

ACQUISITION OF REMAINING 30.0% SHARES OF GENESISPRO PTE. LTD.

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Totm Technologies Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcements dated 5 July 2021, 7 July 2021, 4 September 2021, 12 September 2021 and 27 September 2021 in relation to, *inter alia*, the entry into a subscription agreement for the subscription of 7,000 shares in GenesisPro Pte. Ltd. (“**GenesisPro**”), and wishes to announce that the Company has executed a share sale agreement (“**SSA**”) with Roland Trimmel and Adam Hegedüs (collectively, the “**Vendors**”), to acquire a further 30.0% of the issued shares (“**Sale Shares**”) of GenesisPro from the Vendors (the “**Acquisition**”). Following the completion of the Acquisition, GenesisPro will be a wholly-owned subsidiary of the Company.

2. BACKGROUND AND RATIONALE FOR THE ACQUISITION

GenesisPro was incorporated on 25 August 2021 and has an issued and paid-up share capital of S\$10,000 comprising 10,000 shares. The Company had, in September 2021, subscribed for 70.0% of GenesisPro with the Vendors holding the remaining 30.0% Sale Shares in equal proportions.

GenesisPro was intended to undertake the provision of information technology and computer service activities, development and sale of identity management technologies, information technology consultancy, consulting and research and development.

Since 2021, the business of GenesisPro has yet to gain traction in the manner envisioned by the Company, and the Acquisition is to allow the Company to have complete discretion on GenesisPro’s strategic direction and development in a timely manner, as well as have full control of the intellectual property held by GenesisPro.

Based on the audited financial statements of GenesisPro for the financial year ended 31 May 2023 (“**FY2023**”), the net loss of GenesisPro was €0.4 million (approximately S\$0.8 million) and the net asset of GenesisPro as at 31 May 2023 was €0.5 million (approximately S\$1.0 million).

3. INFORMATION ON THE VENDORS

The Vendors were part of the key management identified by the Company to undertake the business of GenesisPro. They are not related to the Company’s Directors, CEO, Controlling Shareholders or their associates.

4. TERMS OF THE ACQUISITION

The material terms of the Acquisition are:

- (a) The consideration payable by the Company for the Sale Shares is S\$1.00 to each Vendor (“**Cash Consideration**”);
- (b) Concurrent with the execution of the SSA, the Company shall execute a debt settlement agreement with GenesisPro to waive repayment of a convertible loan previously extended of €600,000 plus interest accrued totalling €36,000 (“**Debt Settlement Sum**”); and
- (c) Completion of the transfer of the Sale Shares is to take place on 31 May 2024.

The Consideration will be fully satisfied in cash, was negotiated on an arm's length basis between the the Company and the Vendors, having taken into account, *inter alia*, continued losses suffered by GenesisPro since FY2021, the net asset of GenesisPro as at 31 May 2023 amounting to €0.5 million (approximately S\$1.0 million) and the intellectual property held by GenesisPro. No independent valuation was commissioned in respect of the Acquisition.

5. RELATIVE FIGURES

The relative figures for the Acquisition computed on the bases set out in Rule 1006 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (“**Catalist Rules**”) based on the latest announced unaudited financial statements of the Group for the half year ended 30 November 2023 (“**HY2023**”) and the management accounts of GenesisPro for HY2023:

Rule 1006 (a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable
Rule 1006 (b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits	1.64% ⁽¹⁾
Rule 1006 (c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares and returned shares	4.34% ⁽²⁾⁽³⁾
Rule 1006 (d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable
Rule 1006 (e)	The aggregate volume or amount of proven and probable reserves to be disposed of compared with the aggregate of the group's proven and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets	Not applicable

Notes:

- (1) Based on the Company's unaudited consolidated loss before income tax and non-controlling interests for HY2023 amounting to S\$5,473,000 and the loss before tax of GenesisPro amounting to €205,000 (approximately S\$300,000).
- (2) The total consideration with respect to the Acquisition includes the Debt Settlement Sum totaling €636,000 (approximately S\$932,000) and the Cash Consideration of S\$2.00.
- (3) Based on the Company's market capitalisation of S\$21,456,000 which was computed based on the weighted average price of S\$0.016 and 1,340,990,616 shares in issue as at 30 May 2024 (being the last market day where the Company's shares were traded, preceding the date of the Acquisition).

As the relative figures do not exceed 5.0%, the Acquisition constitutes a non-discloseable transaction under Chapter 10 of the Catalist Rules. Notwithstanding, the Company is making an announcement pursuant to Rule 706A of the Catalist Rules.

6. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTION

The Acquisition is not expected to have any material impact on the net tangible assets per share or loss per share of the Group for the current financial year ending 31 May 2024.

7. SERVICE CONTRACT

There are no directors proposed to be appointed to the Company in connection with the Acquisition.

8. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition, other than through their respective shareholdings (if any) in the Company.

9. DOCUMENTS FOR INSPECTION

Copies of the SSA and the debt settlement agreement are available for inspection at the registered office of the Company at 47 Scotts Road #02-03/04 Goldbell Towers Singapore 228233 during normal business hours for three months from the date of this announcement.

BY ORDER OF THE BOARD

Mr. Pierre Prunier
Chief Executive Officer and Executive Director
31 May 2024

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.