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 AND FULL YEAR ENDED 31 MAY 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.*

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Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	The Group					
		6 months ended 31 May 2022 $'000	6 months ended 31 May 2021 $'000	Change %	12 months ended 31 May 2022 $'000	12 months ended 31 May 2021 $'000	Change %
Continuing operations						(Restated)	
Revenue	4	3,133	1,016	>100	11,127	1,016	>100
Other income		143	502	(71.5)	229	521	(56.0)
Subcontractor costs and direct costs		(1,403)	(122)	>100	(6,810)	(122)	>100
Employee benefits expenses – Project related		(396)	(26)	>100	(463)	(26)	>100
Employee benefits expenses – Administrative		(2,760)	(1,185)	>100	(4,566)	(1,515)	>100
Depreciation and amortisation expenses		(3,012)	(857)	>100	(5,493)	(857)	>100
Legal and professional expenses		(2,002)	(3,608)	(44.5)	(4,726)	(4,059)	16.4
Other expenses		(1,046)	(268)	>100	(1,728)	(322)	>100
Finance costs		(104)	(115)	(9.6)	(181)	(134)	35.1
Share of losses of equity-accounted investees (net of tax)		(913)	-	n.m	(913)	-	n.m
Loss before tax	6	(8,360)	(4,663)	79.3	(13,524)	(5,498)	>100
Income tax credit	7	546	22	>100	707	22	>100
Loss for the period/year from continuing operations, net of tax		(7,814)	(4,641)	68.4	(12,817)	(5,476)	>100
Discontinued operations							
Profit/(Loss) for the period/year from discontinued operations, net of tax	6.3	1,185	(1,784)	n.m	495	(2,931)	n.m
Loss for the period/year		(6,629)	(6,425)	3.2	(12,322)	(8,407)	46.6

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Condensed interim consolidated statement of profit or loss and other comprehensive income (Continued)

		The Group					
	Note	6 months ended 31 May 2022 $'000	6 months ended 31 May 2021 $'000	Change %	12 months ended 31 May 2022 $'000	12 months ended 31 May 2021 $'000	Change %
Other comprehensive income:							
Items that are or may be reclassified to profit or loss							
Currency translation differences arising on consolidation		(63)	3	n.m	39	3	>100
Items that will not be reclassified subsequently to profit or loss							
Currency translation differences arising on consolidation from non-controlling interests		(69)	4	n.m	43	4	>100
Actuarial loss on measurement of post-employment benefit plan, net of tax		21	(4)	n.m	21	(4)	n.m
Other comprehensive income for the period/year, net of tax		(111)	3	n.m	103	3	>100
Total comprehensive loss for the period/year		(7,925)	(4,638)	70.9	(12,714)	(5,473)	132.3
Loss for the period/year attributable to:							
Equity holders of the Company		(5,247)	(6,334)	(17.2)	(10,539)	(8,316)	26.7
Non-controlling interests		(1,382)	(91)	>100	(1,783)	(91)	>100
		(6,629)	(6,425)	3.2	(12,322)	(8,407)	46.6
Loss for the period/year attributable to equity holders of the Company							
Loss from continuing operations		(6,432)	(4,550)	41.4	(11,034)	(5,385)	>100
Profit/(loss) from discontinued operations		1,185	(1,784)	n.m	495	(2,931)	n.m
		(5,247)	(6,334)	(17.2)	(10,539)	(8,316)	26.7
Total comprehensive loss for the period/year attributable to:							
Equity holders of the Company		(6,485)	(4,549)	42.6	(10,984)	(5,384)	>100
Non-controlling interests		(1,440)	(89)	>100	(1,730)	(89)	>100
		(7,925)	(4,638)	70.9	(12,714)	(5,473)	>100

n.m = not meaningful

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Condensed interim consolidated statement of profit or loss and other comprehensive income (Continued)

	Note	The Group					
		6 months ended 31 May 2022 $'000	6 months ended 31 May 2021 $'000	Change %	12 months ended 31 May 2022 $'000	12 months ended 31 May 2021 $'000	Change %
Loss per share for loss attributable to equity holders of the Company							
From continuing and discontinued operations							
Basic and diluted (cents per share)		(0.62)	(1.34)	(53.7)	(1.26)	(2.58)	(51.2)
From continuing operations							
Basic and diluted (cents per share)		(0.76)	(0.96)	(20.8)	(1.32)	(1.67)	(21.0)
From discontinued operations							
Basic and diluted (cents per share)		0.14	(0.38)	(136.8)	0.06	(0.91)	(106.6)

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

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Condensed interim statements of financial position

	Note	The Group 31 May 2022 $'000	The Group 31 May 2021 $'000	The Company 31 May 2022 $'000	The Company 31 May 2021 $'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	2,652	2,137	1,535	1,328
Intangible assets	11	42,373	43,208	4	–
Investment in subsidiaries		–	–	35,267	33,957
Investment in associate	13	13,757	–	14,670	–
Financial asset at fair value through profit and loss	9	5,506	4,208	5,506	4,208
Amount due from a subsidiary	10	–	–	883	–
Deferred tax assets		67	37	–	–
Trade and other receivables		–	496	–	–
Total non-current assets		64,355	50,086	57,865	39,493
Current assets					
Inventories		–	641	–	–
Contract assets		2,496	9,611	–	–
Amounts due from subsidiaries		–	–	614	570
Trade and other receivables		3,941	1,739	323	209
Cash and cash equivalents		4,939	12,656	4,156	12,220
Total current assets		11,376	24,647	5,093	12,999
Total assets		75,731	74,733	62,958	52,492
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	15	90,225	63,003	90,225	63,003
Other reserves		43	(8,388)	–	–
Accumulated losses		(32,992)	(13,983)	(29,374)	(22,866)
Equity attributable to equity holders of the Company		57,276	40,632	60,851	40,137
Non-controlling interest		11,083	11,853	–	–
Total equity		68,359	52,485	60,851	40,137

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

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Condensed interim statements of financial position (Continued)

		The Group		The Company	
		31 May 2022	31 May 2021	31 May 2022	31 May 2021
	Note	$'000	$'000	$'000	$'000
Non-current liabilities					
Lease liabilities		1,155	1,407	963	1,060
Employee benefit liabilities		268	397	–	–
Deferred tax liabilities		3,866	4,590	–	–
Total non-current liabilities		5,289	6,394	963	1,060
Current liabilities					
Contract liabilities		15	179	–	–
Trade and other payables		1,320	11,342	502	8,026
Borrowings	14	–	3,714	–	2,903
Lease liabilities		748	619	642	366
Total current liabilities		2,083	15,854	1,144	11,295
Total liabilities		7,372	22,248	2,107	12,355
Total equity and liabilities		75,731	74,733	62,958	52,492

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

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Condensed interim statements of changes in equity
For the financial year ended 31 May 2022

	Attributable to equity holders of the Company					
	Share capital (Note 15) $'000	Other reserves $'000	Accumulated losses $'000	Total $'000	Non-controlling interests $'000	Total equity $'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	–	39	–	39	43	82
Disposal of subsidiaries	–	(60)	–	(60)	–	(60)
Actuarial loss on measurement of post- employment benefit plan, net of tax	–	–	11	11	10	21
Total comprehensive loss for the period	–	(21)	(10,528)	(10,549)	(1,730)	(12,279)
Issue of ordinary shares	26,325	–	–	26,325	–	26,325
Shares issue expense	(862)	–	–	(862)	–	(862)
Acquisition of 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.

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TOTM TECHNOLOGIES LIMITED

Condensed interim statements of changes in equity (Continued)
For the financial year ended 31 May 2022

	Attributable to equity holders of the Company					
	Share capital (Note 15) $'000	Other reserves $'000	Accumulated losses $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
The Group						
Balance at 1.6.2020	14,542	(8,468)	(5,665)	409	–	409
Loss for the year	–	–	(8,316)	(8,316)	(91)	(8,407)
Other comprehensive loss:						
Currency translation differences arising on consolidation	–	(20)	–	(20)	4	(16)
Actuarial loss on measurement of post- employment benefit plan, net of tax	–	–	(2)	(2)	(2)	(4)
Total comprehensive loss for the period	–	(20)	(8,318)	(8,338)	(89)	(8,427)
Issue of ordinary shares	50,108	–	–	50,108	–	50,108
Share issue expenses	(1,647)	–	–	(1,647)	–	(1,647)
Acquisition of a subsidiary	–	–	–	–	11,942	11,942
Disposal of subsidiaries	–	100	–	100	–	100
Balance at 31.5.2021	63,003	(8,388)	(13,983)	40,632	11,853	52,485

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

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Condensed interim statements of changes in equity (continued)
For the financial year ended 31 May 2022

	Share capital (Note 15) $'000	Accumulated losses $'000	Total equity $'000
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
Acquisition of a subsidiary	1,759	–	1,759
Shares issue expenses	(862)	–	(862)
Balance at 31.5.2022	90,225	(29,374)	60,851

	Share capital (Note 15) $'000	Accumulated losses $'000	Total equity $'000
The Company			
Balance at 1.6.2020	14,542	(13,218)	1,324
Loss and total comprehensive loss for the year	–	(9,648)	(9,648)
Issue of ordinary shares	50,108	–	50,108
Shares issue expenses	(1,647)	–	(1,647)
Balance at 31.5.2021	63,003	(22,866)	40,137

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

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Condensed interim consolidated statement of cash flows
For the financial year ended 31 May 2022

	The Group 12 months ended	
	31 May 2022 $'000	**31 May 2021 $'000**
Cash flows from operating activities		
Loss before tax from continuing operations	(13,524)	(5,498)
Profit/(Loss) before tax from discontinued operations	495	(2,835)
Adjustments for:		
Depreciation and amortisation expenses	5,650	1,601
Allowance/(reversal) for expected credit loss of financial and contract assets	1,198	(1)
Contract assets written off	–	1,746
Impairment loss on property, plant and equipment	110	159
Gain on disposal of subsidiaries	(3,518)	(1,355)
Fair value gain on financial assets at fair value through profit and loss	–	(459)
Loss on disposal of property, plant and equipment	–	7
Loss on foreign exchange	155	43
Defined benefits plans	112	65
Reversal of retirement benefit obligations	–	(34)
Rent concession from lessor	–	(35)
Interest expenses	256	180
Interest income		(2)
Transaction cost on acquisition of a subsidiary	–	2,516
Share of loss of equity accounted investees	913	–
Operating cash flows before movements in working capital	(8,153)	(3,902)
Changes in working capital:		
Inventories	209	447
Contract assets	5,605	(533)
Trade and other receivables	(4,712)	2,780
Contract liabilities	(164)	(226)
Trade and other payables	(7,074)	(359)
Cash used in operations	(14,289)	(1,793)
Interest received	–	2
Income tax paid	(179)	(169)
Net cash used in from operating activities	(14,468)	(1,960)

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

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Condensed interim consolidated statement of cash flows (Continued)
For the financial year ended 31 May 2022

	The Group	
	12 months ended	
	31 May 2022	31 May 2021
	$'000	$'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(829)	(51)
Purchase of intangible assets	(13)	–
Acquisition of a subsidiary, net of cash acquired	(877)	(6,607)
Transaction cost paid on acquisition of a subsidiary	–	(2,111)
Disposal of subsidiaries, net of cash disposed	(368)	(6)
Pledged bank deposits	100	–
Purchase of financial assets at fair value through profit or loss	(5,158)	(3,749)
Acquisition of investment in associate	(10,832)	–
Net cash used in investing activities	(17,977)	(12,524)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	26,325	29,402
Shares issue expenses	(862)	(1,647)
Proceeds from borrowings	1,079	2,617
Proceeds from former shareholder's loan	–	248
Repayment of shareholder/ former shareholder's loan	(279)	(342)
Repayment of lease liabilities	(826)	(485)
Repayment of borrowings	(470)	(2,921)
Repayment of factoring	–	(102)
Interest paid	(139)	(54)
Net cash generated from financing activities	24,828	26,716
Net (decrease)/increase in cash and cash equivalents	(7,617)	12,232
Cash and cash equivalents at beginning of period	12,556	326
Effect of exchange rate fluctuation on cash and cash equivalents	–	(2)
Cash and cash equivalents at end of period	4,939	12,556
Cash and equivalent comprised of the following:		
Cash and bank balances	4,939	12,656
Less: Pledged bank deposits	–	(100)
Cash and cash equivalent	4,939	12,556

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

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 and full year ended 31 May 2022 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 2022 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 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 ("**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 2021. 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 2021. 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.

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 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.

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.

2.3 Key sources of estimation uncertainty (Continued)

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.

4 Segment and revenue information

The Group disposed of its telecommunications business in Singapore and Thailand during the financial year. The disposal was completed on 8 April 2022. For the previous financial year ended 31 May 2021, the Group has presented the financial information for the telecommunications business based on geographical segments, mainly Singapore, Thailand, Philippines, and Malaysia. The disposal of the Group's telecommunications business in Philippines and Malaysia was completed on 29 January 2021.

The biometrics business is presented based on geographical segments, mainly Singapore, Indonesia, India and United States of America. As at 31 May 2022, the entity incorporated in United States in respect of the biometrics 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 performances 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.

4.1 Reportable segment

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

	Continuing operations				Discontinued operations			
	Singapore	Indonesia	India	USA	Singapore	Thailand	Adjustments and eliminations	Group
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 lossess of equity-accounted investees (net of tax)								(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 includes								
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

4.1 Reportable segment (Continued)

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

	Continuing operations				Discontinued operations			
	Singapore	Indonesia	India	USA	Singapore	Thailand	Adjustments and eliminations	Group
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 lossess of equity-accounted investees (net of tax)								(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 includes								
Additions to non-current assets	1,158	993	89	–	–	–	–	2,240
Liabilities								
Segment liabilities	3,990	1,137	171	46	–	–	2,028	7,372

4.1 Reportable segment (Continued)

	Continuing operations		Discontinued operations					
	Singapore	Indonesia	Singapore	Thailand	Philippines	Malaysia	Adjustments and eliminations	Group
From 1 June 2020 to 31 May 2021	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Total segment revenue	–	1,016	2,014	3,042	287	–	–	6,359
Intersegment revenue	–	–	–	–	–	–	–	–
Total revenue from external parties	–	1,016	2,014	3,042	287	–	–	6,359
Operating (loss)/profit	(9,547)	485	(2,039)	(375)	(1,834)	(10)	5,165	(8,155)
Interest income	87	–	–	–	1	–	(86)	2
Finance costs	(132)	(2)	(98)	(33)	(2)	–	87	(180)
(Loss)/profit before tax	(9,592)	483	(2,137)	(408)	(1,835)	(10)	5,166	(8,333)
Income tax expense								(74)
Loss for the year								(8,407)
Other significant non-cash items								
Depreciation and amortisation expenses	141	33	591	29	40	–	767	1,601
(Reversal)/allowance for expected credit loss of financial and contract assets	4,368	–	(1)	–	–	–	(4,368)	(1)
Contract assets written off	–	–	372	–	1,374	–	–	1,746
Impairment loss on property, plant and equipment	–	–	159	–	–	–	–	159
Gain on disposal of subsidiaries	–	–	–	–	1,353	2	–	1,355
Fair value gain on financial assets at fair value through profit and loss	459	–	–	–	–	–	–	459
Assets								
Segment assets	52,748	7,181	3,622	3,402	–	–	7,780	74,733
Segment assets includes								
Additions to non-current assets	1,468	470	206	10	–	–	43,903	46,057
Liabilities								
Segment liabilities	12,649	733	6,640	1,748	–	–	478	22,248

4.1 Reportable segment (Continued)

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

	Continuing operations		Discontinued operations					
	Singapore	Indonesia	Singapore	Thailand	Philippines	Malaysia	Adjustments and eliminations	Group
From 1 December 2020 to 31 May 2021	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Total segment revenue	–	1,016	627	1,643	209	–	–	3,495
Intersegment revenue	–	–	–	–	–	–	–	–
Total revenue from external parties	–	1,016	627	1,643	209	–	–	3,495
Operating (loss)/profit	(8,476)	485	(1,799)	(123)	(1,275)	–	4,978	(6,210)
Interest income	62	–	–	–	1	–	(61)	2
Finance costs	(113)	(2)	(71)	(17)	(2)	–	62	(143)
(Loss)/profit before tax	(8,527)	483	(1,870)	(140)	(1,276)	–	4,979	(6,351)
Income tax expense								(74)
Loss for the year								(6,425)
Other significant non-cash items								
Depreciation and amortisation expenses	141	33	415	13	30	–	596	1,228
(Reversal)/allowance for expected credit loss of financial and contract assets	4,368	–	(1)	–	–	–	(4,368)	(1)
Contract assets written off	–	–	372	–	1,374	–	–	1,746
Impairment loss on property, plant and equipment	–	–	159	–	–	–	–	159
Gain on disposal of subsidiaries	–	–	–	–	1,353	2	–	1,355
Fair value gain on financial assets at fair value through profit and loss	459	–	–	–	–	–	–	459
Assets								
Segment assets	52,748	7,181	3,622	3,402	–	–	7,780	74,733
Segment assets includes								
Additions to non-current assets	1,468	470	194	10	–	–	43,903	46,045
Liabilities								
Segment liabilities	12,649	733	6,640	1,748	–	–	478	22,248

4.2 Disaggregation of revenue

	The Group			
	6 months ended 31 May 2022 $'000	6 months ended 31 May 2021 $'000	12 months ended 31 May 2022 $'000	12 months ended 31 May 2021 $'000
Primary geographical market				
Singapore	–	–	4,915	–
Indonesia	3,133	1,016	6,212	1,016
	3,133	1,016	11,127	1,016
Major service lines				
Biometrics business	3,133	1,016	11,127	1,016
Timing of revenue recognition				
Over time	3,133	1,016	11,127	1,016

A breakdown of sales as follows:

	Group		
	For the year ended 2022 $'000	For the year ended 2021 $'000	Increase/ (Decrease) %
Sales reported for first half year	9,848	2,864	243.9
Operating loss after tax before deducting non-controlling interests reported for first half year	(5,693)	(1,982)	187.2
Sales reported for second half year	3,133	3,495	(10.4)
Operating loss after tax before deducting non-controlling interests reported for second half year	(6,629)	(6,425)	3.2

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 2022 and 31 May 2021:

	Group		Company	
	31 May 2022 $'000	31 May 2021 $'000	31 May 2022 $'000	31 May 2021 $'000
Financial assets				
Financial assets at fair value through profit or loss	5,506	4,208	5,506	4,208
Financial assets at amortised cost	7,388	13,890	5,894	12,944
	12,894	18,098	11,400	17,152
Financial liabilities				
Financial liabilities at amortised cost	3,172	16,708	2,105	12,326

6 Loss before taxation

6.1 Significant items

	The Group			
	6 months ended 31 May 2022 $'000	6 months ended 31 May 2021 $'000	12 months ended 31 May 2022 $'000	12 months ended 31 May 2021 $'000
Income includes:				
Government grants	120	25	205	25
Interest income	–	1	–	1
Fair value gain on financial assets through profit or loss	–	459	–	459
Others	24	23	24	36
Expenses includes:				
Amortisation of intangible assets (Note 11)	2,535	695	4,620	695
Depreciation of property, plant and equipment	477	162	873	162
Foreign exchange (gain)/ loss, net	44	(4)	104	(10)
Loss on disposal of property, plant and equipment	2	7	–	7
Operating lease expense - short-term leases	60	37	58	37

6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the interim financial statements.

6.3 Discontinued operations

During the the second half of financial year 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**") (second half of financial year 2021: 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 YTS and YTT in financial year 2022, (2021: YTS, YTT, 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". 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 31 May 2022 $'000	**6 months ended 31 May 2021 $'000**	**12 months ended 31 May 2022 $'000**	**12 months ended 31 May 2021 $'000**
Revenue	–	2,479	1,854	5,343
Other income	237	383	174	681
Gain on disposal of subsidiaries	3,518	1,355	3,518	1,355
Changes in inventories, materials consumed and subcontractor costs	(1,372)	(409)	(1,506)	(1,606)
Employee benefits expenses – Project related	–	(2,245)	(1,091)	(3,612)
Employee benefits expenses – Administrative	–	(689)	(343)	(1,299)
(Allowance)/reversal for expected credit loss of financial and contract assets	(1,198)	1	(1,198)	1
Contract assets written off	–	(1,746)	–	(1,746)
Depreciation and amortisation expenses	–	(371)	(157)	(744)
Legal and professional expenses	–	(36)	(60)	(157)
Other expenses	–	(382)	(621)	(1,005)
Finance costs	–	(28)	(75)	(46)
Profit/(loss) before tax	1,185	(1,688)	495	(2,835)
Income tax expense	–	(96)	–	(96)
Profit/(loss) for the year from discontinued operations, net of tax	1,185	(1,784)	495	(2,931)
Other comprehensive income:				
Items that are or may be reclassified to profit or loss				
Currency translation differences arising on consolidation	–	(85)	(60)	(23)
	1,185	(1,869)	435	(2,954)

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 31 May 2022 $'000	**6 months ended 31 May 2021 $'000**	**12 months ended 31 May 2022 $'000**	**12 months ended 31 May 2021 $'000**
Income includes:				
Loss for the period attributable to equity holders of the Company ($'000)	(6,432)	(4,550)	(11,034)	(5,385)
Weighted average number of ordinary shares outstanding for basic and diluted loss per share ('000)	849,304	472,639	834,168	322,255
Basic and diluted loss per share (cents per share)	(0.76)	(0.96)	(1.32)	(1.67)

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:

	The Group			
	6 months ended 31 May 2022 $'000	**6 months ended 31 May 2021 $'000**	**12 months ended 31 May 2022 $'000**	**12 months ended 31 May 2021 $'000**
Current tax:				
- current year	84	(121)	(172)	(121)
Deferred tax:				
- current year	462	143	879	143
	546	22	707	22

8 Net asset value

	The Group		The Company	
	31 May 2022	**31 May 2021**	**31 May 2022**	**31 May 2021**
Net assets ($'000)	68,359	52,485	60,851	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)	8.05	8.11	7.16	6.20

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

	The Group		The Company	
	31 May 2022	**31 May 2021**	**31 May 2022**	**31 May 2021**
	$'000	**$'000**	**$'000**	**$'000**
Investments measured at FVTPL				
Convertible bond investment in Indonesia	5,136	369	5,136	369
Unquoted investment in Indonesia	370	–	370	–
Convertible bond investment in Switzerland	–	3,839	–	3,839
	5,506	4,208	5,506	4,208

Unquoted investment in Indonesia

On 10 May 2021, the Group has entered into a convertible loan arrangement with PT Pattra 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 has 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 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.

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.

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 U$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 U$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 financial year ended 31 May 2022, the subscription and conversion was completed and the Company has been allotted and issued 1,627,900 investment shares at U$4.91 (approximately $6.53) and 578,089 Conversion Shares at U$S4.32 (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.

9.1 Fair value measurement

The Group classifies financial assets measured at fairvalue using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fairvalue 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 2022	**31 May 2021**	**31 May 2022**	**31 May 2021**
	$'000	**$'000**	**$'000**	**$'000**
Financial assets				
Level 3	5,506	4,208	5,506	4,208

10 Amount due from a subsidiary

	The Company	
	31 May 2022	31 May 2021
	$'000	$'000
Amount due from a subsidiary	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 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	Total $'000
The Group					
2022					
Cost					
At 1.6.2021	20,255	2	13,709	18,940	52,906
Acquisition of a subsidiary (Note 16)	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**

11 Intangible assets (Continued)

	Goodwill $'000	Software $'000	Technology $'000	Customer relationships $'000	Total $'000
The Group					
2021					
Cost					
At 1 June 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 May 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 May 2021	–	–	481	9,217	9,698
Net carrying value					
At 31 May 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 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) 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) Yinda Technology Singapore Pte. Ltd. ("**YTS**") and disposed during the year
   ii) Yinda Technology (Thailand) Co., Ltd. ("**YTT**") and disposed during the year
   iii) InterBIO group

12 Property, plant and equipment

During the year ended 31 May 2022, the Group acquired assets amounting to $829,000 (31 May 2021: $51,000) and disposed assets amounting to $Nil (31 May 2021: $Nil).

13 Investment in associate

On 23 March 2022, TECH5 has entered into an investment agreement with the new investors to issue 1,356,221 shares in the capital of TECH5 amounting to U$10 million. Following the completion of the capital increase, the share capital of TECH5 will increase to CHF 135,622.1 represented by 13,562,210 registered shares.

Pursuant to the terms of a shareholders' agreement dated 16 August 2021 entered into between the Company and the founders of TECH5, in the event of an increase in the share capital of TECH5, each shareholder is entitled to subscribe a portion of the newly issued shares in proportion to its then current shareholding in TECH5. The Company has waived its pre-emption rights to subscribe for its pro-rata entitlement of the capital increase of 271,245 shares. Accordingly, the Company's 2,205,989 shareholding in TECH5 will decrease to represent 16.27% of the registered shares in TECH5 following the completion of the capital increase. All existing shareholders of TECH5 have waived their pre-emptive rights in respect of the capital increase.

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.

14 Borrowings

	The Group		The Company	
	31 May 2022 $'000	31 May 2021 $'000	31 May 2022 $'000	31 May 2021 $'000
Amount repayable within one year or on demand				
Secured	–	277	–	–
Unsecured	–	3,437	–	2,903

Detail of collaterals

As at 31 May 2021, the comparative figures of the Group's borrowings comprised:

(i) Unsecured shareholder's loan from Yinda Pte. Ltd. amounting $3,437,000 (the Company $2,903,000) which were settled during the disposal of subsidiaries;

(ii) Government-supported loans, secured by a corporate guarantee provided by the Company amounting $277,000 which were transferred out from the Group with the disposal of subsidiaries.

15 Share Capital

	The Group and the Company			
	Number of shares			
	31 May 2022 '000	31 May 2021 '000	31 May 2022 \$'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	–	–	(862)	(1,647)
At end of financial period	849,304	647,266	90,225	63,003

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 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 31 May 2022 and 31 May 2021.

The Company's subsidiaries do not hold any shares in the Company as at 31 May 2022 and 31 May 2021.

16 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 $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 legal and professional expenses in the condensed interim consolidated statement of profit or loss.

16 Acquisition of subsidiary (Continued)

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
Effect of the acquisition of the subsidiary on cash flows	
Total purchase consideration	2,636
Less: Share consideration	(1,759)
Consideration settled in cash	877
Less: Cash and bank balances of the subsidiary acquired	–
Acquisition of a subsidiary, net of cash acquired	877

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

	29 Sep 2021 $'000
Identifiable assets acquired	
Amount due from shareholders	3
Intangible assets – Technology	2,636
Fair value adjustments on intangibles	740
Trade and other payables	(53)
Deferred tax liabilities	(126)
Fair value of net assets acquired	3,200
Less: Non-controlling interest	(960)
Net identifiable assets acquired	2,240
Goodwill	396
	2,636

17 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 Catalist Rule

Appendix 7C

1 Review

The condensed interim statement of financial position of TOTM Technologies Limited and its subsidiaries as at 31 May 2022 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

The comparative figures for FY2021 are solely relating to 2 months of revenue generated from the Biometrics business following the Group's acquisition of International Biometrics Pte Ltd and its subsidiary, PT International Biometrics Indonesia in April 2021. The financial performance of the Group's Telecommunication business, including those reported in 1H2022, have been restated under the discontinued operation as disclosed in Note 6.3.

Revenue

The Group recorded total revenue of approximately $11.1 million for the full year ended 31 May 2022 ("**FY2022**") and $3.1 million for the 6 months ended 31 May 2022 ("**2H2022**"). For FY2022, revenues from the Biometrics business segment of approximately $6.2 million and $4.9 million were derived from Indonesia and Singapore respectively. The revenue from Biometrics business was mainly 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 $6.2 million; and
(ii) a project to provide system integration service for a security platform to the Indonesian government, which contributed $4.9 million..

For 2H2022, revenues amounting to $3.1 million was contributed from the provision of technical support to MOHA 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 $6.8 million in FY2022 as compared to only $122,000 in FY2021, in which there were only 2 months of Biometric business direct operating costs. The direct cost includes technical services fee, back-end support fees, and cost of acquiring servers and equipments.

Employee benefits expenses – Project / Administrative

These represent the total staff costs incurred during the year. Employee benefit expenses for project staff were approximately $463,000 while employee benefit expenses for administrative staff were $4.6 million for FY2022, an increase by approximately $0.4 million and $3.1 million respectively for project and administrative staff. For 2H2022, employee benefits expenses for project staff and administrative staff were $396,000 and $2.8 million respectively. These represented increases of approximately $0.4 million and $1.6 million respectively from 2H2021.

The overall increase in employee benefits expenses during FY2022 were mainly due to full year contribution of PT IBI as opposed to 2 months contribution in FY2021.

2 A review of the performance of the Group (Continued)

<u>2.1 Review of the Group's consolidated statement of profit or loss and other comprehensive income</u> (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 and GenesisPro, amounting to $4.6 million for FY2022. The amortisation relates to technology and customer relationships attributed to InterBIO of approximately $4.5 and to GenesisPro of approximately $0.1 million.

For 2H2022, amortisation from InterBio and GenesisPro contributed to $2.0 million and $0.5 million respectively.

Legal and professional fees expenses

Legal and professional fees which were mainly incurred by the Company and paid to professional firms increased to $4.7 million in FY2022 from $4.1 million in FY2021. These expenses were mainly incurred for various corporate exercises undertaken since the beginning of FY2022, including the disposal of Telecommunication business units, and investment in TECH5, GenesisPro, and PT. Cakrawala Data Integrasi.

Other general and administrative expenses

Other expenses incurred was approximately $1.7 million for FY2022 as compared to $0.3 million for FY2021. This was mainly due to the increase in operating cost for the business expansion of the Company and full year expenses of PT IBI of $0.8 million and $0.7million respectively, and other subsidiaries at approximately $0.2 million. These expenses include meals and entertainment, traveling and accommodations, and office expenses.

Interest expenses

Interest expenses comprise mainly of the interest component on the adoption of SFRS(I) 16 Leases throughout the Group and the increase related mainly to the office space in Central Business District area, which had not existed in FY2021.

Taxation

Income tax credit comprised mainly from current taxation of $0.1 million, and deferred taxation of $0.5 million in FY2022.

Discontinued operations

The results of discontinued operations were contributed by YTS, YTT, YCP and YTM with approximately $0.5 million of profit in FY2022 and $2.9 million of losses in FY2021.

These results were partially offset with the gain on disposal of investments in subsidiaries at approximately $3.6 million in FY2022 and $1.4 million in FY2021.

2 A review of the performance of the Group (Continued)

2.2 Review of the Group's Statement of Consolidated Financial Position

Discontinued operations

Overall, the disposal of YTS and YTT contributed to a reduction in total assets and total liabilities of $4.4 million and $4.6 million respectively.

Non-current assets

The increase in non-current assets by approximately $14.2 million to $64.2 million as at 31 May 2022 from $50.1 million as at 31 May 2021 was mainly due to the investment in an associate company, TECH5 SA totalling $14. 7 million, and investment at fair value through profit or loss for PT. Cakrawala Data Integrasi ("**CDI**") at $5.1 million which was completed in October 2021 and December 2021 respectively. 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 of $4.6 million. Financial asset at fair value through profit and loss increased by $1.3 million as a result of investment of CDI and offset by the conversion of convertible loan in TECH5 to an investment in associate for TECH5. In addition, increase in property, plant and equipment were due to additions during the year of ROU assets, partially offset with depreciation during the year, trade and other receivables (non-current) in prior year relates to balances of YTT which was disposed in current year.

Current assets

Current assets decreased by approximately $13.2 million to $11.4 million as at 31 May 2022 from $24.6 million as at 31 May 2021. The changes mainly resulted from the disposal of YTS and YTT during the financial year.

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed, for those relating to the Biometric business, contact assets had reduced by $3.1 million to $2.5 million as at 31 May 2022 from $5.6 million as at 31 May 2021. These decreases were mainly due to projects billed during the year. The remaining $4.0 million decrease relates to projects related to the Telecommunications business of YTS and YTT.

Trade and other receivables increased by $2.2 million to $3.9 million as at 31 May 2022 from $1.7 million as at 31 May 2021, mainly resulting from the increase in revenue billed of approximately $1.9 million towards the end of the financial year.

Cash and bank balances decreased by $7.7 million to $4.9 million as at 31 May 2022 from $12.6 million as at 31 May 2021 mainly due to net operating cash used by the Company as well as for investments in GenesisPro Pte Ltd and TECH5.

Non-current liabilities

Non-current liabilities decreased by approximately $$1.3 million to $5.1 million as at 31 May 2022 from $6.4 million as at 31 May 2021, mainly due to the changes of lease liabilities and reversal of deferred tax liabilities.

Current liabilities

Current liabilities decreased by approximately $13.5 million to $2.4 million as at 31 May 2022 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 during the year, as well as the settlement of borrowings of $3.7 million due to former shareholders as a result of the disposal of Telecommunication business.

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.

2 A review of the performance of the Group (Continued)

2.3 Review of the Group's Consolidated Statement of Cash Flows

In FY2022, net cash flows used in operating activities amounted to approximately $14.5 million. This included operating cash outflows before changes in working capital of $8.2 million, outflow in trade and other receivables of $7.1 million, trade and other payables of $4.7 million and contract liabilities of $0.2 million respectively, which were offset by an increase in contract assets and inventories of $5.6 million and $0.2 million respectively.

Net cash flows used in investing activities of $18.0 million was mainly due to investment in a subsidiary,an associate company, and financial assets at fair value through profit or loss namely, GenesisPro,TECH5 and CDI respectively.

Net cash flows generated from financing activities amounted to approximately $24.8 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 $7.6 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.

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.

Today, almost one billion people globally lack any form of legally recognised identification while an additional 3.4 billion who have some type of legally recognized identification have limited ability to use it in the digital world. The remaining 3.2 billion world population have a legally recognized identity and participate in the digital economy but may not be able to use that ID effectively and efficiently online[1]. As more government services shift online, digital ID will become an integral part of our everyday lives and livelihoods as it enables civic and social empowerment as well as real and inclusive economic value creation. The current identity gap presents huge opportunities for the Group and its associates.

[1] Digital identification: A key to inclusive growth, https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/digital-identification-a-key-to-inclusive-growth

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)

According to MarketsandMarkets, the global digital identity solutions market size is projected to grow from US$23.3 billion in 2021 to US$49.5 billion by 2026, recording a CAGR of 16.2% from 2021 to 2026[2]. PwC Strategy& opined that the double-digit growth will principally result from a greater focus on customer experience, the escalating risk of cyber fraud and identity theft, and the increasing use of biometrics[3]. The swift adoption of e-government platforms shows the potential of the digital ID market and creates an ideal foundation for considerable expansion for online services in the private sector as well.

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 provide turnkey solutions for national identity and digital identity systems as well as working towards launching the Group's digital onboarding business.

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.

[2] Digital Identity Solutions Market by Component (Solutions and Services), Solution Type (Biometrics and Non-Biometrics), Authentication Type, Deployment Mode, Organization Size, Vertical, and Region - Global Forecast to 2026, https://www.marketsandmarkets.com/Market-Reports/digital-identity-solutions-market-247527694.html

[3] Digital Identity: Opportunities and challenges, https://www.strategyand.pwc.com/jp/ja/publications/digital-identity-e.pdf

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 2022 as the Group is loss making.

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	$371,000[(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, 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 $256,000. 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 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 Catalist 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 if Catalist 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 Catalist Rules

Please refer to the (i) the Company's announcement dated 10 December 2021, 7 February 2022 and 8 April 2022 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**"); (ii) the Company's announcement on 13 December 2021 in relation to the entry into a convertible loan agreement ("**CLA**")of a principal amount of U$3.75 million (approximately $5.12 million) to PT. Cakrawala Data Integras; (iii) the Company's announcement on 13 December 2021 in relation to the entry into a convertible loan agreement ("**CLA**") of a principal amount of U$3.75 million (approximately $5.12 million) to PT. Cakrawala Data Integrasi.

11 Update on use of proceeds from placements

Please refer to the Company's announcement on 30 June 2022 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[4] are as follows:

$'000	October 2020 Subscription Exercise	June 2021 Placement Exercise
Net proceeds reallocated for working capital on 30 June 2022	-	3,184
Net proceeds utilised for working capital as at the date of this announcement	-	(566)
Net proceeds remaining for working capital as at the date of this announcement	-	2,618
Net proceeds remaining for new business opportunities as at after reallocation of net proceeds on 30 June 2022	510 (1)	-
Net proceeds remaining for new business opportunities as at the date of this announcement	510 (1)	-

Notes:

(1) The investment amount of $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.

[4] "**Subscription and Placement Exercises**" comprise the (a) share subcription 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.

TOTM TECHNOLOGIES

11 Update on use of proceeds from placements (Continued)

A breakdown of the net proceeds from the June 2021 Placement Exercise that were utilised for working capital are:

Summary of expenses:	**Working capital ($'000)**
Staff Cost and Director Fees	238
Professional Fees	167
Administrative Expenses	161
Total	**566**

BY ORDER OF THE BOARD

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Prunier Pierre Olivier Marc Yves
Chief Executive Officer and Executive Director

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Gordon Tan Chee Bun
Executive Director

Singapore
28 July 2022