

# iWOW Technology's IPO is 3 times subscribed; trading to start on Apr 14

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TRACETOGETHER token maker iWOW Technology's initial public offering (IPO) on the Catalist board of the Singapore Exchange (SGX) was approximately 3 times subscribed, the company said in a press release on Wednesday (Apr 13).

As at the close of placement at noon on Apr 12, all 26 million placement shares were validly subscribed for, with indications of interest received for some 78 million shares, the company said.

Shares will commence trading on a "ready basis" at market open on Apr 14.

Raymond Bo, chief executive of iWOW, said: "The positive feedback is an encouraging sign of investors' firm belief in our current IoT (Internet of Things) offerings and future vision. Listing on (the) Catalist (board) is a pivotal phase in our long-term development strategy.

"The move reaffirms our strong commitment to scaling operations and serving customers beyond Singapore."

iWOW is a local technology provider that specialises in IoT solutions. The company had launched its IPO on Apr 6, looking to sell 26 million shares at S\$0.25 apiece, to raise gross proceeds of about S\$6.5 million. Net proceeds are expected to come in at about S\$5.2 million.

This placement represents about 10.4 per cent of iWow's enlarged share capital of 250.4 million shares.

The company will have a theoretical market capitalisation of S\$62.6 million after the placement, and a price-to-earnings ratio of 16.9 times.

iWOW is one of the manufacturers of TraceTogether tokens. The company and electronics distributor Siix Singapore formed a consortium back in 2020, and went on to win 1 of the tenders to design and manufacture subsequent batches of the tokens.

Another tender went to electronics manufacturer PCI.

Other than TraceTogether tokens, iWOW's other products include smart-metering solutions to remotely monitor water and gas consumption, electronic monitoring devices for ex-offenders and accused persons, and alarm alert systems for the elderly.

For FY2021 ended March, iWOW posted net profit of S\$3.7 million - up from S\$0.22 million in FY2020. This was due largely to a spike in revenue to S\$26.4 million from S\$4.4 million in the year ago. TraceTogether tokens accounted for 81 per cent of FY2021's revenue.

However, as at Mar 8, these tokens accounted for 16.8 per cent or S\$11.3 million of the group's S\$67.4 million order book.

Some S\$54.2 million or 80.4 per cent of the order book was from electronic monitoring systems.

Smart-metering solutions constitute S\$0.8 million, and alarm alert systems, S\$1.1 million.

Evolve Capital Advisory is the sponsor and issue manager of the IPO, while Futu Singapore is the underwriter and placement agent.

Jerry Chua, chief executive of Evolve Capital Advisory, said: "We are pleased to act as sponsor and issue manager for iWOW, a truly leading Singapore, home-grown IoT player.

"This is in line with our philosophy of bringing growth-oriented enterprises focused on new economy verticals to the SGX Catalist platform."