

PRESS RELEASE

TOTM Technologies records S\$11.1 million revenue for FY2022

- Revenue fully contributed by the Group's core identity management and biometrics business with a GP and GPM of S\$3.9 million and 35% respectively
- Global digital identity solutions market size is projected to experienced double-digit annual growth from US\$23.3 billion in 2021 to US\$49.5 billion by 2026
- Looking to expand footprint to Southeast Asia, Middle East and Africa to deliver national identity, digital identity and e-kyc solutions

SINGAPORE, 28 July 2022 – TOTM Technologies Limited. (“**TOTM Technologies**” or the “**Company**” and, together with its subsidiaries, the “**Group**”) is pleased to announce that the Group has recorded a total revenue of S\$11.1 million for the full year ended 31 May 2022 (“**FY2022**”), which was fully contributed by the Group's Identity Management and Biometrics business.

The revenue was derived from the provision of technical support to Indonesia's Ministry of Home Affairs, maintenance of Indonesia's current biometric national identity system as well as the supply of a security platform to the Indonesian government. The gross profit and gross profit margin of the Identity Management and Biometrics business for FY2022 were S\$3.9 million and 35% respectively.

During the period under review, the Group recorded project costs of S\$6.8 million while administrative staff cost increased to S\$4.6 million mainly due to hiring of more senior management employees and directors for the business diversification. Legal and professional fees paid to professional firms increased to S\$4.7 million for FY2022, which were largely one-off in nature, mainly due to corporate exercises undertaken during the period under review, including acquisition and disposal of subsidiaries as well as investments to build up the technology stack required for the Group's Identity Management and Biometrics business. In addition, the Group recorded amortisation expenses of S\$4.6 million for FY2022 mainly due to the amortisation of intangibles resulting from the acquisition of InterBIO. Other expenses incurred was approximately S\$1.7 million mainly due to the increase in operating cost for the business expansion of the Group.

As a result of the above, the Group recorded a net loss attributable to shareholders of S\$10.5 million for FY2022.

Mr Pierre Prunier, CEO and Executive Director of TOTM Technologies, said, “**Over the past months TOTM's sales cycles have been guided by the gradual opening of global borders and with that the exciting opportunities that we have been cultivating since TOTM's rebranding are bearing fruit. With the creation of our partnership ecosystem such as that with Presight and others, I'm pleased to report that we have made inroads with organic sales leads generation, where a pipeline of government and private-sector based eKYC and digital ID projects are anticipated to come online. As sales cycles take time to come to fruition, I'm confident that TOTM's vision of accelerating digital transformation for governments, empowering citizens and businesses reaches a key milestone with this earnings report; as we continue to add to our capabilities and investments to becoming a leading biometric technology and digital ID platform innovator.**”

Outlook

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 online¹. 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.

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 2026². 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 biometrics³. 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.

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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>

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>



About TOTM Technologies Limited

TOTM Technologies Limited (“**TOTM Technologies**” or the “**Company**” and together with its subsidiaries, the “**Group**”) is a leading integrated solutions and services provider in identity management and biometric technology.

Leveraging on its strong execution experience and the robust technology platforms from strategic technology partners, the Group’s solutions have been applied to leading public and private projects across North America, Europe, Middle East, Asia Pacific, Latin America and Africa. Totm Technologies also manages and maintains one of the largest biometrics National ID databases in the world with over 200 million enrolled citizens.

The Group’s platforms are based on core, multimodal technologies, such as face, finger and iris biometrics, which are listed in the top tier of the National Institute of Standards and Technology (“**NIST**”) benchmarks. The Group is looking to expand its coverage to medical insurance, healthcare, banking electronic payments, transport, and telecommunications-related applications in the commercial sector.

The Company was listed in August 2015 on the Catalist Board of the SGX-ST.

For more information, please visit www.totmtechnologies.com

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

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