

TOTM TECHNOLOGIES LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 201506891C)

**ANNOUNCEMENT OF INTERESTED PERSON TRANSACTION PURSUANT TO RULE 905(2) OF
THE CATALIST RULES**

1. Introduction

The board of directors (the “**Board**”) of TOTM Technologies Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce, pursuant to Rule 905(2) of the Listing Manual Section B: Rules of Catalist of Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (the “**Catalist Rules**”), that its wholly owned subsidiary, TOTM Tech India Private Limited (“**TOTM India**”), has entered into the following interested person transactions (“**IPTs**”) with PT International Biometrics Indonesia (“**PT IBI**”).

2. Details of the Interested Persons and relevant Catalist Rules

PT IBI is 99.0% held by International Biometrics Pte Ltd (“**IBPL**”). IBPL is in turn 51.0% held by the Company. The remaining 49% of IBPL are held by five direct shareholders, which includes No Ka Oi Private Limited and Prundjaya Capital Pte. Ltd.

Mr. Pierre Prunier, the Chief Executive Officer and Executive Director of the Company currently holds 17.15% in IBPL, the parent company of PT IBI, by virtue of his shareholdings in No Ka Oi Private Limited and Prundjaya Capital Pte. Ltd. Both No Ka Oi Private Limited and Prundjaya Capital Pte. Ltd. are 100.0% owned by Mr Pierre Prunier. No Ka Oi Private Limited and Prundjaya Capital Pte. Ltd. holds 1,616,309 (16.17%) and 97,958 (0.98%) shares in IBPL respectively.

The Catalist Rules provides that an interested person means, amongst others, a director or chief executive officer of the issuer or an associate of any such director or chief executive officer, and the definition of associate includes any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more.

Rule 915(3) of the Catalist Rules states that an announcement of, and shareholders’ approval for, an interested person transaction is not required if a transaction is entered between an entity at risk and an investee company where the interested person’s interest in the investee company, other than that held through the issuer, is less than 5%.

As Mr Pierre Prunier’s shareholdings in IBPL and correspondingly in PT IBI exceeds 5%, transactions between the Group and PT IBI do not fall within the exception under Rule 915(3) of the Catalist Rules.

Notwithstanding that Mr Pierre Prunier’s shareholdings in IBPL and indirectly in PT IBI is less than 30.0% and IBPL and PT IBI are not deemed his associate by virtue of definition under Rule 904 of the Catalist Rules, having considered the objective of Chapter 9 of the Catalist Rules and Rule 915(3) of the Catalist Rules, the Company is prudently disclosing transactions between the Group and PT IBI to be interested person transactions.

Rule 905(2) of the Catalist Rules provides that if the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the group’s latest audited net tangible assets, the issuer must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year.

3. Description of the IPTs and rationale for entry into the IPTs

Totm India was incorporated on 26 November 2021 for the purposes of providing technical consultancy services, training and software development related services. On 1 January 2022 and subsequently supplemented on 30 May 2022, TOTM India entered into a service agreement with PT IBI to provide services, including but not limited to design and support work with respect to biometrics services on behalf of and as instructed by PT IBI. The services provided are computed based on employee costs or manhours incurred by TOTM India with a 10% margin. This arrangement had commenced as TOTM India had a team with specialised skillsets to perform, amongst others, device integration services, card management system services and web application development services specific to biometrics technology which are not commonly available in the market. Management had considered local tax regulations and advice from professional parties in India in deriving the 10% margin charged to PT IBI.

As at 31 May 2022, the total amounts charged for the provision of design and support services by TOTM India to PT IBI was approximately S\$256,000, representing 2.7% of the latest audited net tangible asset of the Group as at 31 May 2021 of S\$9,277,000.

4. Total IPTs entered into for the financial year

As disclosed in the Company's announcement dated 13 January 2022 in relation to the condensed interim financial statements for the six months ended 30 November 2021, the Group had entered into transactions with PT IBI relating to the provision of biometrics-related project-based consultancy services by PT IBI amounting to \$115,000 representing 1.2% of the latest audited net tangible asset of the Group as at 31 May 2021 of S\$9,277,000.

The aggregate value of all IPTs entered into with PT IBI (excluding transactions amounting to S\$100,000 or less) for the financial year ended 31 May 2022, commencing 1 June 2021 up to the 31 May 2022 is S\$371,000 (the "**Aggregate Value**"), and represents 4.00% of the Group's latest audited net tangible assets ("**Group NTA**") as at 31 May 2021.

Save for the above, there are no other interested person transactions entered into for the financial year ended 31 May 2022.

5. Audit Committee statement

The Audit Committee of the Company has considered and reviewed the terms of, the rationale for and benefit of the above IPTs and is of the view that the interested person transactions are on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

6. Interest of Directors and Substantial Shareholders

Saved as disclosed above and save for their shareholdings in the Company, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the IPTs.

BY ORDER OF THE BOARD

Mr. Pierre Prunier
Chief Executive Officer and Executive Director
1 June 2022

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.

The contact person for the Sponsor is Ms. Charmian Lim (telephone no.: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.