



TOTM
TECHNOLOGIES

TOTM TECHNOLOGIES LIMITED

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

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED 31 MAY 2023

*This announcement has been reviewed by the Company’s sponsor, SAC Capital Private Limited (the “Sponsor”).
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Contents

	Page
Condensed interim consolidated statement of profit or loss and other comprehensive income	2 - 3
Condensed interim statements of financial position	4 - 5
Condensed interim statements of changes in equity	6 - 8
Condensed interim consolidated statement of cash flows	9 - 10
Notes to the condensed interim consolidated financial statements	11 -27
Other information required by Catalist Rule Appendix 7C	28 - 36

TOTM TECHNOLOGIES LIMITED
**Condensed interim consolidated statement of profit or loss and other comprehensive income
For the financial year ended 31 May 2023**

	Note	The Group					
		6 months ended 31 May 2023 \$'000	6 months ended 31 May 2022 \$'000	Change %	12 months ended 31 May 2023 \$'000	12 months ended 31 May 2022 \$'000	Change %
Continuing operations							
Revenue	4	2,422	3,133	(22.7)	19,367	11,127	74.1
Other income		132	143	(7.7)	258	229	12.7
Subcontractor costs and direct costs		(345)	(1,403)	(75.4)	(13,203)	(6,810)	93.9
Employee benefits expenses – Project related		(497)	(396)	25.5	(1,026)	(463)	>100
Employee benefits expenses – Administrative		(2,035)	(2,760)	(26.3)	(3,978)	(4,566)	(12.9)
Share-based payment expense		(728)	–	n.m	(728)	–	n.m
Depreciation and amortisation expenses		(3,025)	(3,012)	0.4	(5,973)	(5,493)	8.7
Legal and professional expenses		(1,401)	(2,002)	(30.0)	(3,451)	(4,726)	(27.0)
Other expenses		(1,516)	(1,046)	44.9	(3,043)	(1,728)	76.1
Finance costs		(28)	(104)	(73.1)	(78)	(181)	(56.9)
Share of losses from equity-accounted for associate		(573)	(913)	(37.2)	(546)	(913)	(40.2)
Loss before tax	6	(7,594)	(8,360)	(9.2)	(12,401)	(13,524)	(8.3)
Income tax credit	7	164	546	(70.0)	482	707	(31.8)
Loss for the period/year from continuing operations, net of tax		(7,430)	(7,814)	(4.9)	(11,919)	(12,817)	(7.0)
Discontinued operations							
Profit for the period/year from discontinued operations, net of tax	6.3	–	1,185	n.m	–	495	n.m
Loss for the period/year		(7,430)	(6,629)	12.1	(11,919)	(12,322)	(3.3)

TOTM TECHNOLOGIES LIMITED
Condensed interim consolidated statement of profit or loss and other comprehensive income (Continued)
For the financial year ended 31 May 2023

	The Group					
	6 months ended 31 May 2023 \$'000	6 months ended 31 May 2022 \$'000	Change %	12 months ended 31 May 2023 \$'000	12 months ended 31 May 2022 \$'000	Change %
Note						
Other comprehensive income:						
<i>Items that are or may be reclassified to profit or loss</i>						
Currency translation differences arising on consolidation	241	(132)	n.m	(248)	22	n.m
<i>Items that will not be reclassified subsequently to profit or loss</i>						
Actuarial loss on measurement of post-employment benefit plan, net of tax	(22)	21	n.m	(22)	21	n.m
Other comprehensive income/(loss) for the period/year, net of tax	219	(111)	n.m	(270)	43	n.m
Total comprehensive loss for the period/year	(7,211)	(6,740)	7.0	(12,189)	(12,279)	(0.7)
Loss for the period/year attributable to:						
Equity holders of the Company						
-Continuing operations	(7,043)	(6,432)	9.5	(11,337)	(11,034)	2.7
-Discontinued operations	-	1,185	n.m	-	495	n.m
Non-controlling interests						
-Continuing operations	(387)	(1,382)	(72.0)	(582)	(1,783)	(67.4)
	(7,430)	(6,629)	12.1	(11,919)	(12,322)	(3.3)
Total comprehensive loss for the period/year attributable to:						
Equity holders of the Company						
	(6,793)	(5,300)	28.2	(11,323)	(10,549)	7.3
Non-controlling interests						
	(418)	(1,440)	(71.0)	(866)	(1,730)	(49.9)
	(7,211)	(6,740)	7.0	(12,189)	(12,279)	(0.7)
Loss per share for loss attributable to equity holders of the Company						
Basic and diluted (cents per share)						
-Continuing operations	(0.53)	(0.76)	(30.3)	(1.07)	(1.32)	(18.9)
-Discontinued operations	-	0.14	n.m	-	0.06	n.m
Total	(0.53)	(0.62)	(14.5)	(1.07)	(1.26)	(15.1)
<i>n.m = not meaningful</i>						

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

TOTM TECHNOLOGIES LIMITED
**Condensed interim statements of financial position
As at 31 May 2023**

	Note	The Group		The Company	
		31 May 2023 \$'000	31 May 2022 \$'000	31 May 2023 \$'000	31 May 2022 \$'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	2,993	2,652	1,920	1,535
Intangible assets	11	37,707	42,373	181	4
Investment in subsidiaries		–	–	89,487	35,267
Investment in associate	13	13,211	13,757	14,670	14,670
Financial asset at fair value through profit and loss	9	5,447	5,506	5,447	5,506
Amount due from a subsidiary	10	–	–	869	883
Deferred tax assets		41	67	–	–
Trade and other receivables		32	–	–	–
Total non-current assets		59,431	64,355	112,574	57,865
Current assets					
Contract assets		3,847	2,496	–	–
Amounts due from subsidiaries		–	–	166	614
Trade and other receivables		2,571	3,941	388	323
Cash and cash equivalents		9,551	4,939	7,853	4,156
Total current assets		15,969	11,376	8,407	5,093
Total assets		75,400	75,731	120,981	62,958
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	14	156,202	90,225	156,202	90,225
Other reserves		(43,654)	43	728	–
Accumulated losses		(44,341)	(32,992)	(38,327)	(29,374)
Equity attributable to equity holders of the Company		68,207	57,276	118,603	60,851
Non-controlling interest		448	11,083	–	–
Total equity		68,655	68,359	118,603	60,851

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 31 May 2023

	The Group		The Company		
	Note	31 May 2023 \$'000	31 May 2022 \$'000	31 May 2023 \$'000	31 May 2022 \$'000
Non-current liabilities					
Lease liabilities		1,224	1,155	1,099	963
Employee benefit liabilities		252	268	–	–
Deferred tax liabilities		3,007	3,866	–	–
Provision for reinstatement costs		79	–	79	–
Total non-current liabilities		4,562	5,289	1,178	963
Current liabilities					
Contract liabilities		14	15	–	–
Trade and other payables		1,274	1,320	572	502
Amounts due to subsidiaries		–	–	62	–
Lease liabilities		716	748	566	642
Income tax payable		179	–	–	–
Total current liabilities		2,183	2,083	1,200	1,144
Total liabilities		6,745	7,372	2,378	2,107
Total equity and liabilities		75,400	75,731	120,981	62,958

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 financial year ended 31 May 2023**

	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		
The Group						
Balance at 1.6.2022	90,225	43	(32,992)	57,276	11,083	68,359
Loss for the period	–	–	(11,337)	(11,337)	(582)	(11,919)
Other comprehensive loss:						
Currency translation differences arising on consolidation	–	26	–	26	(274)	(248)
Actuarial loss on measurement of post- employment benefit plan, net of tax	–	–	(12)	(12)	(10)	(22)
Total comprehensive loss for the year	–	26	(11,349)	(11,323)	(866)	(12,189)
Issue of ordinary shares	12,173	–	–	12,173	–	12,173
Shares issue expenses	(416)	–	–	(416)	–	(416)
Share-based payment	–	728	–	728	–	728
Changes in ownership interests in a subsidiary:						
Issue of ordinary shares (Acquisition of additional interest in a subsidiary)	54,220	(44,451)	–	9,769	(9,769)	–
Balance at 31.5.2023	156,202	(43,654)	(44,341)	68,207	448	68,655

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 financial year ended 31 May 2023**

	Attributable to equity holders of the Company				Non-controlling interests	Total equity
	Share capital	Other reserves	Accumulated losses	Total		
	(Note 14) \$'000	\$'000	\$'000	\$'000		
The Group						
Balance at 1.6.2021	63,003	(8,388)	(13,983)	40,632	11,853	52,485
Loss for the period	–	–	(10,539)	(10,539)	(1,783)	(12,322)
Other comprehensive loss:						
Currency translation differences arising on consolidation	–	(21)	–	(21)	43	22
Actuarial loss on measurement of post-employment benefit plan, net of tax	–	–	11	11	10	21
Total comprehensive loss for the year	–	(21)	(10,528)	(10,549)	(1,730)	(12,279)
Issue of ordinary shares	26,325	–	–	26,325	–	26,325
Shares issue expenses	(862)	–	–	(862)	–	(862)
Issue of ordinary shares (Acquisition of a subsidiary)	1,759	–	–	1,759	960	2,719
Disposal of subsidiaries	–	8,452	(8,481)	(29)	–	(29)
Balance at 31.5.2022	90,225	43	(32,992)	57,276	11,083	68,359

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 financial year ended 31 May 2023

	Share capital (Note 14) \$'000	Other reserve \$'000	Accumulated losses \$'000	Total equity \$'000
The Company				
Balance at 1.6.2022	90,225	–	(29,374)	60,851
Loss and total comprehensive loss for the year	–	–	(8,953)	(8,953)
Issue of ordinary shares	12,173	–	–	12,173
Shares issue expenses	(416)	–	–	(416)
Share-based payment	–	728	–	728
Changes in ownership interests in a subsidiary:				
Issue of ordinary shares (Acquisition of additional interest in a subsidiary)	54,220	–	–	54,220
Balance at 31.5.2023	156,202	728	(38,327)	118,603
The Company				
Balance at 1.6.2021	63,003	–	(22,866)	40,137
Loss and total comprehensive loss for the year	–	–	(6,508)	(6,508)
Issue of ordinary shares	26,325	–	–	26,325
Shares issue expenses	(862)	–	–	(862)
Issue of ordinary shares (Acquisition of a subsidiary)	1,759	–	–	1,759
Balance at 31.5.2022	90,225	–	(29,374)	60,851

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 financial year ended 31 May 2023**

	The Group	
	12 months ended	
	31 May 2023	31 May 2022
	\$'000	\$'000
Cash flows from operating activities		
Loss before tax from continuing operations	(12,401)	(13,524)
Profit before tax from discontinued operations	–	495
Adjustments for:		
Depreciation and amortisation expenses	5,973	5,650
Allowance for expected credit loss of financial and contract assets	–	1,198
Impairment loss on property, plant and equipment	–	110
Gain on disposal of subsidiaries	–	(3,518)
Fixed assets written off	2	–
(Gain)/loss on foreign exchange	(140)	155
Defined benefits plans	(38)	112
Share-based payment	728	–
Gain on lease modification	(78)	–
Interest expenses	78	256
Interest income	(16)	–
Share of losses from equity accounted for associate	546	913
Operating cash flows before movements in working capital	(5,346)	(8,153)
Changes in working capital:		
Inventories	–	209
Contract assets	(1,351)	5,605
Trade and other receivables	1,338	(4,712)
Contract liabilities	(1)	(164)
Trade and other payables	(46)	(324)
Cash used in operations	(5,406)	(7,539)
Interest received	16	–
Income tax paid	(172)	(179)
Net cash used in from operating activities	(5,562)	(7,718)

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 financial year ended 31 May 2023**

	The Group	
	12 months ended	
	31 May 2023	31 May 2022
	\$'000	\$'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(533)	(829)
Purchase of intangible assets	(212)	(13)
Acquisition of a subsidiary, net of cash acquired	–	(877)
Disposal of subsidiaries, net of cash disposed	–	(368)
Pledged bank deposits	–	100
Purchase of financial assets at fair value through profit or loss	–	(5,158)
Repayment of deferred cash consideration	–	(6,750)
Acquisition of investment in associate	–	(10,832)
Net cash used in investing activities	(745)	(24,727)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	12,173	26,325
Shares issue expenses	(416)	(862)
Proceeds from borrowings	–	1,079
Repayment of shareholder/ former shareholder's loan	–	(279)
Repayment of lease liabilities	(742)	(826)
Repayment of borrowings	–	(470)
Interest paid	(78)	(139)
Net cash generated from financing activities	10,937	24,828
Net increase/(decrease) in cash and cash equivalents	4,630	(7,617)
Cash and cash equivalents at beginning of period	4,939	12,556
Effect of exchange rate fluctuation on cash and cash equivalents	(18)	–
Cash and cash equivalents at end of period	9,551	4,939

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 financial year ended 31 May 2023**

1 Corporate information**The Company**

TOTM Technologies Limited (the “**Company**” or “**TOTM Technologies**”) (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 and full year ended 31 May 2023 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) Providing information technology and computer services (development and sale of identity management technologies).
- c) Investment holding.

2 Basis of preparation

The condensed interim financial statements for the six months and full year ended 31 May 2023 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 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 2022.

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 (“**SGD**” or “**\$**”), 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

The condensed interim financial statements have been prepared based on accounting policies and method of computation consistent with those adopted in the most recent audited financial statements of the Group for the financial year ended 31 May 2022. The Group has adopted new and revised SFRS(I) and interpretations of SFRS(I) applicable to the Group which are effective for the financial year beginning 1 June 2022. These are not expected to have a material impact on the Group’s condensed interim financial statements.

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. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Notes to the condensed interim financial statements
For the financial year ended 31 May 2023

2.2 Use of judgements and estimates (Continued)

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 2022.

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:

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.

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.

TOTM TECHNOLOGIES LIMITED**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**

2.3 Key sources of estimation uncertainty (Continued)*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.

Fair value measurement of financial instruments

Where the fair values of financial instruments recorded in statements of financial position cannot be measured based on quoted prices in active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. Details of the valuation and key assumptions applied in the financial assets at fair value through profit or loss are disclosed in Note 9.

3 Seasonal operations

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

4 Segment and revenue information

The Digital Identity business is presented based on geographical segments, mainly Singapore, Indonesia, India and United States of America. As at 31 May 2023, the entity incorporated in United States in respect of the Digital Identity business has yet to commence operation. Management monitors the operating results of its business units separately for making decisions about allocation of resources and assessment of performance of each segment. These operating segments are reported in a manner consistent with internal reporting provided to CEO who is responsible for allocating resources and assessing performance of the operating segments.

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**
4.1 Reportable segment

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

	Continuing operations				Discontinued operations		Adjustments and eliminations	Group
	Singapore	Indonesia	India	USA	Singapore	Thailand		
From 1 June 2022 to 31 May 2023	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total segment revenue	14,388	5,523	1,017	–	–	–	(1,561)	19,367
Intersegment revenue	(50)	(494)	(1,017)	–	–	–	1,561	–
Total revenue from external parties	14,338	5,029	–	–	–	–	–	19,367
Operating (loss)/profit	(10,193)	641	142	(5)	–	–	(2,378)	(11,793)
Interest income	26	37	–	–	–	–	(47)	16
Finance costs	(84)	(24)	(5)	–	–	–	35	(78)
(Loss)/profit before tax	(10,251)	654	137	(5)	–	–	(2,390)	(11,855)
Share of losses from equity-accounted for associate								(546)
Income tax credit								482
Loss for the year								(11,919)
Other significant non-cash items								
Depreciation and amortisation expenses	1,258	425	38	–	–	–	4,252	5,973
Assets								
Segment assets	124,625	8,069	289	13	–	–	(57,596)	75,400
Segment assets include additions to non-current assets	1,961	303	89	–	–	–	–	2,353
Liabilities								
Segment liabilities	(6,260)	(998)	(216)	(50)	–	–	779	(6,745)

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**
4.1 Reportable segment (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	Indonesia	India	USA	Singapore	Thailand		
From 1 December 2022 to 31 May 2023	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
Total segment revenue	–	2,414	461	–	–	–	(453)	2,422
Intersegment revenue	–	8	(461)	–	–	–	453	–
Total revenue from external parties	–	2,422	–	–	–	–	–	2,422
Operating (loss)/profit	(6,963)	155	70	(3)	–	–	(268)	(7,009)
Interest income	13	28	–	–	–	–	(25)	16
Finance costs	(25)	(14)	(2)	–	–	–	13	(28)
(Loss)/profit before tax	(6,975)	169	68	(3)	–	–	(280)	(7,021)
Share of losses from equity-accounted for associate								(573)
Income tax credit								164
Loss for the year								(7,430)
Other significant non-cash items								
Depreciation and amortisation expenses	659	218	21	–	–	–	2,127	3,025
Assets								
Segment assets	124,625	8,069	289	13	–	–	(57,596)	75,400
Segment assets include additions to non-current assets	1,628	284	9	–	–	–	–	1,921
Liabilities								
Segment liabilities	(6,260)	(998)	(216)	(50)	–	–	779	(6,745)

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**
4.1 Reportable segment (Continued)

	Continuing operations				Discontinued operations		Adjustments and eliminations	Group
	Singapore	Indonesia	India	USA	Singapore	Thailand		
From 1 June 2021 to 31 May 2022	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total segment revenue	4,915	6,327	256	–	1,092	762	(371)	12,981
Intersegment revenue	–	(115)	(256)	–	–	–	371	–
Total revenue from external parties	4,915	6,212	–	–	1,092	762	–	12,981
Operating (loss)/profit	(7,676)	527	(34)	(46)	(2,005)	(943)	(1,683)	(11,860)
Interest income	73	14	–	–	–	–	(87)	–
Finance costs	(205)	(60)	(3)	–	(64)	(11)	87	(256)
(Loss)/profit before tax	(7,808)	481	(37)	(46)	(2,069)	(954)	(1,683)	(12,116)
Share of losses from equity-accounted for associate								(913)
Income tax credit								707
Loss for the year								(12,322)
Other significant non-cash items								
Depreciation and amortisation expenses	981	297	14	–	147	10	4,201	5,650
Allowance for expected credit loss of financial and contract assets	3,368	–	–	–	1,198	–	(3,368)	1,198
Impairment loss on property, plant and equipment	–	–	–	–	110	–	–	110
Gain/(loss) on disposal of subsidiaries	–	–	–	–	4,076	(558)	–	3,518
Assets								
Segment assets	66,098	8,039	130	14	–	–	1,450	75,731
Segment assets include additions to non-current assets	4,626	1,003	89	–	2	17	–	5,737
Liabilities								
Segment liabilities	3,990	1,137	171	46	–	–	2,028	7,372

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**
4.1 Reportable segment (Continued)

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

	Continuing operations				Discontinued operations		Adjustments and eliminations	Group
	Singapore	Indonesia	India	USA	Singapore	Thailand		
From 1 December 2021 to 31 May 2022	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total segment revenue	–	3,133	256	–	–	–	(256)	3,133
Intersegment revenue	–	–	(256)	–	–	–	256	–
Total revenue from external parties	–	3,133	–	–	–	–	–	3,133
Operating (loss)/profit	(3,494)	(609)	(30)	(45)	(1,849)	(497)	367	(6,157)
Interest income	12	14	–	–	–	–	(27)	(1)
Finance costs	(70)	(58)	(3)	–	–	–	27	(104)
(Loss)/profit before tax	(3,552)	(653)	(33)	(45)	(1,849)	(497)	367	(6,262)
Share of losses from equity-accounted for associate								(913)
Income tax credit								546
Loss for the year								(6,629)
Other significant non-cash items								
Depreciation and amortisation expenses	664	180	14	–	–	–	2,154	3,012
Allowance for expected credit loss of financial and contract assets	3,368	–	–	–	1,198	–	(3,368)	1,198
Impairment loss on property, plant and equipment	–	–	–	–	110	–	–	110
Gain/(loss) on disposal of subsidiaries	–	–	–	–	4,076	(558)	–	3,518
Assets								
Segment assets	66,098	8,039	130	14	–	–	1,450	75,731
Segment assets include additions to non-current assets	1,158	993	89	–	–	–	–	2,240
Liabilities								
Segment liabilities	3,990	1,137	171	46	–	–	2,028	7,372

TOTM TECHNOLOGIES LIMITED

**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**

4.2 Disaggregation of revenue

	The Group			
	6 months ended	6 months ended	12 months ended	12 months ended
	31 May 2023	31 May 2022	31 May 2023	31 May 2022
	\$'000	\$'000	\$'000	\$'000
Primary geographical market				
Singapore	–	–	14,338	4,915
Indonesia	2,422	3,133	5,029	6,212
	<u>2,422</u>	<u>3,133</u>	<u>19,367</u>	<u>11,127</u>
Major service lines				
Technical support services for identity management biometrics	2,422	3,133	5,029	6,212
Supply and integration of IT systems	–	–	14,338	4,915
	<u>–</u>	<u>–</u>	<u>14,338</u>	<u>4,915</u>
Timing of revenue recognition				
Over time	2,422	3,133	5,029	6,212
At a point in time	–	–	14,338	4,915
	<u>–</u>	<u>–</u>	<u>14,338</u>	<u>4,915</u>

A breakdown of sales as follows:

	Group		
	For the financial	For the financial	Increase/
	year ended	year ended	(Decrease)
	2023	2022	%
	\$'000	\$'000	
Sales reported for first half year	16,945	9,848	72.1
Operating loss after tax before deducting non-controlling interests reported for first half year	(4,489)	(5,693)	(21.1)
Sales reported for second half year	2,422	3,133	(22.7)
Operating loss after tax before deducting non-controlling interests reported for second half year	(7,430)	(6,629)	12.1
	<u>–</u>	<u>–</u>	

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**
5 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 May 2023 and 31 May 2022:

	The Group		The Company	
	31 May 2023 \$'000	31 May 2022 \$'000	31 May 2023 \$'000	31 May 2022 \$'000
Financial assets				
Financial assets at fair value through profit or loss	5,447	5,506	5,447	5,506
Financial assets at amortised cost	10,098	7,388	9,151	5,894
	<u>15,545</u>	<u>12,894</u>	<u>14,598</u>	<u>11,400</u>
Financial liabilities				
Financial liabilities at amortised cost	3,169	3,172	2,299	2,105

6 Loss before taxation
6.1 Significant items

	The Group			
	6 months ended 31 May 2023 \$'000	6 months ended 31 May 2022 \$'000	12 months ended 31 May 2023 \$'000	12 months ended 31 May 2022 \$'000
Income includes:				
Government grants	38	120	157	205
Interest income	16	–	16	–
Gain on lease modification	78	–	78	–
Others	–	23	7	24
	<u>–</u>	<u>23</u>	<u>7</u>	<u>24</u>
Expenses includes:				
Amortisation of intangible assets (Note 11)	2,454	2,535	4,878	4,620
Depreciation of property, plant and equipment	571	477	1,095	873
Foreign exchange loss, net	164	44	151	104
Fixed assets written off	2	–	2	–
Loss on disposal of property, plant and equipment	–	2	–	–
Operating lease expense - short-term leases	63	60	107	58
	<u>63</u>	<u>60</u>	<u>107</u>	<u>58</u>

TOTM TECHNOLOGIES LIMITED

**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**

6 Loss before taxation (Continued)

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:

	The Group	
	31 May 2023	31 May 2022
	\$'000	\$'000
a) <u>Associate company</u>		
Service fee charged	2,005	1,190
b) <u>Key management personnel</u>		
Salaries and remuneration	1,100	1,132
Employer's contribution to defined contribution plans	39	45
Fees and other benefits	310	336
Share-based payment	400	–
	1,849	1,513
Comprise amounts paid to:		
Directors of the Company	1,323	1,371
Other key management personnel	526	142
	1,849	1,513

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**
6 Loss before taxation (Continued)
6.3 Discontinued operations

During the second half of financial year ended 31 May 2022, the Company disposed its equity interest in its wholly owned subsidiaries, Yinda Technology Singapore Pte. Ltd (“YTS”) and Yinda Technologies (Thailand) Co., Ltd. (“YTT”) to Yinda Pte. Ltd. (former immediate holding company of the Group). The financial performance of YTS and YTT in financial year 2022, were presented in a single amount separately on the consolidated statement of profit or loss and other comprehensive income as “Discontinued Operations”. In addition, the Group has re-presented the financial performance of YTS and YTT as “Discontinued Operations” for the financial year ended 31 May 2022 and the comparative figures have been restated accordingly.

	The Group	
	6 months ended	12 months ended
	31 May 2022	31 May 2022
	\$'000	\$'000
Revenue	–	1,854
Other income	237	174
Gain on disposal of subsidiaries	3,518	3,518
Changes in inventories, materials consumed and subcontractor costs	(1,372)	(1,506)
Employee benefits expenses – Project related	–	(1,091)
Employee benefits expenses – Administrative	–	(343)
Allowance for expected credit loss of financial and contract assets	(1,198)	(1,198)
Depreciation and amortisation expenses	–	(157)
Legal and professional expenses	–	(60)
Other expenses	–	(621)
Finance costs	–	(75)
Profit before tax	1,185	495
Income tax expense	–	–
Profit for the period/year from discontinued operations, net of tax	1,185	495
Other comprehensive income:		
<i>Items that are or may be reclassified to profit or loss</i>		
Currency translation differences arising on consolidation	–	(60)
Total comprehensive income for the period /year	1,185	435

TOTM TECHNOLOGIES LIMITED

**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**

6 Loss before taxation (Continued)

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.

	The Group			
	6 months ended	6 months ended	12 months ended	12 months ended
	31 May 2023	31 May 2022	31 May 2023	31 May 2022
	\$'000	\$'000	\$'000	\$'000
Income includes:				
Loss for the period attributable to equity holders of the Company (\$'000)	(7,043)	(6,432)	(11,337)	(11,034)
Weighted average number of ordinary shares outstanding for basic and diluted loss per share ('000)	1,340,991	849,304	1,064,454	834,168
Basic and diluted loss per share (cents per share)	(0.53)	(0.76)	(1.07)	(1.32)

7 Taxation

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

	The Group			
	6 months ended	6 months ended	12 months ended	12 months ended
	31 May 2023	31 May 2022	31 May 2023	31 May 2022
	\$'000	\$'000	\$'000	\$'000
Current tax:				
- current year	(203)	84	(315)	(172)
Deferred tax:				
- current year	367	462	797	879
	164	546	482	707

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**
8 Net asset value

	The Group		The Company	
	31 May 2023	31 May 2022	31 May 2023	31 May 2022
Net assets (\$'000)	68,207	57,276	118,603	60,851
Number of ordinary shares used in calculating net asset value per ordinary share ('000)	1,340,991	849,304	1,340,991	849,304
Net asset value per ordinary share attributable to owners of the Company (cents)	5.09	6.74	8.84	7.16

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

	The Group		The Company	
	31 May 2023	31 May 2022	31 May 2023	31 May 2022
	\$'000	\$'000	\$'000	\$'000
<i>Investments measured at FVTPL:</i>				
<i>Convertible bond investment in Indonesia</i>	5,077	5,136	5,077	5,136
<i>Unquoted investment in Indonesia</i>	370	370	370	370
	5,447	5,506	5,447	5,506

Unquoted 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 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 have been allotted and issued to the Company and the conversion was completed on 19 August 2021.

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 cost approach. The key inputs to the cost approach – accounted for changes in economic conditions between investment date and valuation date. 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.

TOTM TECHNOLOGIES LIMITED

**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**

9 Financial assets at fair value through profit or loss (“FVTPL”) (Continued)

Convertible bond investment in Indonesia

On 13 December 2021, the Group has entered into a convertible loan arrangement with PT. Cakrawala Data Integrasi (“CDI”) whereby the Group agreed to subscribe for a convertible loan with principal amount of U\$3,750,000 (equivalent to approximately \$5,122,000 at 7.0% interest rate. The convertible loan has a maturity date of 2.5 years from the agreement date.

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 by using Binomial model. The key inputs to the Binomial model is the market value of the share and conversion price. 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.

9.1 Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the input for assets which are not based on observable market data (unobservable inputs) (Level 3).

The following table presented the assets measured at fair value:

	The Group		The Company	
	31 May 2023	31 May 2022	31 May 2023	31 May 2022
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Level 3	5,447	5,506	5,447	5,506

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**
10 Amount due from a subsidiary

	The Company	
	31 May 2023	31 May 2022
	\$'000	\$'000
Amount due from a subsidiary	869	883

The amount due from a subsidiary presents the convertible loan extended by the Company to GenesisPro, which can be convertible by the Company into new shares in the share capital of GenesisPro, at interest rate of 3% per annum.

Subject to the conversion right of the Company, GenesisPro shall repay the outstanding principal amount of the convertible loan, together with the outstanding accrued interest, without demand and without any deduction or withholding, within two years from the utilisation date of the convertible loan.

11 Intangible assets

	Goodwill \$'000	Software \$'000	Technology \$'000	Customer relationships \$'000	Trademark \$'000	Total \$'000
The Group						
2023						
Cost						
At 1.6.2022	20,651	15	17,085	9,936	–	47,687
Additions	–	209	–	–	3	212
At 31 May 2023	20,651	224	17,085	9,936	3	47,899
Accumulated amortisation						
At 1.6.2021	–	2	3,817	1,495	–	5,314
Amortisation charge	–	35	3,561	1,282	–	4,878
At 31 May 2023	–	37	7,378	2,777	–	10,192
Net carrying value						
At 31 May 2023	20,651	187	9,707	7,159	3	37,707

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**
11 Intangible assets (Continued)

	Goodwill \$'000	Software \$'000	Technology \$'000	Customer relationships \$'000	Total \$'000
The Group					
2022					
Cost					
At 1.6.2021	20,255	2	13,709	18,940	52,906
Acquisition of a subsidiary	396	–	3,376	–	3,772
Additions	–	13	–	–	13
Disposal of subsidiaries	–	–	–	(8,986)	(8,986)
Currency translation differences	–	–	–	(18)	(18)
At 31 May 2022	20,651	15	17,085	9,936	47,687
Accumulated amortisation					
At 1.6.2021	–	–	481	9,217	9,698
Amortisation charge	–	2	3,336	1,282	4,620
Disposal of subsidiaries	–	–	–	(8,986)	(8,986)
Currency translation differences	–	–	–	(18)	(18)
At 31 May 2022	–	2	3,817	1,495	5,314
Net carrying value					
At 31 May 2022	20,651	13	13,268	8,441	42,373

Composition of intangible assets

- (i) Goodwill arising on the acquisition of InterBIO group and GenesisPro Pte Ltd.;
- (ii) Software refers to the Windows applications relating to identity management and other finance related 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;
- (iv) The additions of Technology during the financial year ended 31 May 2022 includes the front-end application for KYC admin console purchased during the acquisition of GenesisPro Pte Ltd; and
- (v) 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) YTS and disposed during the financial year ended 31 May 2022
 - ii) YTT and disposed during the financial year ended 31 May 2022
 - iii) InterBIO group

12 Property, plant and equipment

During the year ended 31 May 2023, the Group acquired assets amounting to \$533,000 (31 May 2022: \$829,000) and disposed assets that had net carrying value amounting to \$2,000 (31 May 2022: \$Nil).

TOTM TECHNOLOGIES LIMITED
**Notes to the condensed interim financial statements
For the financial year ended 31 May 2023**
13 Investment in associate

On 22 October 2021, the Company has completed the US\$8.0 million (approximate \$10.8 million) investment by way of subscription of new shares in the capital of TECH5 as well as exercise its rights to convert the US\$2.5 million (approximate \$3.8 million) convertible loan into new shares in TECH5. With the completion of these transactions, the Company's Chief Executive Officer and Executive Director, Mr Pierre Prunier, has been appointed as a director on the board of TECH5 and the Group holds 16.27% of TECH5 as at the date of this report. The management assessed that the Company demonstrated significant influence based on requirement of SFRS(I) 1-28 Investments in Associates and Joint Ventures ("**SFRS(I) 1-28**").

14 Share Capital

	The Group and the Company			
	Number of shares			
	31 May 2023	31 May 2022	31 May 2023	31 May 2022
	'000	'000	\$'000	\$'000
Issued and fully paid ordinary shares				
At beginning of financial period	849,304	647,266	90,225	63,003
Issue of ordinary shares	491,687	202,038	66,393	28,084
Shares issue expenses	–	–	(416)	(862)
At end of financial period	1,340,991	849,304	156,202	90,225

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

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 \$26.3 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 \$1.8 million).

The Company allotted and issued 33,400,000 and 71,000,000 new ordinary shares in the capital of the Company pursuant to placement exercises that were completed on 17 Aug 2022 (the "**Aug 2022 Placement Exercise**") and 17 Nov 2022 (the "**Nov 2022 Placement Exercise**") respectively. The Aug 2022 Placement Exercise and Nov 22 Placement Exercise raised gross proceeds of approximately \$4 million and \$8 million respectively.

The Company had, through the extraordinary general meeting held on 14 December 2022, obtained shareholders' approval for the acquisition of the remaining 49.0% of the shareholding in the total ordinary share capital of InterBIO ("**Proposed Acquisition**"). The Company has allotted and issued 365,365,000 Base Consideration Shares and 21,921,900 Introducer Shares at an issue price of \$0.14 per such share to the Seller Shareholders and/or their nominees as satisfaction of the total consideration for the Proposed Acquisition.

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 31 May 2023 and 31 May 2022.

The Company's subsidiaries do not hold any shares in the Company as at 31 May 2023 and 31 May 2022.

15 Subsequent event

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

Other Information Required by Catalyst 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 31 May 2023 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 financial year 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 profit or loss and other comprehensive income*****Revenue***

The Group recorded total revenue of approximately \$19.4 million for the full year ended 31 May 2023 ("FY2023") and \$2.4 million for the 6 months ended 31 May 2023 ("2H2023"). For FY2023, revenues from the Digital Identity Business of approximately \$14.3 million and \$5.0 million were derived from Singapore and Indonesia respectively. The revenue from Digital Identity was mainly derived from:

- (i) two projects to supply biometric identification systems integrated with the National ID database, as well as supply biometric identification and surveillance systems to one of the law enforcement agencies in Indonesia, which contributed \$14.3 million; and
- (ii) provision of technical support to Indonesia's Ministry of Home Affairs and maintenance of Indonesia's current biometric national identity system which contributed \$5.0 million.

For 2H2023, revenues amounting to \$2.4 million was contributed from the provision of technical support to Ministry of Home Affairs and the maintenance of Indonesia's current national identity system.

Subcontractor costs and direct costs

These represent the costs related to abovementioned projects and these costs amounted to approximately \$13.2 million in FY2023 as compared to only \$6.8 million in FY2022. These direct costs include technical services fee, back-end support fees, and cost of acquiring servers, software, licenses and equipment.

For 2H2023, the direct costs amounting to \$0.3 million were related to technical support and maintenance of national identity system as both projects related to supply of biometric identification systems were completed in 1H2023.

Employee benefits expenses – Project / Administrative

These represent the total staff costs incurred during the year. Employee benefit expenses for project staff were approximately \$1.0 million while employee benefit expenses for administrative staff were \$4.0 million for FY2023, an increase by approximately \$0.6 million and decrease of \$0.6 million respectively for both project and administrative staff.

For 2H2023, employee benefits expenses for project staff and administrative staff were \$0.5 million and \$2.0 million respectively an approximately \$0.1 million increase in project employee benefit expenses and \$0.7 million increase in administrative staff benefit expenses as compared to 2H2022.

The overall increase in employee benefits expenses during FY2023 were mainly due to full year contribution from our India's project employee benefit expenses as opposed to approximately 6 months contribution in FY2022.

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 profit or loss and other comprehensive income (Continued)*****Share-based payment expense***

The share-based payment expense of \$0.7 million represents the fair value of the employee services received in exchange for the grant of options is recognized as an expense in profit or loss with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognized over the vesting period is determined by reference to the fair value of the options granted on the date of the grant.

Depreciation and amortisation expenses

The depreciation of property plant and equipment and amortisation of intangibles are relatively consistent as compared to FY2022 with a slight increase from \$5.5 million to \$6.0 million. The increase was mainly due to renovation cost for shifting of new corporate office.

The amortisation of intangibles mainly resulted from the acquisition of InterBIO and GenesisPro, amounting to \$4.9 million for FY2023. The amortisation relates to technology and customer relationships attributed to InterBIO of approximately \$4.2 million and to GenesisPro of approximately \$0.7 million.

For 2H2023, depreciation and amortisation expenses are relatively consistent as compared to 2H2022 with approximately \$3.0 million for both periods.

Legal and professional fees expenses

Legal and professional fees which were mainly incurred by the Company and paid to professional firms decreased to \$3.5 million in FY2023 from \$4.7 million in FY2022. These expenses in FY2023 were mainly incurred for the acquisition of the remaining 49% interest in InterBio, as opposed to FY2022 with more corporate activities which includes legal and professional fees paid for disposal of the Telecommunication business units, investment in TECH5, GenesisPro, and PT. Cakrawala Data Integrasi.

Other general and administrative expenses

Other expenses incurred were approximately \$3.0 million for FY2023 as compared to \$1.7 million for FY2022. This was mainly due to the increase in operating costs after the business expansion of the Company, where these are incurred mainly by holding company at approximately \$1.1 million, PTIBI of \$1.0 million, and TOTM Tech SG Pte. Ltd. ("TTS") of \$0.5 million and TOTM Tech India Private Limited ("TTI") of \$0.1 million. These expenses include traveling and accommodations, meals and entertainment, marketing events, and office expenses.

Interest expenses

Interest expenses comprise mainly of the interest component on the adoption of SFRS(I) 16 Leases throughout the Group.

Taxation

Income tax credit comprised mainly from current tax expenses of \$0.3 million, and deferred tax credit of \$0.8 million in FY2023.

Discontinued operations

The discontinued operations relate to telecommunication business disposed in FY2022 with approximately \$0.5 million of profit and partially offset with the gain on disposal of investments in subsidiaries at approximately \$3.6 million in FY2022.

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 decrease in non-current assets by approximately \$5.0 million to \$59.4 million as at 31 May 2023 from \$64.4 million as at 31 May 2022 was mainly due to amortisation recognised on intangible assets of \$4.9 million, depreciation of \$1.1 million and share of losses of investment in associate \$0.5 million. These are partially offset with additions of property, plant and equipment of \$0.5 million, additions of intangibles of \$0.2 million and movements in financial asset at fair value through profit and loss.

At the Company level, non-current assets increased to \$112.6 million as at 31 May 2023 from \$57.9 million as at 31 May 2022 mainly due to the increase of investment of subsidiaries, relating to the acquisition of remaining 49% interest in InterBIO.

Current assets

Current assets increased by approximately \$4.6 million to \$16.0 million as at 31 May 2023 from \$11.4 million as at 31 May 2022.

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed, for those relating to the Digital Identity business, contract assets had increased by \$1.3 million to \$3.8 million as at 31 May 2023 from \$2.5 million as at 31 May 2022. These increases were mainly due to services rendered but not billed during the year.

Trade and other receivables decreased by \$1.3 million to \$2.6 million as at 31 May 2023 from \$3.9 million as at 31 May 2022, mainly resulting from the collections from customer during the financial year.

Cash and bank balances increased by \$4.7 million to \$9.6 million as at 31 May 2023 from \$4.9 million as at 31 May 2022, mainly due cash raised from share subscription offset by net working capital used by the Group.

Non-current liabilities

Non-current liabilities decreased by approximately \$0.7 million to \$4.6 million as at 31 May 2023 from \$5.3 million as at 31 May 2022, mainly due to the reversal of deferred tax liabilities.

Current liabilities

Current liabilities slightly increased by approximately \$0.1 million to \$2.2 million as at 31 May 2023 from \$2.1 million as at 31 May 2022 mainly due to corporate income tax provision.

Equity attributable to owners of the Company

Slight increase in total equity was mainly due to issuance of new ordinary shares which resulted in an increase in the share capital, which was partially offset by an increase in accumulated losses and other reserves recognised during the year, arising from the acquisition of remaining 49% interest in InterBIO.

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 FY2023, net cash flows used in operating activities amounted to approximately \$5.6 million. This included mainly from operating cash outflows before changes in working capital of \$5.3 million, outflow in contract asset of \$1.4 million, which were offset by an increase trade and other receivables of \$1.3 million.

Net cash flows used in investing activities of \$0.7 million was mainly due to purchases of property plant and equipment and intangibles relates to software during the year.

Net cash flows generated from financing activities amounted to approximately \$10.9 million, mainly due to net proceeds from issuance of new ordinary shares by way of a placement exercise amounting to \$12.2 million, which were offset by the share issue expenses and repayment of lease liabilities and interest.

As a result of the above, there was a net increase of approximately \$4.6 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.**Driven by Purpose as the World's Digital ID Enabler**

At TOTM Technologies, our mission is to provide identity solutions that can be implemented quickly & easily, empowering citizens to interact securely in the digital world.

As we move forward in 2023 and beyond, we will be focused on building on the Strategic Teaming Agreement with Presight.AI Ltd, with the aim of delivering and developing proprietary technologies to customers in the Middle East, Africa and South East Asia. The Group had, in May, participated in an exhibition showing at the event ID4Africa in Nairobi Kenya. At the event, TOTM Technologies held open dialogues to share with the African delegates our vision and solutions for sovereign ID on the continent.

Global Solutions for Global Markets

With Bryan Glancey joining as CTO in March 2023, TOTM Technologies has embarked on a strategic innovation and R&D blueprint as we further transform for the implementation of our own intellectual property (IP).

The work Bryan and his team have embarked on would be foundational to our company's core product suite and central to our business strategy for the long-term. This includes engineering a new architecture that encompasses the core ABIS and an Identity (ID) platform that will be MOSIP-compliant and built to accommodate modern needs.

With these fully developed, TOTM will be strongly placed to solve challenges that the public and private sectors face with citizen services. Our next generation platform will also be able to expand beyond digital identity and address verifiable credentials which is closely tied to identity.

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)**

A Vibrant Technology Partnership Ecosystem

We are proud to announce the filing of a TOTM Technologies' own patent for the second generation, secure biometric cryptograph, and the impending release of TOTM Technologies-branded NIST-listed and certified biometric algorithms. This is the start of multiple initiatives we are looking at. Others will include the areas of Artificial intelligence (AI) and machine learning (ML).

As we continue to build out our platform, the Company recognises the importance of being able to support connectivity to 3rd party systems and collaborate with best in class technology vendors.

We continue to invest resources to ensure that we deliver the best experience for our customers. From exploring new biometric modalities such as palm vein and voice to optimizing our internal systems with new encryption and security standards. Our aim is always to be at the forefront of market and technological developments.

Market Opportunities & Increasing Demand

Apart from Africa we are focused on Asia Pacific market opportunities. Emerging markets in Asia Pacific, including Japan, Vietnam, Thailand and the Philippines are markets we have researched and established local partnerships with to ensure that we can cover the market effectively.

Reaching New Heights in Our Core Market – Indonesia

PTIBI continues to deliver technical support to Indonesia's Ministry of Home Affairs, where work to maintain Indonesia's biometric national identity system continues.

PTIBI also provides software and licenses to cater for the seamless, continuous enrolment of its national ID database following the burgeoning growth of Indonesia's population.

PTIBI is actively participating and closely monitoring the progress of the Ministry of Home Affairs' efforts in Digital Transformation as they seek to reinforce Population and Civil Registration processes and for the Introduction of the next level of Indonesia's National ID: a Sovereign Digital Identity for all Indonesians.

Aside from delivering critical support to the Ministry of Home Affairs, PTIBI continues to provide biometric identification and surveillance systems technology to the Indonesian law enforcement agency.

Positioned for Growth

Looking ahead, TOTM is focused on driving stability and making the right investments to ensure we are well-positioned for future growth. With innovation and R&D at the forefront, our sales and marketing efforts to further increase our pipeline remain our priorities as we continue to invest in strategic partnerships, our technology, deployment capabilities, and people.

TOTM TECHNOLOGIES LIMITED

Other information required by Catalist Rule Appendix 7C

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 for the six months and full year ended 31 May 2023 as the Group is loss making.

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	\$606,000 ⁽¹⁾	-

Note (1): In the period under review, the Group entered into transactions with PT International Biometrics Indonesia ("PT IBI") and wholly owned subsidiary, TOTM Tech India Private Limited has provided design and support work with respect to biometrics services on behalf of and as instructed by PT IBI amounting to \$606,000. Mr Pierre Prunier, Chief Executive Officer and Executive Director of the Group, as at 30 November 2022 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. The Group had, on 10 January 2023 announced the completion of acquisition of the remaining 49.0% of InterBIO. Following completion of the remaining 49.0% of InterBIO, InterBIO will be a wholly-owned subsidiary of the Company and Mr Pierre Prunier has ceased to have any interest in InterBIO.

8 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.

9 Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to 704(10) of the Listing Manual Section B: Rule of Catalyst of the Singapore Exchange Securities Trading Limited, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

10 Disclosures pursuant to Rule 706A of the Catalyst Rules

Please refer to the Company's announcement dated 17 October 2022 and circular dated 29 November 2022, in relation to the proposed acquisition of the remaining 49.0% shareholding in the total ordinary share capital of InterBIO for an aggregate purchase consideration of up to US\$46,060,000 (equivalent to S\$65,865,800) to be satisfied via the allotment and issue of up to 470,470,000 new ordinary shares in the capital of the Company (the "Shares") at the fixed issue price of S\$0.14 per such Share (the "Proposed Acquisition"). Shareholders' approval on the Proposed Acquisition has been obtained pursuant to the EGM held on 14 December 2022. The Proposed Acquisition has been completed on 10 January 2023. Following the completion of the Proposed Acquisition, InterBIO has become a wholly owned subsidiary of the Company.

Other information required by Catalyst Rule Appendix 7C

11 Update on use of proceeds from placements

Please refer to the Company's announcement on 5 July 2023 in relation to the reallocation of use of proceeds from share subscription exercises. As at the date of this announcement, remaining net proceeds and the intended use of net proceeds from the Subscription and Placement Exercises are as follows:

	November 2022 Placement
Net proceeds allocated for working capital	7,888
Net proceeds utilised for working capital	(1,295)
Net proceeds remaining for working capital as at the date of this announcement after the Reallocation	6,593

A breakdown of the net proceeds from the November 2022 Placement Exercise that were utilised for working capital since 30 June 2022 to the date of this announcement is as follows:

Summary of expenses:	Working capital (S\$'000)
Staff costs and director fees	453
Finance cost or bank charges	6
Professional fees	199
Administrative expenses	420
Capital expenditure on office renovation	217
Total	1,295

The Company will continue to make periodic announcements on the utilisation of the net proceeds from the November 2022 Placement Exercise as and when funds are materially disbursed.

BY ORDER OF THE BOARD

 Prunier Pierre Olivier Marc Yves
 Chief Executive Officer and Executive Director

Singapore
 27 July 2023