**laaS**”) segment grew marginally by 2% or approximately S\$0.1 million from approximately S\$3.0 million in 2H2023 to approximately S\$3.1 million in 2H2024, due to higher sales for Smart Metering Services;
- (b) revenue for Smart City Solutions (“**SCS**”) segment declined by 29% from approximately S\$1.1 million in 2H2023 to approximately S\$0.8 million in 2H2024 mainly due to lower sales for IoT installation works;
- (c) revenue for Wireless Engineering Solutions (“**WES**”) segment increased by S\$12.3 million from approximately S\$2.5 million in 2H2023 to approximately S\$14.9 million in 2H2024 mainly due to full 6 months contribution in 2H2024, as compared to 2 months contribution in 2H2023 following the acquisition. The increase was also contributed by progress made for the approximately S\$20.0 million Smart City Infrastructure contract announced in July 2023;
- (d) revenue for Datacomm & Enterprise Solutions (“**DES**”) segment increased by S\$6.3 million from approximately S\$1.7 million in 2H2023 to approximately S\$7.9 million in 2H2024 mainly due to full 6 months contribution in 2H2024, as compared to 2 months contribution in 2H2023 following the acquisition.
- (e) revenue for Trading & Others segment increased by S\$2.3 million from approximately S\$0.3 million in 2H2023 to approximately S\$2.6 million in 2H2024, mainly due to higher regional sales attributed to Datacomm products.

Other operating income increased by 24% from approximately S\$0.3 million in 2H2023 to approximately S\$0.4 million in 2H2024, mainly due to a S\$0.1 million trade payable write off and government EDG grant received in 2H2024. The increase was partially offset by lower interest income from short term deposits and foreign exchange gain.

Changes in Inventories & raw materials used increased by S\$12.3 million from approximately S\$1.4 million in 2H2023 to approximately S\$13.7 million in 2H2024, which is in line with the increased WES, DES and trading revenue in 2H2024.

Employee benefits expense increased by 105% from approximately S\$3.0 million in 2H2023 to approximately S\$6.1 million in 2H2024, mainly due (a) full 6 months contribution from the new Smart City Infrastructure segment, which has 94 full time employees as of the end of 2H2024; and (b) an expansion of workforce to support the Group’s growth where excluding the Smart City Infrastructure segment, the Group’s full time employees increased by 12% from 59 as of the end of 2H2023 to 66 as of the end of 2H2024.

Amortisation & depreciation expense remained unchanged at approximately S\$0.8 million. The increase was a result of the full year contribution from the Smart City Infrastructure segment, but offset by lower depreciation from the laaS segment due to fully depreciated / amortised assets.

Other operating expenses increased by S\$3.4 million, from approximately S\$2.5 million in 2H2023 to approximately S\$5.9 million in 2H2024, mainly due to an increase in sub-contracting expenses by approximately S\$4.6 million, which is in line with the increased WES and DES revenue in 2H2024, partially offset by lower other cost of sales expenses.

Finance cost decreased by 24% from approximately S\$29,000 in 2H2023 to approximately S\$22,000 in 2H2024, mainly due to lower interest from a reducing loan balance.

F. Other information (Cont'd)

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

INCOME STATEMENT - Comparing 2H2024 to 2H2023 (Cont'd)

Income tax expense increased by S\$0.6 million from approximately S\$3,000 in 2H2023 to approximately S\$0.6 million in 2H2024, mainly due to a higher profit before tax as well as the absence of brought forward tax credits applied in prior period.

Profit for the period increased by 115% from approximately S\$1.2 million in 2H2023 to approximately S\$2.5 million in 2H2024, as a result of the above.

GROUP'S FINANCIAL POSITION

Net asset increased by S\$1.9 million from approximately S\$19.4 million as at end of FY2023 to approximately S\$21.3 million as at end of FY2024, mainly due to FY2024 profits, which was partially offset by a final dividend of S\$0.7 million distributed to shareholders in 1H2024.

Property, plant and equipment decreased by 43% from approximately S\$2.7 million as at end of FY2023 to approximately S\$1.5 million as at end of FY2024, mainly due to (a) depreciation of approximately S\$1.4 million; and (b) disposal of leasing assets with net book value of approximately S\$0.1 million. The decrease was partially offset by the purchase of plant and equipment of approximately S\$0.2 million and the capitalisation of new leases of approximately S\$0.2 million during the year.

Intangible assets increased by 6% from approximately S\$3.9 million as at end of FY2023 to S\$4.1 million as at end of FY2024, mainly due to the capitalisation of development costs of approximately S\$0.5 million for new Electronic Monitoring and Silver Generation products. The increase was partially offset by FY2024's amortisation of approximately S\$0.3 million.

Inventories decreased by 7% from approximately S\$4.2 million as at end of FY2023 to approximately S\$3.9 million as at end of FY2024. The decrease was mainly due to the sales of Datacomm products as well as the utilization of raw materials for modem assembly.

Trade receivables increased by \$9.9 million from approximately S\$12.8 million as at end of FY2023 to approximately S\$22.7 million as at end of FY2024, mainly due to increase in billings and accrued revenue for Smart City Infrastructure projects pending its billing milestones end FY2024.

Other receivables decreased by 33% from approximately S\$1.2 million as at end of FY2023 to approximately S\$0.8 million as at end of FY2024, mainly due to a decrease of advance payments made to suppliers by S\$0.5 million due to orders fulfilment by suppliers.

Share capital decreased marginally by S\$36,000 to approximately S\$31.0 million as at end of FY2024 due to the purchase of treasury shares.

Foreign currency translation reserve losses increased by S\$73,000 to approximately S\$0.1 million as at end of FY2024 due to translation exchange losses as a result of consolidating the Malaysian subsidiaries.

Borrowings decreased by 40% from approximately S\$0.6 million as at end of FY2023 to approximately S\$0.4 million as at end of FY2024, due to the periodic repayments of a bank loan during the financial year.

F. Other information (Cont'd)

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

GROUP'S FINANCIAL POSITION (Cont'd)

Lease liabilities decreased by 50% from approximately S\$0.8 million as at end of FY2023 to approximately S\$0.4 million as at end of FY2024, due to repayment of lease liabilities of approximately S\$0.6 million in FY2024, which was partially offset by lease renewal of approximately S\$0.2 million.

Trade payables increased by S\$4.1 million from approximately S\$2.9 million as at end of FY2023 to approximately S\$7.0 million as at end of FY2024, mainly due to the billings by suppliers for the in progress Smart City Infrastructure contract, as mentioned in the WES revenue commentary above.

Other payables decreased by 5% from approximately S\$9.4 million as at end of FY2023 to approximately S\$8.9 million as at end of FY2024, mainly due to settlement of prior year's acquired subsidiary's brought forward balances, due in FY2024.

Contract liabilities decreased by 23% from approximately S\$1.0 million as at end of FY2023 to approximately S\$0.8 million as at end of FY2024, mainly due to a decrease of advance billings due to order fulfilment during the financial year.

Provision for taxation increased by 24% from approximately S\$0.5 million as at end of FY2023 to S\$0.6 million as at end of FY2024, which is in line with the higher tax expense in FY2024.

CASHFLOW

The Group's FY2024 cash and cash equivalents decreased by 36% or approximately S\$3.5 million from FY2023 to approximately S\$6.3 million, mainly due to net cash used in operating activities, investments in product development, loan repayments and dividend payment.

Operating activities

The Group's net cash used in operating activities was a result of operating cash flow before movement in working capital of approximately S\$4.9 million, offset by net working capital outflows of approximately S\$5.7 million and tax paid of approximately S\$0.5 million.

The Group's net working capital outflow was mainly due to an increased in accrued revenue of approximately S\$5.7 million, mainly attributable to Smart City Infrastructure projects which have yet to reached their billing milestones as of end FY2024.

Investing activities

The Group used approximately S\$0.5 million in investing activities mainly for (a) the capitalisation of development costs for new products of approximately S\$0.5 million; and (b) the purchase of plant and equipment of approximately S\$0.2 million which comprise mainly the new generation Electronic Monitoring devices and other IaaS model leasing assets. The above was partially offset by the receipt of approximately S\$0.2 million of interest income.

Financing activities

The Group used approximately S\$1.7 million in financing activities mainly for (a) the distribution of dividends of approximately S\$0.8 million; (b) the repayment of obligations under leases of approximately S\$0.6 million; and (c) the partial repayment of a bank loan of approximately S\$0.3 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.

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.

The record-breaking revenue in FY2024, surpassing revenue in the Trace Tokens project years, demonstrates our ability to thrive independently of the Trace Tokens business, which concluded in FY2023 following the cessation of COVID measures by the Singapore Government.

As of April 2024, the Group's robust order book stood at approximately S\$93.5 million, reflecting strong market demand and our strategic positioning.

With the recent introduction of innovative products such as BOP (www.buddyofparents.com), an eldercare-tech solution, and wrist tags for electronic monitoring, we anticipate these to create new revenue streams for the Group. Our commitment to investing in R&D and launching new products is key to capitalizing on near to mid-term regional opportunities in electronic monitoring and the aging population sectors. Additionally, we will continue to leverage on our Smart City Infrastructure business, to achieve synergies across existing and new business segments.

While global financial and geopolitical uncertainties persist, we remain cautiously optimistic about iWOW's long-term prospects. We will focus on strengthening our order book by capitalizing on upcoming opportunities stemming out of the aging population, urbanization, sustainability, and digitalization megatrends.

5. Dividend information

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

Yes. As disclosed in the offer document, the Company does not have a fixed dividend policy.

However, the Board intends to recommend dividends of at least 20% of net profit after tax (after deducting profits attributable to non-controlling interests, if applicable) for FY2024 and FY2025 (collectively, the "**Proposed Dividend**"), as the Company wish to reward its shareholders for participating in its growth.

Investors should note that the above statement on the Proposed Dividend, is merely a statement of the Board's present intention and shall not constitute legally binding obligations on our Company or legal binding statements in respect of our future dividends, which may be subject to modification (including reduction or non-declaration thereof) at our Directors' sole and absolute discretion.

ii. Current financial period reported on.

Name of dividend	Final
Dividend type	Cash
Dividend per ordinary share (cents)	0.22
Tax Rate	Tax exempted (one-tier)

iii. Corresponding period of the immediate preceding financial year.

Name of dividend	Final
Dividend type	Cash
Dividend per ordinary share (cents)	0.28
Tax Rate	Tax exempted (one-tier)

F. Other information (Cont'd)

5. Dividend information (Cont'd)

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.

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.

There were no new director or executive officer appointed during the current financial period/year.

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.

F. Other information (Cont'd)

12. A breakdown of sales:

	Group		+ / (-)
	Full Year Ended		
	FY2024	FY2023	
	S\$'000	S\$'000	%
Sales reported for first half year	17,266	17,061	1
Profit after tax for first half year	284	2,399	(88)
Sales reported for second half year	29,139	8,508	242
Profit after tax for second half year	2,495	1,159	115

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

	Group & Company	
	FY2024	FY2023
	S\$'000	S\$'000
Ordinary	737	902
Preference	–	–
	737	902

Please refer to Note 10 of Section E – Notes to the condensed interim consolidated financial statements, for further information.

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:

	Amount allocated (1)	Amount utilised	Balance
	<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	(814)	186
Expanding our market reach by offering out IoT solutions in overseas markets	500	(89)	411
Enhancing our research and solution development activities to bolster our IoT offerings	1,250	(621)	629
Expanding our business through, <i>inter alia</i> , investments, mergers and acquisitions, joint ventures and/or strategic collaborations	1,000	(1,000)	–
Working capital (2)	1,437	(1,437)	–
Listing expenses	1,313	(1,313)	–
	<u>6,500</u>	<u>(5,274)</u>	<u>1,226</u>

Notes:

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

(2) Subsequent to the acquisition of Roots Singapore in FY2023, as disclosed in Note 13 of the Notes to the condensed interim consolidated financial statements, the Company extended a S\$3.0 million loan to Roots Singapore for its working capital requirements. The loan was funded by internal resources and the S\$1.4 million IPO proceed designated for working capital purposes.

BY ORDER OF THE BOARD

Raymond Bo
 CEO and Executive Director

27 May 2024