



TOTM
TECHNOLOGIES

TOTM TECHNOLOGIES LIMITED

(THE “COMPANY” AND TOGETHER WITH ITS SUBSIDIARIES, THE “GROUP”)
(Incorporated in the Republic of Singapore under Registration Number 201506891C)

Condensed Interim Financial Statements For the six months ended 30 November 2021

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This announcement has been reviewed by the Company’s sponsor, SAC Capital Private Limited (the “Sponsor”). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “Exchange”) and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

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TOTM TECHNOLOGIES LIMITED
**Condensed interim consolidated statement of comprehensive income
For the six months ended 30 November 2021**

	Note	Group		Change %
		30 Nov 2021 \$'000 (Unaudited)	30 Nov 2020 \$'000 (Unaudited)	
Revenue	4	10,118	2,786	>100
Other income		219	317	(30.9)
Changes in inventories, materials consumed and subcontractor costs		(5,811)	(1,177)	>100
Employee benefits expenses – Project related		(1,644)	(1,242)	32.4
Employee benefits expenses – Administrative		(2,211)	(761)	>100
Depreciation and amortisation expenses		(2,654)	(363)	>100
Legal and professional expenses		(2,783)	(490)	>100
Other expenses		(936)	(446)	>100
Finance cost		(152)	(37)	>100
Share of profit of equity-accounted investees (net of tax)		-	-	N.M
Loss before tax	6	(5,854)	(1,413)	>100
Income tax credit	7	161	-	N.M
Loss for the period from continuing operations, net of tax		(5,693)	(1,413)	>100
Discontinued operations				
Loss for the period from discontinued operations, net of tax	6.3	-	(569)	N.M
Loss for the period		(5,693)	(1,982)	>100
Other comprehensive income:				
<i>Items that are or may be reclassified to profit or loss</i>				
Currency translation differences arising on consolidation		42	62	(32.3)
<i>Items that may be reclassified subsequently to profit or loss</i>				
Currency translation differences arising on consolidation from non-controlling interests		112	-	N.M
Other comprehensive income for the period, net of tax		154	62	>100
Total comprehensive loss for the period		(5,539)	(1,920)	>100

N.M – Not Meaningful

TOTM TECHNOLOGIES LIMITED
Condensed interim consolidated statement of comprehensive income (Continued)
For the six months ended 30 November 2021

	Group		
	Half Year Ended		
	30 Nov 2021	30 Nov 2020	Change
	\$'000	\$'000	%
Note	(Unaudited)	(Unaudited)	
Loss for the period attributable to:			
Equity holders of the Company	(5,291)	(1,982)	>100
Non-controlling interests	(402)	-	N.M
	<u>(5,693)</u>	<u>(1,982)</u>	>100
 <u>Loss for the year attributable to equity holders of the Company</u>			
Loss from continuing operations	(5,291)	(1,413)	>100
Loss from discontinued operations	-	(569)	N.M
	<u>(5,291)</u>	<u>(1,982)</u>	>100
Total comprehensive loss for the period attributable to:			
Equity holders of the Company	(5,249)	(1,920)	>100
Non-controlling interests	(290)	-	N.M
	<u>(5,539)</u>	<u>(1,920)</u>	>100
 Loss per share for loss attributable to equity holders of the Company			
From continuing and discontinued operations			
Basic and diluted (cents per share)	6.4 <u>(0.65)</u>	<u>(1.15)</u>	(43.5)
From continuing operations			
Basic and diluted (cents per share)	<u>(0.65)</u>	<u>(0.82)</u>	(20.7)
From discontinued operations			
Basic and diluted (cents per share)	<u>-</u>	<u>(0.33)</u>	N.M

N.M – Not Meaningful

The accompanying notes form an integral part of the condensed interim financial statements.

TOTM TECHNOLOGIES LIMITED
**Condensed interim statements of financial position
As at 30 November 2021**

	Note	Group As at		Company As at	
		30 Nov 2021 \$'000	31 May 2021 \$'000	30 Nov 2021 \$'000	31 May 2021 \$'000
ASSETS					
Non-current assets					
Property, plant and equipment	11	2,473	2,137	1,834	1,328
Intangible assets	10	44,585	43,208	–	–
Investment in subsidiaries		–	–	36,603	33,957
Investment in associate	12	14,670	–	14,670	–
Financial asset at fair value through profit and loss	9	370	4,208	370	4,208
Deferred tax assets		39	37	–	–
Trade and other receivables		572	496	–	–
Total non-current assets		62,709	50,086	53,477	39,493
Current assets					
Inventories		693	641	–	–
Contract assets		7,087	9,611	–	–
Amounts due from subsidiaries		–	–	5,521	570
Trade and other receivables		9,170	1,739	439	209
Cash and cash equivalents		11,535	12,656	10,128	12,220
Total current assets		28,485	24,647	16,088	12,999
Total assets		91,194	74,733	69,565	52,492
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	14	90,234	63,003	90,234	63,003
Other reserves		(8,353)	(8,388)	–	–
Accumulated losses		(19,274)	(13,983)	(27,135)	(22,866)
Equity attributable to equity holders of the Company		62,607	40,632	63,099	40,137
Non-controlling interest		12,339	11,853	–	–
Total equity		74,946	52,485	63,099	40,137

The accompanying notes form an integral part of the condensed interim financial statements.

TOTM TECHNOLOGIES LIMITED
Condensed interim statements of financial position (Continued)
As at 30 November 2021

	Note	Group As at		Company As at	
		30 Nov 2021 \$'000	31 May 2021 \$'000	30 Nov 2021 \$'000	31 May 2021 \$'000
Non-current liabilities					
Lease liabilities		1,553	1,407	1,287	1,060
Employee benefit liabilities		393	397	–	–
Deferred tax liabilities		4,173	4,590	–	–
Total non-current liabilities		6,119	6,394	1,287	1,060
Current liabilities					
Contract liabilities		179	179	–	–
Trade and other payables		5,093	11,342	658	8,026
Amounts due to subsidiaries		–	–	969	–
Borrowings	13	4,047	3,714	2,926	2,903
Lease liabilities		810	619	626	366
Total current liabilities		10,129	15,854	5,179	11,295
Total liabilities		16,248	22,248	6,466	12,355
Total equity and liabilities		91,194	74,733	69,565	52,492

The accompanying notes form an integral part of the condensed interim financial statements.

TOTM TECHNOLOGIES LIMITED
**Condensed interim statements of changes in equity
For the six months ended 30 November 2021**

	Attributable to equity holders of the Company				Non- controlling interests	Total equity
	Share capital (Note 14)	Other reserves	Accumulated losses	Total		
	\$'000	\$'000	\$'000	\$'000		
(Unaudited) Group						
Balance at 1.6.2021	63,003	(8,388)	(13,983)	40,632	11,853	52,485
Loss for the period	–	–	(5,291)	(5,291)	(402)	(5,693)
Other comprehensive loss:						
Currency translation differences arising on consolidation	–	42	–	42	112	154
Total comprehensive loss for the period	–	42	(5,291)	(5,249)	(290)	(5,539)
Issue of ordinary shares	26,325	–	–	26,325	–	26,325
Shares issue expense	(853)	–	–	(853)	–	(853)
Acquisition of subsidiary	1,759	(7)	–	1,752	776	2,528
Balance at 30.11.2021	90,234	(8,353)	(19,274)	62,607	12,339	74,946
Group						
Balance at 1.6.2020	14,542	(8,468)	(5,665)	409	–	409
Loss for the period	–	–	(1,982)	(1,982)	–	(1,982)
Other comprehensive loss:						
Currency translation differences arising on consolidation	–	62	–	62	–	62
Total comprehensive loss for the period	–	62	(1,982)	(1,920)	–	(1,920)
Issue of ordinary shares	8,983	–	–	8,983	–	8,983
Balance at 30.11.2020	23,525	(8,406)	(7,647)	7,472	–	7,472

The accompanying notes form an integral part of the condensed interim financial statements.

TOTM TECHNOLOGIES LIMITED

Condensed interim statements of changes in equity (continued)
For the six months ended 30 November 2021

	Share capital (Note 14) \$'000	Accumulated losses \$'000	Total equity \$'000
(Unaudited)			
Company			
Balance at 1.6.2021	63,003	(22,866)	40,137
Loss and total comprehensive loss for the period	–	(4,269)	(4,269)
Issue of ordinary shares	28,084	–	28,084
Shares issue expenses	(853)	–	(853)
Balance at 30.11.2021	90,234	(27,135)	63,099
Company			
Balance at 1.6.2020	14,542	(13,218)	1,324
Loss and total comprehensive loss for the period	–	(812)	(812)
Issue of ordinary shares	8,983	–	8,983
Balance at 31.11.2020	23,525	(14,030)	9,495

The accompanying notes form an integral part of the condensed interim financial statements.

TOTM TECHNOLOGIES LIMITED

**Condensed interim consolidated statement of cash flows
For the six months ended 30 November 2021**

	Group	
	6 months ended 30 Nov 2021 \$'000	6 months ended 30 Nov 2020 \$'000
Cash flows from operating activities		
Loss before tax from continuing operations	(5,854)	(1,413)
Loss before tax from discontinued operations	-	(569)
Adjustments for:		
Depreciation and amortisation expenses	2,654	373
Gain on disposal of property, plant and equipment	(1)	-
Loss on foreign exchange	7	118
Defined benefits plans	(4)	-
Interest expenses	151	37
Interest income	(1)	-
Operating cash flows before movements in working capital	(3,048)	(1,454)
Changes in working capital:		
Inventories	(52)	97
Contract assets	2,524	(424)
Trade and other receivables	(7,507)	1,478
Trade and other payables	(6,268)	(107)
Cash used in operations	(14,351)	(410)
Interest received	1	-
Income tax paid	(226)	-
Net cash used in from operating activities	(14,576)	(410)

The accompanying notes form an integral part of the condensed interim financial statements.

TOTM TECHNOLOGIES LIMITED
Condensed interim consolidated statement of cash flows (Continued)
For the six months ended 30 November 2021

	Group	
	6 months ended	6 months ended
	30 Nov 2021	30 Nov 2020
	\$'000	\$'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(35)	(12)
Acquisition of a subsidiary, net of cash acquired	(877)	–
Acquisition of investment in associate	(10,832)	–
Net cash used in investing activities	(11,744)	(12)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	26,325	8,983
Shares issue expenses	(853)	–
Proceeds from borrowings	1,079	–
Repayment of shareholder/ former shareholder's loan	(279)	(220)
Repayment of lease liabilities	(527)	(78)
Repayment of borrowings	(470)	(246)
Interest paid	(76)	(18)
Net cash generated from financing activities	25,199	8,421
Net (decrease)/increase in cash and cash equivalents	(1,121)	7,999
Cash and cash equivalents at beginning of period	12,556	326
Cash and cash equivalents at end of period	11,435	8,325
Cash and equivalent comprised of the following:		
Cash and bank balances	11,535	8,425
Less: Pledged bank deposits	(100)	(100)
Cash and cash equivalent	11,435	8,325

The accompanying notes form an integral part of the condensed interim financial statements.

TOTM TECHNOLOGIES LIMITED**Notes to the condensed interim financial statements
For the six months ended 30 November 2021**

1 Corporate information**The Company**

Totm Technologies Limited (formerly known as Yinda Infocomm Limited) (the “**Company**”) (Co. Reg. No. 201506891C) is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). These condensed interim consolidated financial statements as at and for the six months ended 30 November 2021 comprise the Company and subsidiaries (collectively, the “**Group**”). The principal activity of the Company is that of an investment holding company.

The principal activities of the significant subsidiaries are:

- a) Providing information technology consulting, computer and computer facility management services.
- b) Supply and installation of machinery equipment and tools for telecommunication network services.
- c) Providing information technology and computer services (development and sale of identity management technologies).
- d) Investment holding.

2 Basis of preparation

The condensed interim financial statements for the six months ended 30 November 2021 have been prepared in accordance with 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 consolidated 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 performance of the Group since the last annual financial statements for the year ended 31 May 2021.

The 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, which is the Company’s functional currency. All financial information has been rounded to the nearest thousand, unless otherwise stated.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

Notes to the condensed interim financial statements
For the six months ended 30 November 2021

2.2 Use of judgements 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 amount 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 audited consolidated financial statements as at and for the year ended 31 May 2021.

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

There is no critical judgement made in applying accounting policies that have the most significant effect on the amount recognised in the financial statement, or have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities within the next financial period, other than the key sources of estimation uncertainty below.

2.3 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Purchase price allocation

The Group acquired a 70% equity interest in GenesisPro Pte. Ltd. at total purchase consideration at fair value of \$2,636,000 during the financial period. SFRS(I) 3 Business Combinations requires the Group to recognise and measure the identifiable assets (including intangible assets) acquired, the liabilities assumed and any non-controlling interest in the acquiree at their fair values at the date of acquisition. Any excess of the fair value of the consideration transferred and the amount of the non-controlling interest in the acquiree, over the fair value of the net identifiable assets acquired is recorded as goodwill.

The Group engaged an external professional valuer to perform the purchase price allocation exercise, which involves the fair valuation of assets acquired and liabilities assumed and the identification and valuation of intangible assets. The identification of such assets acquired and liabilities assumed and their measurement at fair value and the determination of the resulting goodwill is inherently judgemental and require significant amount of management estimation.

Impairment of non-financial assets (other than goodwill and other indefinite-life intangible assets)

At the end of each reporting period, the Group and the Company assess whether there are any indications of impairment for all non-financial assets. If any such indication exists, the Group and the Company estimate the recoverable amount of that asset. An impairment loss exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

Where value in use calculations are undertaken, management is required to estimate the expected future cash flows from the asset or cash-generating unit and a suitable discount rate in order to determine the present value of the cash flows.

Notes to the condensed interim financial statements
For the six months ended 30 November 2021

2.3 Key sources of estimation uncertainty (Continued)*Impairment assessment of goodwill*

Management performs an annual impairment assessment of goodwill or more frequently if there are indications that goodwill might be impaired. Valuation model based on discounted cash flow analysis of the cash-generating unit is used by management to determine the value in use for the purposes of the impairment assessment.

Forecasting and discounting future cash flows for the impairment assessment involves an element of judgement and requires management to make certain assumptions and apply estimates. Any changes in the assumptions made and discount rate applied could affect the impairment assessment.

Allowance for expected credit losses of trade receivables and contract assets

The Group applies the simplified approach by using a provision matrix to measure the lifetime expected credit loss allowance for trade receivables and contract assets. Trade receivables and contract assets that shared the same credit risk characteristics and days past due are grouped together in measuring the expected credit losses.

The provision matrix is initially based on the Group's historical observed default rates. The Group will assess the historical credit loss experience by considering current and forecast economic conditions with consideration on the impact of COVID-19 pandemic and how these conditions will affect the Group's ECL assessment. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Impairment of investment in subsidiaries

At the end of each reporting period, the Company assesses whether there are any indications of impairment for investment in subsidiaries. The Company also assesses whether there is any indication that an impairment loss recognised in prior periods for investment in subsidiaries may no longer exist or may have decreased.

If any such indication exists, the Company estimates the recoverable amount of that asset. An impairment loss exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. An impairment loss recognised in prior periods shall be reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

Where value in use calculations are undertaken, management is required to estimate the expected future cash flows from the asset or cash-generating unit and a suitable discount rate in order to determine the present value of the cash flows. The value in use calculation involves significant judgement in the forecast projection of sales and operating cash flows for the next five years including the consideration on the implications of the COVID-19 pandemic. Changes in the assumptions made and discount rate applied could affect the carrying values of these assets.

3 Seasonal operations

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

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the six months ended 30 November 2021**
4 Segment and revenue information

The Group is in the biometrics and telecommunications businesses. The telecommunications business is further organised into business units based on its geographical locations in Singapore, Thailand, Philippines, and Malaysia. The biometrics business is in Indonesia and Singapore. As at the end of the financial period, the entities incorporated in United States and India in respect of the biometrics business have yet to commence operations. Management monitors the operating results of its business units separately for making decisions about allocation of resources and assessment of performances of each segment. These operating segments are reported in a manner consistent with internal reporting provided to CEO who are responsible for allocating resources and assessing performance of the operating segments.

4.1 Reportable segment

The segment information provided to management for the reportable segments are as follows:

	Continuing Operations			Adjustments and eliminations \$'000	Group \$'000
	Singapore \$'000	Thailand \$'000	Indonesia \$'000		
01 Jun 2021 to 30 Nov 2021					
Total segment revenue	6,057	985	3,076	–	10,118
Intersegment revenue	–	–	115	(115)	–
Total revenue from external parties	6,057	985	3,191	(115)	10,118
Operating (loss)/profit	(4,549)	(457)	1,136	(2,053)	(5,923)
Interest income	61	–	–	(60)	1
Other income	206	11	–	1	218
Finance costs	(199)	(11)	(2)	60	(152)
(Loss)/profit before tax	(4,481)	(457)	1,134	(2,050)	(5,854)
Income tax expense					161
Loss for the year					(5,693)
Other significant non-cash items					
Depreciation and amortisation expenses	464	10	117	2,061	2,654
Assets					
Segment assets	81,829	3,472	8,382	(2,489)	91,194
<i>Segment assets includes</i>					
Additions to non-current assets	3,470	17	10	–	3,497
Liabilities					
Segment liabilities	19,387	2,338	828	(6,305)	16,248

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the six months ended 30 November 2021**
4.1 Segment and revenue information (Continued)

The segment information provided to management for the reportable segments are as follows:

	Continuing operations		Discontinued operations		Adjustments and eliminations \$'000	Group \$'000
	Singapore \$'000	Thailand \$'000	Philippines \$'000	Malaysia \$'000		
01 Jun 2020 to 30 Nov 2020						
Total segment revenue	1,387	1,399	78	–	–	2,864
Intersegment revenue	–	–	–	–	–	–
Total revenue from external parties	1,387	1,399	78	–	–	2,864
Operating (loss)/profit	(1,619)	(258)	(559)	(10)	184	(2,262)
Interest income	25	–	–	–	(25)	–
Other income	308	6	–	–	3	317
Finance costs	(46)	(16)	–	–	25	(37)
(Loss)/profit before tax	(1,332)	(268)	(559)	(10)	187	(1,982)
Income tax expense						–
Loss for the year						(1,982)
Other significant non-cash items						
Depreciation and amortisation expenses	176	16	10	–	171	373
Assets						
Segment assets	21,105	3,404	2,909	8	(7,382)	20,044
<i>Segment assets includes</i>						
Additions to non-current assets	12	–	–	–	–	12
Liabilities						
Segment liabilities	12,759	1,596	4,292	131	(6,206)	12,572

Note :

The Group completed the disposal of its 100% equity interest in subsidiaries, Yinda Communications (Philippines), Inc. (“**Yinda Philippines**”) and Yinda Technology Malaysia Sdn. Bhd. (“**Yinda Malaysia**”) on 29 January 2021. Accordingly, information about the profit or loss, assets and liabilities relating to these subsidiaries are presented under “Discontinued Operations”.

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the six months ended 30 November 2021**
4.2 Disaggregation of revenue

	Group	
	6 months ended 30 Nov 2021 \$'000	6 months ended 30 Nov 2020 \$'000
Primary geographical market		
Singapore	6,057	1,387
Thailand	985	1,399
Indonesia	3,076	–
	10,118	2,786
Major service lines		
Telecommunications business	2,124	2,786
Biometrics business	7,994	–
	10,118	2,786
Timing of revenue recognition		
Over time	9,776	2,786
At a point in time	342	–
	10,118	2,786

5 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 November 2021 and 31 May 2021:

	Group		Company	
	30 Nov 2021 \$'000	31 May 2021 \$'000	30 Nov 2021 \$'000	31 May 2021 \$'000
<i>Financial assets</i>				
Financial assets at fair value through profit or loss	370	4,208	370	4,208
Financial assets at amortised cost	20,187	13,890	15,994	12,944
	20,537	18,098	16,314	17,152
<i>Financial liabilities</i>				
Financial liabilities at amortised cost	10,908	16,708	4,495	12,326

TOTM TECHNOLOGIES LIMITED
Notes to the condensed interim financial statements
For the six months ended 30 November 2021

6 Profit before taxation

	Group	
	6 months ended 30 Nov 2021	6 months ended 30 Nov 2020
	\$'000	\$'000
Income includes:		
Government grants	188	283
Interest income	1	–
Others	30	34
	<hr/>	<hr/>
Expenses includes:		
Amortisation of intangible assets (Note 10)	2,085	49
Depreciation of property, plant and equipment	569	324
Foreign exchange (gain)/ loss, net	32	(32)
Operating lease expense - short-term leases	34	208
Rental expenses	69	97
	<hr/>	<hr/>

6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the interim financial statements. Compensation of key management personnel are:

	Group	
	6 months ended 30 Nov 2021	6 months ended 30 Nov 2020
	\$'000	\$'000
Salaries and remuneration	503	270
Employer's contribution to defined contribution plans	17	19
Fees and other benefits	5	4
	<hr/>	<hr/>
	525	293
	<hr/>	<hr/>
Comprise amounts paid to:		
Directors of the Company	463	214
Other key management personnel	62	79
	<hr/>	<hr/>
	525	293
	<hr/>	<hr/>

TOTM TECHNOLOGIES LIMITED
Notes to the condensed interim financial statements
For the six months ended 30 November 2021

6.3 Discontinued operations

During the financial period 1H2022, the Company disposed its 100% equity interest in subsidiaries, Yinda Communications (Phillipines), Inc. (“YCP”) and Yinda Technology Malaysia Sdn. Bhd. (“YTM”) to Yinda Pte. Ltd. (former immediate holding company of the Group). The financial performance of YCP and YTM were presented in a single amount separately on the consolidated statement of profit or loss and other comprehensive income as “Discontinued Operations”.

	6 months ended 30 Nov 2020 S\$'000
Revenue	78
Changes in inventories, materials consumed and sub-contractor costs	(20)
Staff costs	
Employee benefits expenses – Project related	(125)
Employee benefits expenses – Administrative	(179)
Depreciation and amortisation expenses	(10)
Legal and professional expenses	(82)
Other expenses	(231)
	<hr/>
Loss before tax	(569)
Income tax expense	<hr/> -
Loss for the period from discontinued operations, net of tax	<hr/> <hr/> (569)

TOTM TECHNOLOGIES LIMITED
Notes to the condensed interim financial statements
For the six months ended 30 November 2021

6.4 Loss Per Share

Basic loss per share is calculated based on the Group's loss for the period attributable to equity holders of the Company divided by the weighted average number of ordinary shares outstanding.

	6 months ended 30 Nov 2021 \$'000	Group 6 months ended 30 Nov 2020 \$'000
Loss for the period attributable to equity holders of the Company (\$'000)	<u>(5,291)</u>	<u>(1,982)</u>
Weighted average number of ordinary shares outstanding for basic and diluted loss per share ('000)	<u>819,115</u>	<u>172,693</u>
Basic and diluted loss per share (cents per share)	<u>(0.65)</u>	<u>(1.15)</u>

7 Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	6 months ended 30 Nov 2021 \$'000	Group 6 months ended 30 Nov 2020 \$'000
Current tax: - current year	<u>256</u>	<u>131</u>
Deferred tax: - current year	<u>(417)</u>	<u>(131)</u>
	<u>(161)</u>	<u>-</u>

TOTM TECHNOLOGIES LIMITED
Notes to the condensed interim financial statements
For the six months ended 30 November 2021

8 Net asset value

	Group As at		Company As at	
	30 Nov 2021	31 May 2021	30 Nov 2021	31 May 2021
Net assets (\$'000)	74,946	52,485	63,099	40,137
Number of ordinary shares used in calculating net asset value per ordinary share ('000)	849,304	647,266	849,304	647,266
Net asset value per ordinary share attributable to owners of the Company (cents)	8.82	8.11	7.43	6.20

9 Financial assets at fair value through profit or loss ("FVTPL")

	Group and Company	
	30 Nov 2021 \$'000	31 May 2021 \$'000
Investments measured at FVTPL		
<i>Convertible bond investment in Indonesia</i>	-	369
<i>Unquoted investment in Indonesia</i>	370	-
<i>Convertible bond investment in Switzerland</i>	-	3,839
	370	4,208

Convertible bond investment in Indonesia

On 10 May 2021, the Group has entered into a convertible loan arrangement with PT Patra Aksa Jaya ("PAJ") whereby the Group agreed to subscribe for a convertible loan with principal amount of \$370,000 at 2.75% interest rate. The convertible loan has a maturity date of 3 months from the agreement date. In accordance with the convertible loan arrangement, the Group may elect to require PAJ to automatically issue 261 ordinary shares to the Group on the maturity date by giving PAJ at least 7 days prior notice in writing of such election.

The Group has classified the investment as financial assets at fair value through profit or loss at initial recognition and at the end of the reporting period. The Group has determined the fair value of the investment based on the valuation performed by an external professional valuer using the discounted cash flow method. The key inputs to the discounted cash flow method mainly include the discount rate, time to maturity, coupon rate and probability of conversion. Management considered the appropriateness of the valuation technique and assumptions applied by the external valuer. The fair value measurement is categorised in Level 3 of the fair value hierarchy.

The Company has exercised its conversion right on 5 August 2021 to convert the total principal amount of the convertible loan to 261 shares in PAJ, representing approximately 8% of the enlarged issued shares capital of PAJ. The PAJ shares has been allotted and issued to the Company and the conversion was completed on 19 August 2021.

Notes to the condensed interim financial statements
For the six months ended 30 November 2021

9 Financial assets at fair value through profit or loss (“FVTPL”) (Continued)*Convertible bond investment in Switzerland*

On 26 January 2021, the Group has entered into First Investment Agreement and Loan Agreement with TECH5 SA (“**TECH5**”) and the founders of TECH5 to grant TECH5 an interest-free loan of US\$2.50 million (“**TECH5 Loan**”). The loan has been disbursed to TECH5 on 1 April 2021 upon receiving the written request from TECH5 on 31 March 2021. Upon the full disbursement of the TECH5 Loan, the TECH5 Investment Agreement had come into effect on 1 April 2021. The repayment date is 36 months from 1 April 2021 if the early repayment option and conversion option included in the Loan Agreement were not exercised by the Group.

With the early repayment option included in the Loan Agreement, the Group has an option to request TECH5 to repay the loan (i) starting from the date falling 18 months from 1 April 2021 by giving 6 months prior written notice; or (ii) TECH5 completes an issuance of shares resulting in net proceeds of not less than US\$7 million (the “**Qualified Financing Round**”). The right to early repayment is akin to a call option granted to the Group.

In accordance with the Investors’ Agreement, the Group may exercise its right to convert the loan amount in full into TECH5 ordinary shares at the date of (i) Qualified Financing Round; or (ii) starting from the date falling 18 months from 1 April 2021 and ending on the maturity date of the Loan Agreement subject giving 6 months prior written notice. The number of TECH5 shares to be issued on conversion is determined by dividing the TECH5 Loan amount by the conversion price, which is at 12% discount to the fair market value of TECH5’s ordinary share at the date of conversion.

On 14 May 2021, the Group had entered into an investment agreement with TECH5 and the founders of TECH5 whereby the Company will be subscribing 1,627,900 new registered shares in TECH5 and intends to exercise its rights to convert TECH5 Loan into 578,089 new shares in TECH5. During the six-month period ended 30 November 2021, the subscription and conversion was completed and the Company has been allotted and issued 1,627,900 investment shares at US\$4.91 (approximately \$6.53) and 578,089 Conversion Shares at US\$4.32 (approximately \$5.75) and consequently, has 2,205,989 shares in TECH5 constituting a 18.07% shareholding interest in TECH5, and amount of \$3,839,000 were internally reclassified to investment in associate.

TOTM TECHNOLOGIES LIMITED

**Notes to the condensed interim financial statements
For the six months ended 30 November 2021**

10 Intangible assets

	Goodwill \$'000	Software \$'000	Technology \$'000	Customer relationships \$'000	Total \$'000
Group					
2022					
Cost					
At 1.6.2021	20,255	2	13,709	18,940	52,906
Acquisition of a subsidiary	826	2,636	–	–	3,462
Currency translation differences	–	–	–	(27)	(27)
At 30.11.2021	21,081	2,638	13,709	18,913	56,341
Accumulated amortisation					
At 1.6.2021	–	–	481	9,217	9,698
Amortisation charge	–	1	1,443	641	2,085
Currency translation differences	–	–	–	(27)	(27)
At 30.11.2021	–	1	1,924	9,831	11,756
Net carrying value					
At 30.11.2021	21,081	2,637	11,785	9,082	44,585

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the six months ended 30 November 2021**
10 Intangible assets (Continued)

	Goodwill \$'000	Software \$'000	Technology \$'000	Customer relationships \$'000	Total \$'000
Group					
2021					
Cost					
At 1.6.2020	–	–	–	9,027	9,027
Acquisition of a subsidiary	20,255	2	13,709	9,937	43,903
Currency translation differences	–	–	–	(24)	(24)
At 31.5.2021	20,255	2	13,709	18,940	52,906
Accumulated amortisation					
At 1.6.2020	–	–	–	8,978	8,978
Amortisation charge	–	–	481	263	744
Currency translation differences	–	–	–	(24)	(24)
At 31.5.2021	–	–	481	9,217	9,698
Net carrying value					
At 31.5.2021	20,255	2	13,228	9,723	43,208

Composition of intangible assets

- (i) Goodwill arising on the acquisition of InterBIO group and GenesisPro Pte Ltd.
- (ii) Software refers to front-end application for KYC admin console purchased during the acquisition of GenesisPro Pte Ltd, and the Windows software purchased by InterBIO group.
- (iii) Technology refers to in-house developed software technology that has been copyrighted and know-how (i.e. experience in building and maintaining the Indonesia National ID Database) in relation to biometrics business. The useful lives of the technology are estimated to be 4.7 years, which is in line with the useful life of biometrics authentication technology. The amortisation of intangible assets is included in depreciation and amortisation expenses in the consolidated statement of profit or loss and other comprehensive income.
- (iv) Customer relationships refer to the economic benefits that are expected to be derived from non-contractual existing and recurring relationships of the following cash-generating units and their existing customers:
 - i) Yinda Technology Singapore Pte. Ltd. (“YTS”)
 - ii) Yinda Technology (Thailand) Co., Ltd. (“YTT”)
 - iii) InterBIO group

TOTM TECHNOLOGIES LIMITED

**Notes to the condensed interim financial statements
For the six months ended 30 November 2021**

10 Intangible assets (Continued)

The useful lives of these customer relationships are estimated to be 7.7 to 10 years, which is the period of expected benefits. The amortisation of intangible assets is included in depreciation and amortisation expenses in the consolidated statement of profit or loss and other comprehensive income.

The customer relationships for YTS and YTT had been fully depreciated during the financial year ended 31 May 2021.

Impairment test for intangible assets

Goodwill and other intangible assets acquired in a business combination are allocated to the cash generating units (CGUs) that are expected to benefit from that business combination. The Group recognised goodwill, technology and customer relationships arising from acquisition of InterBIO group amounted to \$20,255,000, \$13,709,000 and \$9,937,000 respectively. These goodwill and intangible assets have been allocated to a CGU, being biometrics business.

Key assumptions used in value-in-use calculation

The recoverable amounts of the CGUs are determined from value-in-use calculations, determined by discounting the pre-tax future cash flows to be generated from the continuing use of the CGU. The key assumptions used in the estimation of value-in-use calculations as at 30 November was determined similarly to the 31 May 2021 goodwill impairment test as follows:

	Group 31 May 2021 %
Forecast revenue growth rate (compound annual growth rate over next five years)	49.8
Terminal growth rate	2
Pre-tax discount rate	30.5

The Group's value-in-use calculations used cash flow forecasts derived from the most recent financial budgets approved by management covering a five years period. Forecast revenue for the next five years was projected taking into account the average growth levels experienced over the past years, the impact arising from COVID-19 pandemic and the anticipated changes in the business and economic environment for the next five years. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and which is adjusted for the risks specific to the CGU.

At 30 November 2021 and 31 May 2021, the estimated recoverable amount of the CGU is higher than its carrying amount. A decrease in the forecast revenue growth rate by 3.6% or an increase in pre-tax discount rate by 1.5% would result in the recoverable amount being equal to the carrying amount of the CGU.

11 Property, plant and equipment

During the six months ended 30 November 2021, the Group acquired assets amounting to \$35,000 (30 November 2020: \$12,000) and disposed assets amounting to \$Nil (30 November 2020: \$Nil).

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the six months ended 30 November 2021**
12 Investment in associate

Although the Group holds less than 20% of the voting power in TECH5, the Group exercises significant influence by virtue of its contractual right to appoint one director to the board of the company.

There is no material contribution of share of profits from TECH5, from the date of completion of the acquisition being 22 October 2021 to 30 November 2021.

13 Borrowings

	Group		Company	
	30 Nov 2021 \$'000	31 May 2021 \$'000	30 Nov 2021 \$'000	31 May 2021 \$'000
<u>Amount repayable within one year or on demand</u>				
Secured	866	277	–	–
Unsecured	3,181	3,437	2,926	2,903
<u>Amount repayable after one year</u>				
Secured	–	–	–	–
Unsecured	–	–	–	–

Detail of collaterals

As at 30 November 2021, the Group's borrowings comprised:

- (i) advances from financial institutions for trade financing secured on trade receivables; and
- (ii) unsecured shareholder's loan from Yinda Pte. Ltd. which will be repayable by 31 May 2022.
- (iii) Government-supported loans, secured by a corporate guarantee provided by the Company.

14 Share Capital

	Group and Company			
	Number of shares			
	30 Nov 2021 '000	31 May 2021 '000	30 Nov 2021 \$'000	31 May 2021 \$'000
Issued and fully paid ordinary shares				
At beginning of financial period	647,266	152,000	63,003	14,542
Issue of ordinary shares	202,038	495,266	28,084	50,108
Shares issue expenses	–	–	(853)	(1,647)
At end of financial period	849,304	647,266	90,234	63,003

All issued shares are fully paid ordinary shares with no par value.

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
 For the six months ended 30 November 2021**

14 Share Capital (Continued)

The Company allotted and issued 195,000,000 new ordinary shares in the capital of the Company pursuant to a placement exercise that was completed on 25 June 2021 (the “**June 2021 Placement Exercise**”). The June 2021 Placement Exercise raised gross proceeds of approximately \$26 million.

The Company issued 7,037,383 Shares to the shareholders of GenesisPro Pte Ltd on 29 September 2021 as satisfaction of partial consideration amounting to €950,000 (approximately \$1.76 million) in respect of the Company’s subscription of 70.0% interest in GenesisPro Pte Ltd.

The newly issued shares rank pari passu in all respects with the previously issued shares.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

The Company did not hold any treasury shares or convertibles as at 30 November 2021 and 30 November 2020.

The Company’s subsidiaries do not hold any shares in the Company as at 30 November 2021 and 30 November 2020.

15 Acquisition of subsidiary

On 29 September 2021 (the “**Acquisition Date**”), the Company subscribed to a 70.0% equity interest in GenesisPro Pte Ltd. In respect thereof, the Company satisfied the subscription consideration via the (i) payment of €550,000 (equivalent to approximately \$877,000) in cash; and (ii) allotment and issue of 7,037,383 new shares in the capital of the Company at the issue price of \$0.2140 per share (fair value at S\$0.2500).

The Group incurred acquisition-related costs of approximately \$180,000 relating to external legal fees and due diligence costs and these have been classified as “Other Professional fees” expenses in the condensed consolidated statement of profit or loss.

The fair value of the share consideration was derived from \$0.25 per ordinary share based on the listed share price of the Company at 29 September 2021.

	29 Sep 2021
	\$'000
<i>Effect of the acquisition of the subsidiary on cash flows</i>	
Total purchase consideration	2,636
Less: Share consideration	(1,759)
	<hr/>
Consideration settled in cash	877
Less: Cash and bank balances of the subsidiary acquired	--
	<hr/>
Acquisition of a subsidiary, net of cash acquired	877
	<hr/>

TOTM TECHNOLOGIES LIMITED

**Notes to the condensed interim financial statements
For the six months ended 30 November 2021**

15 Acquisition of subsidiary (Continued)

The fair value of the identifiable assets and liabilities of GenesisPro Pte Ltd acquired as at the acquisition date were:

	29 Sep 2021 \$'000
Intangible assets	<u>2,639</u>
Trade and other payables	<u>(53)</u>
Total identifiable assets acquired	2,583
Less: Non-controlling interest	(773)
Net identifiable assets acquired	<u>1,810</u>
Goodwill	<u>826</u>
	<u>2,636</u>

16 Subsequent event

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

On 10 December 2021, the Company entered into a sale and purchase agreement with Yinda Pte Ltd for the disposal of subsidiaries, Yinda Technology Singapore Pte Ltd and Yinda Technology (Thailand) Co., Ltd.

On 13 December 2021, the Company entered into a convertible loan agreement and a cooperation agreement with PT. Cakrawala Data Integrasi amounting to US\$3,750,000 (approximately \$5,122,000). The convertible loan was disbursed on 15 December 2021.

The financial effects of the above transaction have not been included in these interim financial statements for the period ended 30 November 2021 as these are non-adjusting events and proposed disposal is subject to shareholder's approval. The operating results and assets and liabilities of the company will be reflected in the second half of FY2022 financial statements and full year financial statements for 31 May 2022.

Other information Required by Catalist Rule

Appendix 7C

Other information required by Catalyst Rule Appendix 7C

1 Review

The condensed interim statement of financial position of Totm Technologies Limited and its subsidiaries as at 30 November 2021 and the related condensed interim consolidated statement of comprehensive income, condensed interim statement of changes in equity and consolidated statement of cash flows for the six months then ended and the notes have not been audited or reviewed.

2 A review of the performance of the Group**2.1 Review of the Group's Consolidated Statement of Comprehensive Income*****Revenue***

The Group recorded total revenue of approximately \$10.1 million for the half-year ended 30 November 2021 ("**1H2022**") as compared to \$2.8 million for the half-year ended 30 November 2020 ("**1H2021**") or an increase of approximately \$7.3 million or 263.2%. The increase in revenue for 1H2022 was mainly contributed by the Biometrics segment business of approximately \$8.0 million, while the Telecommunications business contributed approximately \$2.1 million.

As the Biometrics business was only acquired in April 2021, the six-month comparatives referred to the Telecommunications business, where revenue further dropped from \$2.8 million to \$2.1 million. The decrease was mainly due to the decline in In-Building Construction revenue of approximately \$0.8 million and the decrease in the Telecommunication Implementation projects of \$0.3 million, which was partially offset by the increase in Networking Planning Optimisation projects of \$0.3 million. The overall revenue for Telecommunications business in 1H2021 has decreased mainly due to increased market competition and continuous effect of various preventive measures implemented in Singapore and Thailand to combat against the Coronavirus ("**COVID-19**") since early 2020.

The Biometrics business started the new financial year on a positive footing with a revenue contribution of \$8.0 million for 1H2022. The bulk of the revenue was derived from:

- (i) provision of technical support to Indonesia's Ministry of Home Affairs and maintenance of Indonesia's current biometric national identity system which contributed approximately \$3.1 million; and
- (ii) a project to provide system integration service for a security platform to the Indonesian government which contributed \$4.9 million.

Changes in inventories, material consumed and subcontractor cost

These represent the costs related to our projects and these costs increased by approximately \$4.6 million or 393.7% from \$1.2 million in 1H2021 to \$5.8 million in 1H2022, of which approximately \$0.4 million and \$5.4 million were contributed from Telecommunications business and Biometrics business respectively. The significant increase is mainly due to the increase in the Biometrics business for the system integration service as mentioned above, which was offset by the reduction in direct project cost for the Telecommunications business due to fewer operating activities for this business and this was also in line with the decrease in Telecommunications revenue.

Employee benefits expenses – Project / Administrative

These represent the total staff costs incurred during the period. Employee benefit expenses for project staff increased by \$0.4 million or 32.4% to approximately \$1.6 million in 1H2022 from \$1.2 million in 1H2021. Majority of the Project Staff costs were from the Telecommunications business where approximately \$0.3 million increase can be attributable to the labour cost recognised for operations in Thailand, for which more manpower was added to complete certain long outstanding projects brought forward in FY2021, notwithstanding the overall decrease in operating activities in the Telecommunications business. Employee benefit expenses for administrative staff increased significantly by \$1.5 million or 190.5% to \$2.2 million in 1H2022 from \$0.8 million in 1H2021. This was mainly due to the expansion of the senior management team and directors following the business diversification.

TOTM TECHNOLOGIES LIMITED**Other information required by Catalyst Rule Appendix 7C**

2 A review of the performance of the Group (Continued)**2.1 Review of the Group's Consolidated Statement of Comprehensive Income (Continued)*****Depreciation and amortisation expenses***

The increase in depreciation of property plant and equipment was mainly due to an additional lease entered into for the new office space in the Central Business District area since January 2021. The increase in amortisation was mainly due to the amortisation of intangibles mainly resulting from the acquisition of InterBIO, amounting to \$2.1 million for 1H2022. The amortisation relates to technology and customer relationships attributed to InterBIO.

Legal and professional fees expenses

Legal and professional fees paid to professional firms increased by \$2.3 million to \$2.8 million in 1H2022 from \$0.5 million in 1H2021 due to various corporate exercises undertaken during the year, including the acquisition and disposal of subsidiaries and investment in TECH5.

Other general and administrative expenses

Other expenses increased by approximately \$0.5 million to \$0.9 million in 1H2022 from \$0.4 million in 1H2021. These expenses are relatively consistent with prior year except for the increase due to the Biometric business which contributed \$0.3 million during 1H2022.

Interest expenses

The interest expenses comprise mainly of interests incurred from bank borrowings and shareholder's loan as well as the interest component on the adoption of SFRS(I) 16 Leases on the office space in Central Business District are, which had not existed in 1H2021.

Taxation

Income tax credit mainly arising from current taxation of \$0.3 million for InterBIO which had generated profits during the period, which was offset by the reversal of deferred taxation of \$0.5 million in 1H2021.

Other information required by Catalyst Rule Appendix 7C

2 A review of the performance of the Group (Continued)**2.2 Review of the Group's Statement of Consolidated Financial Position*****Non-current assets***

The increase in non-current assets by approximately \$12.6 million or 25.2% to \$62.7 million as at 30 November 2021 from \$50.1 million as at 31 May 2021 was mainly due to the investment in an associate company, TECH5 SA totalling \$14.67 million which was completed in October 2021, the goodwill and intangibles recognised on the acquisition of GenesisPro Pte Ltd of approximately \$3.5 million, which was offset by amortisation recognised on intangible assets, as well as the conversion of convertible loan, classified as financial asset at fair value through profit and loss, to an investment in associate for TECH5.

Current assets

Current assets increased by approximately \$3.8 million or 15.6% to \$28.5 million as at 30 November 2021 from \$24.6 million as at 31 May 2021.

There were no significant changes in inventories.

Contract assets which primarily relate to the Group's right to consideration for work completed but not yet billed, has reduced by \$2.5 million or 26.3% to \$7.1 million as at 30 November 2021 from \$9.6 million as at 31 May 2021. These decreases were mainly due to projects billed in 1H2022 for InterBIO.

Trade and other receivables increased by \$7.4 million or 427.3% to \$9.2 million as at 30 November 2021 from \$1.7 million as at 31 May 2021, mainly resulting from the revenue billed for the completion of a security platform project worth \$4.9 million before 30 November 2021, as well as the increase in revenue billed for InterBIO of approximately \$1.8 million, There are also an increase in trade receivables from the Thailand segment approximately \$0.9 million due to projects being brought forward to the current period.

Cash and bank balances decreased by \$1.1 million or 8.9% to \$11.5 million as at 30 November 2021 from \$12.6 million as at 31 May 2021 mainly representing net operating cash used in the Company and investments in GenesisPro Pte Ltd and TECH5, after the share placement exercise in June 2021.

Non-current liabilities

There were no significant changes in non-current liabilities during 1H2022 with approximately a 4.3% or \$0.3 million decrease compared to 30 November 2021.

Current liabilities

Current liabilities decreased by approximately 36.1% or \$5.7 million to \$10.1 million as at 30 November 2021 from \$15.9 million as at 31 May 2021. This was mainly due to repayment of other payables on the second cash consideration payable to InterBIO's shareholders in 1H2022.

Equity attributable to owners of the Company

Increase in total equity was mainly due to an issuance of new ordinary shares which resulted in an increase in the share capital, which was partially offset by an increase in accumulated losses.

Other information required by Catalyst Rule Appendix 7C

2 A review of the performance of the Group (Continued)**2.3 Review of the Group's Consolidated Statement of Cash Flows**

In 1H2022, net cash flows used in operating activities amounted to approximately \$14.6 million. This included operating cash outflows before changes in working capital of \$3.1 million, a decrease in trade and other receivables of \$7.5 million, trade and other payables of \$6.3 million and inventories of \$0.1 million respectively, which were offset by an increase in contract assets of \$2.5 million.

Net cash flows used in investing activities of \$11.7 million was mainly due to investment in a subsidiary and an associate company, namely, GenesisPro Pte Ltd and TECH5 respectively.

Net cash flows generated from financing activities amounted to approximately \$25.3 million, mainly due to net proceeds from issuance of new ordinary shares by way of a placement exercise amounting to \$26.3 million and government supported financing arrangements received by subsidiary in Thailand amounting to \$1.1 million, which were offset by the share issue expenses and repayment of borrowings and lease liabilities.

As a result of the above, there was a net decrease of approximately \$1.1 million in cash and cash equivalents during the period.

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 has been 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 Group had, in early April 2021 completed the diversification into the field of development and provision of identity management biometric technology solutions through the acquisition of a 51% interest in InterBIO.

In August 2021, the Group had completed the conversion of a \$370,000 convertible note to approximately 8.0% of the share capital of PT. Pattra Aksa Jaya. In the following month in September 2021, the Group completed the acquisition of business via equity investment in GenesisPro Pte Ltd, which provides intellectual property and software relating to Facial Liveness Detection, Age Classification and KYC Platform, as well as the incorporation of a Singapore subsidiary Totm Tech SG Pte. Ltd. Subsequently in October 2021 the Group had also completed the conversion of a convertible loan and the equity investment in an associate company, TECH5.

The Group envisages the Biometrics business to be the main growth driver going forward and is proactively building its sales pipeline and bidding for medium to large-scale end-to-end digital identity projects. The Group is currently in discussions with potential parties to explore new business opportunities to develop a vertically integrated value chain for identity management. Nonetheless, the Group is facing short term challenges in the implementation of its projects in Indonesia due to the COVID-19 pandemic.

The Group will continue to explore new investment targets or partners across the digital identity space and biometrics industry value chain in order to build new identity management capabilities, products and markets.

Other information required by Catalyst Rule Appendix 7C

- 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. (Continued)**

The Company's existing telecommunication projects in Singapore and Thailand have been affected and delayed due to measures taken by the respective governments in their efforts to curb COVID-19 since March 2020. Due to the uncertainties caused by the COVID-19 pandemic, the Group is unable to ascertain the expected completion dates for the delayed projects in both Singapore and Thailand and the corresponding impact to the Group's financial performance and operations. Therefore, the Group has announced the proposed disposal of the Telecommunications business on 10 December 2021 to consolidate its resources to focus on growing and developing its portfolio within the Biometrics business which has proven to be more profitable.

- 5 Dividend**

- (a) Current Financial Period Reported on:**

Any dividend declared for the current financial period reported on?

No dividend was declared or recommended.

- (b) Corresponding Period of the Immediately Preceding Financial Year:**

Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend was declared or recommended in the previous corresponding period.

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

- (d) Date payable**

Not applicable.

- (e) Books closure date.**

Not applicable.

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

No dividend was declared or recommended in respect of 1H2022 due to the Group's loss-making position.

Other information required by Catalyst Rule Appendix 7C

7 If the Group has obtained a general mandate from shareholders for 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 does not have a general mandate. The aggregate value of all interested person transactions during the financial period under review was less than \$100,000, other than the following:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
PT International Biometrics Indonesia	Subsidiary	\$115,000 ⁽¹⁾	-

Note (1): In the period under review, the Group entered into transactions with PT International Biometrics Indonesia ("PT IBI") relating to the provision of biometrics-related services amounting to \$115,000. Mr Pierre Prunier, Chief Executive Officer and Executive Director of the Group, currently holds 17.15% in InterBIO, the parent company of PT IBI, by virtue of his shareholdings in No Ka Oi Private Limited and Prundjaya Capital Pte. Ltd. Hence, it is disclosed on a prudent basis for transactions between the Group and PT IBI to be interested person transactions.

8 Negative confirmation pursuant to Rule 705(5)

The Board of Directors hereby confirms that, to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements for the half year ended 30 November 2021 to be false or misleading in any material aspect.

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

The Company hereby confirms that it has procured undertakings from all its Directors and the relevant executive officers in the format as set out in Appendix 7H in accordance with Rule 720(1) of the Catalyst Rules.

10 Disclosures pursuant to Rule 706A of the Catalyst Rules

Please refer to the (i) the Company's announcement dated 8 September 2021 in respect of the incorporation of Totm Tech SG Pte Ltd; (ii) the Company's announcements dated 29 September 2021 in respect of its subscription in GenesisPro Pte. Ltd; (iii) the Company's announcement dated 22 October 2020 in respect of the completion of its investment in TECH5 SA; (iv) the Company's announcement dated 30 November 2021 in respect of its incorporation of subsidiaries in the United States of America and India; (v) the Company's announcement dated 10 December 2021 in relation to the proposed disposal of the Group's Singapore and Thailand wholly-owned subsidiaries, namely Yinda Technology Singapore Pte. Ltd. and Yinda Technologies (Thailand) Co., Ltd. ("**Proposed Disposal**"); and (v) the Company's announcement on 13 December 2021 in relation to the entry into a convertible loan agreement ("**CLA**") of a principal amount of US\$3.75 million (approximately \$5.12 million) to PT. Cakrawala Data Integrasi.

As at the date of this announcement, the CLA was completed on 15 December 2021, and the Proposed Disposal has yet to be completed, pending the approval from shareholders.

Other information required by Catalyst Rule Appendix 7C

11 Update on use of proceeds from placements

As at the date of this announcement, remaining net proceeds and the intended use of net proceeds from the Subscription and Placement Exercises¹ are as follows:

S\$'000	October 2020 Subscription Exercise	June 2021 Placement Exercise
Net proceeds allocated for working capital	1,131 – 1,508	2,543 – 5,085
Net proceeds utilised for working capital as at the date of this announcement	(1,508)	(5,085)
Net proceeds remaining for working capital as at the date of this announcement	-	-
Net proceeds allocated for new business opportunities	2,262 – 2,639	20,340 – 22,882
Net proceeds utilised for new business opportunities as at the date of this announcement	(1,752) ⁽¹⁾	(17,156) ⁽³⁾
Net proceeds remaining for new business opportunities as at the date of this announcement	510 ⁽²⁾	3,184 ⁽⁴⁾

Notes:

- (1) The introducer fees in relation to the IBPL Acquisition totalling S\$2,100,000 was funded partially from the net proceeds of the October 2020 Subscription Exercise and the November 2020 Subscription Exercise. Of the S\$2,100,000, S\$825,000 has been funded from the October 2020 Subscription Exercise while S\$1,275,000 has been funded from the November 2020 Subscription Exercise.
- (2) The investment amount of S\$510,000 in respect of the joint venture with International Biometrics Pte. Ltd. will be funded from the net proceeds from the October 2020 Subscription Exercise. Please refer to the 2 December 2020 announcement by the Company for defined terms and more details.
- (3) The equity investment in TECH5 (equivalent to approximately S\$10,832,000 based on the spot rate of US\$1.000: S\$1.354 as at the date of payment), payment of relevant professional fees and introducer fees of approximately S\$0.3 million and S\$847,000 respectively in relation thereto, and the Convertible Loan Amount of US\$3,750,000 (equivalent of S\$5,158,000 based on the spot rate of US\$1.000 : S\$1.3755), were funded from the June 2021 Placement Exercise.
- (4) It is intended for the net proceeds from the June 2021 Placement Exercise to be used to fund other future investments and the relevant professional fees.

¹ "Subscription and Placement Exercises" comprise the (a) share subscription of 76,000,000 Shares that was announced on 29 September 2020 and completed on 16 October 2020 (the "October 2020 Subscription Exercise"); and (b) share subscription of 195,000,000 Shares that was announced on 11 May 2021 and completed on 25 June 2021 (the "June 2021 Placement Exercise"). Shareholders are to note that as at date of this announcement, the net proceeds from the subscription exercise announced on 15 November 2020 and completed on 6 January 2021 (the "November 2020 Subscription Exercise"), the subscription exercise announced on 13 December 2020 and completed on 23 December 2020 (the "December 2020 Subscription Exercise"), and the subscription exercise announced on 26 January 2021 and completed on 6 April 2021 (the "January 2021 Subscription Exercise") have been fully utilised.

Other information required by Catalyst Rule Appendix 7C

11 Update on use of proceeds from placements (Continued)

A breakdown of the net proceeds from the October 2020 Subscription Exercise, November 2020 Subscription Exercise, December 2020 Subscription Exercise, January 2021 Subscription Exercise and June 2021 Placement Exercise that were utilised for working capital are:

Summary of expenses:	Working capital (S\$'000)
Listing Fees	77
Staff Cost and Director Fees	2,114
Finance Cost or Bank Charges	11
Professional Fees	4,265
Administrative Expenses	1,526
Rental Deposit	143
Purchases from supplier	2,753
Total	10,889

CONFIRMATION BY THE BOARD

On behalf of the Board of Directors of the Company, we the undersigned, hereby confirm to the best of our knowledge that nothing come to the attention of the Board of Directors of the Company which may render the condensed interim financial statements for the six months ended 30 November 2021 to be false or misleading in any material aspect.

On behalf of the Board of Directors

 Prunier Pierre Olivier Marc Yves
 Chief Executive Officer and Executive Director

 Gordon Tan Chee Bun
 Executive Director

Singapore
 13 January 2022