

# CORPORATE GOVERNANCE REPORT

TOTM Technologies Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is committed to maintaining a high standard of corporate governance. The Company understands that good corporate governance is an integral element of a sound corporation and enables it to be more transparent and forward-looking. In addition, sound corporate governance is an effective safeguard against fraud and dubious financial engineering, and hence helps to protect shareholders’ interests. This also helps the Company to create long-term value and returns for its shareholders.

The Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (the “**Catalist Rules**”) requires all listed companies to describe in their annual reports, their corporate governance practices, with specific reference to each of the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”) pursuant to Rule 710 of the Catalist Rules.

## Statement of Compliance

The Board of Directors of the Company (the “**Board**” or “**Directors**”) confirms that for the financial year ended 31 May 2024 (“**FY2024**”), the Company has generally adhered to the framework outlined in the Code. Where there were any deviations from any provisions of the Code, appropriate disclosures and explanations are provided.

## BOARD MATTERS

### THE BOARD’S CONDUCT OF ITS AFFAIRS

**Principle 1 : The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.**

**Provision 1.1: Directors are fiduciaries who act objectively in the best interests of the Company and hold Management accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.**

The Board is collectively responsible for the long-term success of the Group and is accountable to its shareholders. The principal functions of the Board, in addition to carrying out its statutory responsibilities, *inter alia*, are as follows:

- overseeing and approving the formulation of the Group’s overall long-term strategic objectives and directions as well as providing entrepreneurial leadership, taking into consideration sustainability issues, and ensuring the necessary financial and human resources are in place for the Company to meet its objectives;
- overseeing and reviewing the management of the Group’s business affairs and financial controls, performance, and resource allocation;
- establishing a framework of prudent and effective controls to assess and manage risks and safeguard shareholders’ interests and the Group’s assets;
- reviewing Management’s performance;
- identify the key stakeholder groups and recognise that their perceptions affect the Group; and
- setting the Group’s values and standards (including ethical standards) and ensuring that obligations to shareholders and other stakeholders are understood and met.



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All Directors exercise due diligence and independent judgement and are obliged to act in good faith and consider at all times as fiduciaries in the interests of the Group. Although the Board has yet to adopt a Code of Conduct and Ethics, all Board members recognise the importance of conducting themselves and carrying out their duties in the best interest of the Company and to avoid placing themselves in any situation where conflict of interest may arise. All Board members are expected to promptly disclose any conflict or potential conflict of interest, whether direct or indirect, in relation to any transaction or matter discussed and contemplated by the Group. When an actual, potential and/or perceived conflict of interest situation arises, the concerned Director must disclose such interest, recuse himself/herself from discussions and decisions involving the matter, abstain from voting on resolutions regarding the matter and refrain from exercising any influence over other members of the Board, unless the Board is of the opinion that his/her presence and participation is necessary to enhance the efficacy of such discussion. On an annual basis, each Director is also required to submit details of his/her associates for the purpose of monitoring interested person transactions.

**Provision 1.2: Directors understand the Company's business as well as their directorship duties (including their roles as Executive, Non-Executive and Independent Directors). Directors are provided with opportunities to develop and maintain their skills and knowledge at the Company's expense. The induction, training and development provided to new and existing Directors are disclosed in the Company's annual report.**

The Board comprises the following members, all of whom have the appropriate core competencies and diversity of experience needed to enable them to effectively contribute to the Group. The composition of the Board as at the date of this Annual Report is as follows:

## **Name of Director**

Mr Low Chai Chong	- Independent Non-Executive Chairman of the Board
Mr Pierre Prunier	- Executive Director and Chief Executive Officer ("CEO")
Mr Aw Eng Hai	- Independent Director
Mr Diaz Faisal Hendropriyono	- Independent Director
Mr Irawan Mulyadi	- Non-Executive Director
Mr Dhanie Tri Indrasto	- Non-Executive Director

The duties and obligations of each Director are set out in writing upon his/her appointment. Apart from keeping the Board informed of all relevant new laws and regulations, the Company has an orientation programme for new Directors to ensure that the incoming Director is familiar with the Company's business and governance practices. The new Director will be given briefings by the Management on the business structure and activities of the Group, its strategic and growth directions, corporate governance practices, and an overview of the more significant business risks, issues and challenges it faces. Corporate materials and documents such as the latest Annual Report, and upon request by the Director, minutes of recent Board and Board Committee meetings and the Constitution of the Company, will also be given to him/her to facilitate his/her understanding of the structure and operations of the Group.

In accordance with Rule 406(3)(a) of the Catalist Rules, the Nominating Committee will ensure that any new Director appointed to the Board, who has no prior experience as a director of a listed company will undergo mandatory training in the roles and responsibilities of a director as prescribed by the SGX-ST.

To keep the Directors abreast of the latest development in the Company and the Group, the Board is briefed by the Management on the development and progress of the Group's key operations. During FY2024, outside of the mandatory full and half-yearly Board meetings, the Board had communications with the Management via teleconferences and emails and were provided with periodic updates on the Group's operations and business.

Where necessary, the Directors regularly update themselves on their duties and responsibilities as directors, changes to any relevant laws and regulations such as the Catalist Rules, the Code, the Companies Act 1967 of Singapore (the "**Companies Act**"), etc. and changing commercial risks.

If regulatory changes have a material impact on either the Group or the Directors, the Management will update the Directors during the Board meetings. The Company Secretary, Ms Sim Yok Teng (and/or her representative) and the Company's continuing sponsor, SAC Capital Private Limited also brief the Directors on key regulatory changes, while Forvis Mazars LLP, the Company's external auditor (the "**External Auditor**" or "**Forvis Mazars**") briefs the Audit Committee on key amendments to the accounting standards.



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The Board recognises the importance of ongoing training and development for the Directors so as to enable them to serve effectively and contribute to the Board. Every Director is provided with opportunities to attend additional training to further enhance their skills in performing their duties as a director, including attending appropriate courses and/or seminars at the Company's expense.

Trainings and/or seminars attended by the Directors during FY2024 are listed below: **[TOTM to complete]**

<u>Name of Directors</u>	<u>Title of Trainings / Seminars</u>
• Diaz Faisal Hendropriyono	LED 5 - Audit Committee Essentials

**Provision 1.3: The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters requiring board approval are disclosed in the Company's annual report.**

The Board has adopted a set of guidelines on matters that requires its approval. The following types of material transactions are specifically reserved for the Board:

1. Approval of corporate strategies, business plans and budgets of the Group;
2. Approval of material acquisitions and disposal of assets;
3. Approval of capital-related matters including corporate or financial restructuring, investment, or expenditure exceeding certain threshold limits;
4. Approval and authority to issue new shares in the capital of the Company that effect changes in the capital structure;
5. Approval of financial statements and financial results announcement;
6. Declaration of dividends and other returns to shareholders; and
7. Authorisation of interested person transactions.

**Provision 1.4: Board Committees, including Executive Committees (if any), are formed with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. The names of the Committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each Committee's activities, are disclosed in the Company's annual report.**

To assist in the execution of its responsibilities, the Board has established three Board Committees, comprising an Audit Committee (the "**AC**"), a Nominating Committee (the "**NC**"), and a Remuneration Committee (the "**RC**"). These Board Committees function within clearly defined written terms of reference and operating procedures. While these Board Committees have the authority to examine particular issues and report to the Board with their decisions and recommendations, the ultimate responsibility on all matters lie with the Board.

All Board Committees are chaired by Independent Directors and each of the Board Committees has its own terms of reference setting out the scope of its duties and responsibilities, the rules and regulations and procedures governing the manner in which it is to operate and how decisions are to be taken.

The Board Committees are actively engaged and play an important role in ensuring good corporate governance of the Group. All recommendations of the Board Committees are subsequently reviewed and approved by the Board.

More details on each of the Board Committees, including the names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of their activities, are set out in the further sections of this Corporate Governance Report.

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**Provision 1.5: Directors attend and actively participate in Board and Board Committee meetings. The number of such meetings and each individual Director's attendances at such meetings are disclosed in the Company's annual report. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.**

The Board meets regularly and at least on a half-yearly basis. Ad-hoc Board or Board Committee meetings are convened from time to time when they are deemed necessary. The Constitution of the Company provides for meetings of the Board to be held by way of telephone conference or other simultaneous communication methods in the event when Directors are unable to attend the meetings in person. The Board and Board Committee may also make decisions by way of written resolutions.

Dates of Board, Board Committee meetings, and Shareholders' general meetings (i.e. annual general meeting and extraordinary general meeting) are scheduled in advance in consultation with all of the Directors. For those Directors who are unable to attend the scheduled meeting in person, they are invited to participate in the meeting via telephone or video conference.

The number of Board, Board Committee, and Shareholders' general meetings held in FY2024 as well as the record of attendance of each Director during their terms as Directors and members of the respective Board Committees of the Company are set out below:

## Board and Board Committee's Meetings

Name of Current Director	Board Committees		Board of Directors					
			Audit Committee		Remuneration Committee		Nominating Committee	
	No. of Meetings held	No. of Meetings attended	No. of Meetings held	No. of Meetings attended	No. of Meetings held	No. of Meetings attended	No. of Meetings held	No. of Meetings attended
Low Chai Chong	2	2	2	2	2	2	1	1
Pierre Prunier	2	2	N/A	N/A	N/A	N/A	N/A	N/A
Aw Eng Hai <sup>(1)</sup>	2	2	2	2	1	1	1	1
Diaz Faisal Hendropriyono <sup>(2)</sup>	2	2	1	1	2	2	-	-
Irawan Mulyadi	2	2	N/A	N/A	N/A	N/A	N/A	N/A
Dhanie Tri Indrasto	2	2	N/A	N/A	N/A	N/A	N/A	N/A
Name of Former Director								
Cheam Heng Haw, Howard <sup>(3)</sup>	1	1	1	1	1	1	1	1
Chua Hoe Sing <sup>(4)</sup>	1	1	1	1	1	1	N/A	N/A

N/A: Not applicable as the Director is not a member of the respective Board Committees.

### Notes:

- Mr Aw Eng Hai was appointed as a member of the RC on 1 December 2023. During FY2024, the RC held 2 meetings and Mr Aw Eng Hai attended the RC meeting held in January 2024, which was the second RC meeting of FY2024.
- Mr Diaz Faisal Hendropriyono was appointed as a member of the AC on 1 December 2023. During FY2024, the AC held 2 meetings and Mr Diaz Faisal Hendropriyono attended the AC meeting held in January 2024, which was the second AC meeting of FY2024.
- Mr Chua Hoe Sing resigned as an Independent Director of the Company on 20 November 2023. Prior to Mr Chua Hoe Sing's resignation, he attended the first Board, AC and RC meetings of FY2024, which were held in July 2023.
- Mr Cheng Heng Haw, Howard resigned as an Independent Director of the Company on 24 November 2023. Prior to Mr Cheam Heng Haw, Howard's resignation, he attended the first Board, AC, RC and NC meetings of FY2024, which were held in July 2023.



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## Shareholders' General Meetings

**Annual General  
Meeting held on  
25 September 2023**

### Name of Current Director

Low Chai Chong	✓
Pierre Prunier	✓
Aw Eng Hai	✓
Diaz Faisal Hendropriyono	✓
Irawan Mulyadi	✓
Dhanie Tri Indrasto	✓

### Name of Former Director

Cheam Heng Haw, Howard <sup>(1)</sup>	✓
Chua Hoe Sing <sup>(2)</sup>	✓

#### Notes:

- (1) Mr Chua Hoe Sing resigned as Director of the Company on 20 November 2023.
- (2) Mr Cheng Heng Haw, Howard resigned as Director of the Company on 24 November 2023.

#### **Provision 1.6: Management provides Directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.**

The Management plays a pivotal role in providing Board members with complete, adequate, and timely information to assist the Board in the fulfilment of its responsibilities for the long-term success of the Group.

Prior to each Board and Board Committees' meeting, the members of the Board and Board Committees are each provided with complete, adequate and timely information for them to comprehensively understand the matters to be discussed and deliberated during the meetings and allow them to make informed decisions thereon.

The Management will also inform the Board of all significant events as and when they occur and circulate Board papers and supporting information on significant transactions or corporate actions to facilitate a robust discussion before the transactions are entered into or the corporate actions take place. Management personnel, if required, will attend Board and/or Board Committee meetings to address queries from the Directors. The Directors also have unrestricted access to the Management. Requests for the Company's information by the Board are dealt with promptly. As a general rule, notices and Board papers are sent to the Directors as soon as possible in advance of Board and Board Committees' meetings, in order for the Directors to be adequately prepared for the meetings.

The Board also receives regular updates from the Management on any significant developments on business initiatives, and industry developments concerning the Group's business. Additional information, documents, and materials are provided to the Directors as and when required to enable them to make informed decisions and discharge their duties and responsibilities.

#### **Provision 1.7: Directors have separate and independent access to Management, the Company Secretary, and external advisers (where necessary) at the Company's expense. The appointment and removal of the Company Secretary is a decision of the Board as a whole.**

The Board has separate and independent access to the Management and the Company Secretary at all times. The Company Secretary (and/or her representative) attends all Board and Board Committee meetings and ensures that all Board procedures are followed. The appointment and removal of the Company Secretary are subject to the approval of the Board as a whole.

The Directors may seek independent professional advice, as and when necessary in furtherance of their duties, either individually or as a group. Any cost of obtaining such professional advice will be borne by the Company.

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## BOARD COMPOSITION AND GUIDANCE

**Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.**

**Provision 2.1: An “independent” Director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director’s independent business judgement in the best interests of the Company.**

As set out under the Catalist Rules and the Code, an Independent Director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director’s independent business judgement in the best interests of the Company. The NC is responsible for reviewing the independence of each Director based on the guidelines set out in both the Catalist Rules and the Code. The NC assesses and reviews annually the independence of a Director bearing in mind the salient factors as set out under the Code, the Catalist Rules as well as all other relevant circumstances and facts.

Each Independent Director is required to complete a Director’s Independence Checklist annually to confirm his independence based on the guidelines provided in the Catalist Rules and the Code. The Directors must also confirm whether they consider themselves independent despite not having any relationship identified in the Code. Based on the confirmation of independence submitted by the Independent Directors of the Company, the NC is of the view that Mr Low Chai Chong, Mr Aw Eng Hai, and Mr Diaz Faisal Hendropriyono are independent on the following basis:

- (a) The Independent Directors: (i) are not employed by the Company or any of its related corporations for the current or any of the past three financial years; and (ii) do not have an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three financial years, and whose remuneration is determined by the RC.
- (b) None of the Independent Directors have served on the Board beyond nine years as at 31 May 2024 since their initial appointment as Directors of the Company.
- (c) None of the Independent Directors and their immediate family member had in the current or immediate past financial year (i) provided or received significant payments or material services aggregated over any financial year in excess of S\$50,000 for services other than compensation for board service; or (ii) was a substantial shareholder, partner, executive officer or a director of any organization which provided or received significant payments or material services aggregated over any financial year in excess of S\$200,000 for services rendered.
- (d) None of the Independent Directors are directly associated with a substantial shareholder of the Company.

**Provision 2.2: Independent directors make up a majority of the Board where the Chairman is not independent.**

As at the date of this Annual Report, the Board comprises six members, three of whom are Independent Directors. Mr Low Chai Chong is the Non-Executive Independent Chairman of the Board.

### Independent Director

1. Low Chai Chong (Chairman)
2. Aw Eng Hai
3. Diaz Faisal Hendropriyono

### Executive Director

1. Pierre Prunier

### Non-Executive Director

1. Irawan Mulyadi
2. Dhanie Tri Indrasto



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As such, the Company is of the opinion that the Board has an appropriate level of independence and is able to exercise independent judgement on corporate affairs and ensure that the decision making process is not dominated by one individual or groups of individuals. The NC and the Board will continue to assess its independence, Board composition and diversity to ensure the decisions made are in the best interests of the Company and shareholders.

## **Provision 2.3: Non-Executive Directors make up a majority of the Board**

Five out of six members of the Board are Non-Executive Directors, which satisfies the requirements of Provision 2.3 of the Code.

**Provision 2.4: The Board and Board Committees are of an appropriate size, and comprise Directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The Board Diversity Policy and progress made towards implementing the Board Diversity Policy, including objectives, are disclosed in the Company's annual report**

Name of Director	Board of Directors	Audit Committee	Nominating Committee	Remuneration Committee
Low Chai Chong	Independent Non-Executive Chairman	Member	Chairman	Chairman
Pierre Prunier	Executive Director & CEO	-	-	-
Aw Eng Hai	Independent Director	Chairman	Member	Member
Diaz Faisal Hendropriyono	Independent Director	Member	Member	Member
Irawan Mulyadi	Non-Executive Director	-	-	-
Dhanie Tri Indrasto	Non-Executive Director	-	-	-

The composition of the Board is reviewed on an annual basis by the NC and the Board to ensure that it has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making. The Board as a group comprises members with core competencies in legal, accounting and finance, business and management experience, industry knowledge, strategic planning, and customer-based experience and knowledge. This enables the Management to benefit from the external and expert perspectives of the Directors who collectively possess the core competencies relevant to the direction and growth of the Group. The profiles of our Directors such as academic professional qualification, background are set out in the “**Board of Directors and Key Management**” section on pages [●] to [●] of this Annual Report.

The Board concurred with the NC that the existing Board size and composition is adequate for effective debate and decision making, taking into account the scope and nature of the current operations of the Company and the business requirements. The NC with the concurrence of the Board, is of the opinion that the Board composition provides an appropriate balance and diversity of skills, experience and gender to discharge its responsibilities.

## **Board Diversity Policy**

The Company recognises and embraces the benefits of diversity on the Board, and views diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The Board has adopted a formal Board Diversity Policy, setting out the Group's principles for promoting and maintaining diversity in the composition of the Board.

The Board Diversity Policy provides that the Company aims to build a Board comprised of appropriately qualified members with a breadth of experience, diversity in thought and background which are essential to achieve a long-term sustainable growth and effective governance of the Group's businesses.



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In this regard, the NC adopts a deliberate and targeted board renewal process. It assesses the needs for Board composition in a proactive manner and uses them as an objective criterion when selecting candidates. When reviewing Board composition and succession planning, the NC will take into account directors with diverse skills, business experiences, ages, genders, nationalities, cultural, educational and professional industry backgrounds, ethnicities, and other relevant personal attributes and distinguishing qualities that are important for supporting robust and effective decision-making at the Board level. These diverse skills and aspects of diversity will be taken into consideration when determining the best possible Board composition, with efforts made to ensure appropriate balance. Ultimately, the final decision will be based on merit, specifically in terms of skills, knowledge, and experience, in order to complement and broaden the skills and experience of the Board as a whole.

The Board recognises the importance of gender diversity and will strive to ensure the inclusion of female candidates in the selection process. Where external consultants are engaged for the search, the directive to present female candidates will be made known.

**Provision 2.5: Non-Executive Directors and/or Independent Directors, led by the Independent Chairman or other Independent Director as appropriate, meet regularly without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.**

Where necessary or appropriate, the Non-Executive Directors (including the Independent Directors) will meet without the presence of the Management so as to facilitate a more effective check on Management. During FY2024, the Non-Executive Directors (including the Independent Directors) communicated regularly to discuss matters related to the Group, including the performance of the Management and the direction and growth of the Group.

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER ("CEO")

**Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.**

**Provision 3.1: The Chairman and the CEO are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.**

**Provision 3.2: The Board establishes and sets out in writing the division of responsibilities between the Chairman and the CEO.**

The positions of Chairman of the Board and CEO are held by separate individuals, who are not immediate family members, to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for objective decision-making.

Mr Low Chai Chong, the Independent Non-Executive Chairman of the Company, oversees the overall strategic directions and expansion plans for the growth and development of the Group. With the assistance of the Company Secretary, he is also responsible for, *inter alia*, ensuring that (i) Board meetings are held as and when required and sets the agenda for the Board meetings, (ii) ensuring the quality, quantity and timeliness of the flow of information between the Management, the Board and the shareholders and (iii) ensuring effective communication with shareholders as well as promotes high standards of corporate governance.

Mr Pierre Prunier, the Executive Director and CEO of the Company, is responsible for the Group's strategic direction and oversees the overall business and activities of the Group.

The Board is of the view that with the current executive management team and the establishment of the three Board Committees, as well as having Non-Executive Directors making up the majority of the Board, there are adequate safeguards in place to ensure unfettered decision-making, as well as to prevent an uneven concentration of power and authority in a single individual.

**Provision 3.3: The Board has a Lead Independent Director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. The Lead Independent Director is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.**

As Mr Low Chai Chong, the Chairman of the Board, is independent, there is no lead independent director appointed as at the date of this Annual Report.



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## BOARD MEMBERSHIP

**Principle 4 : The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for the progressive renewal of the Board.**

**Provision 4.1: The Board establishes a NC to make recommendations to the Board on relevant matters relating to:**

- (a) the review of succession plans for Directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel;
- (b) the process and criteria for evaluation of the performance of the Board, its Board Committees and Directors;
- (c) the review of training and professional development programmes for the Board and its directors; and
- (d) the appointment and re-appointment of Directors (including alternate directors, if any).

**Provision 4.2: The NC comprises at least three Directors, the majority of whom, including the NC Chairman, are independent. The Lead Independent Director, if any, is a member of the NC.**

The NC is responsible for making recommendations on all Board appointments and re-nominations, having regard to the contribution and performance of the Director seeking re-election.

The NC currently comprises three members, all of whom, including the NC Chairman, are Independent Directors.

### Name of NC Member

Low Chai Chong	(Chairman, Independent)
Aw Eng Hai	(Member, Independent)
Diaz Faisal Hendropriyono	(Member, Independent)

The written terms of reference of the NC include the following:

- (a) developing and maintaining a formal and transparent process and making recommendations to the Board for the appointment and nomination for the re-election of Directors (including alternate Directors, if any), having regard to their competencies, contribution, performance and ability to commit time and attention to the affairs of the Group, taking into account their respective commitments outside the Group including their principal occupation and board representations in other companies, if any;
- (b) reviewing Board succession plans for the Directors;
- (c) determining the composition of the Board, taking into account the future requirements of the Company, as well as the need for directors who, as a group, provide an appropriate balance and diversity of skills, experience, gender and knowledge of the Group, and other considerations such as those set out in the Code;
- (d) reviewing and approving any new employment of related persons and the proposed terms of their employment;
- (e) determining on an annual basis whether or not a Director is independent having regard to the Code and any other salient factors;
- (f) review and decide, in respect of a Director who has multiple board representations on other companies (if any), whether or not such Director is able to and has been adequately carrying out his duties as a Director, having regard to the competing time commitments that are faced by the Directors serving on multiple boards and discharging his duties towards other principal commitments;
- (g) reviewing training and professional development programs for the Board; and
- (h) developing a process for evaluating the performance of the Board, its committees and the individual Directors and propose objective performance criteria, as approved by the Board, that allows comparison with its industry peers, and address how the Board has enhanced long-term shareholders' value.

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The NC reviews the succession plans for Directors, CEO and key management personnel and where appropriate, review contingency arrangements for any unexpected and sudden and unforeseen changes relating to the key management team in charge of the business operations.

**Provision 4.3: The Company discloses the process for the selection, appointment and re-appointment of Directors to the Board, including the criteria used to identify and evaluate potential new Directors and channels used in searching for appropriate candidates in the Company's annual report.**

The Company does not have a formal selection criteria for the appointment of new Directors to the Board. When an existing Director chooses to retire or the need for a new Director arises, or where it is considered that the Board would benefit from the services of a new Director with particular skills, the NC, in consultation with the Board, will determine the selection criteria and will identify candidates with the appropriate expertise and experience for the position. In its search and nomination process for new Directors, the NC may rely on search companies, personal contacts and recommendations for the right candidates. The NC will interview the shortlisted candidates and assess them based on objective criteria approved by the Board such as integrity, independent mindedness, possession of the relevant skills required or skills needed to complement the existing Board members, ability to commit the time and effort to carry out his/her responsibilities, effective decision making track record, relevant experience and financial expertise. The NC then nominates the most suitable candidate to the Board for approval.

Pursuant to the Constitution of the Company and Rule 720(4) of the Catalist Rules, each Director is required to retire at least once every three years by rotation. Newly appointed Directors who are appointed by the Board are required to retire at the next annual general meeting following their appointment. The retiring Directors are eligible to offer themselves for re-election. In the NC's review and recommendation of the selection, appointment and re-appointment of directors, the NC also takes into consideration the composition and progressive renewal of the Board and each Director's competencies, commitment, contribution and performance (e.g. attendance, preparedness, participation and candour).

As at the date of this Annual Report, the dates of initial appointment and last re-election of the Directors, together with their directorships in other listed companies, are set out below:

Director	Date of Initial Appointment	Date of Last Re-election	Current Directorships in other Listed Companies	Past Directorships in Listed Companies (in Last Five Years)	Shareholding in the Company and/or related corporations
Low Chai Chong (Independent Non-Executive Chairman)	1 July 2021	30 September 2021	1. Eneco Energy Limited 2. Capital World Limited	1. OIO Holdings Limited 2. Pollux Properties Ltd	1,000,000 share options under the Company's Employee Share Option Scheme
Pierre Prunier (Executive Director and CEO)	6 April 2021	25 September 2023	-	-	<ul style="list-style-type: none"> <li>Deemed interested in 164,974,300 ordinary shares of the Company <sup>(1)</sup></li> <li>13,200,000 share options under the Company's Employee Share Option Scheme</li> </ul>



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Director	Date of Initial Appointment	Date of Last Re-election	Current Directorships in other Listed Companies	Past Directorships in Listed Companies (in Last Five Years)	Shareholding in the Company and/or related corporations
Aw Eng Hai (Independent Director)	29 October 2020	25 September 2023	<ol style="list-style-type: none"> <li>1. Trittech Group Limited</li> <li>2. GDS Global Limited</li> <li>3. Luminor Financial Holdings Limited</li> </ol>	Capital World Limited	1,000,000 share options under the Company's Employee Share Option Scheme
Diaz Faisal Hendropriyono (Independent Director)	20 January 2023	25 September 2023	-	-	-
Irawan Mulyadi (Non-Executive Director)	6 April 2023	25 September 2023	-	-	<ul style="list-style-type: none"> <li>• Direct interest of 13,050,000 ordinary shares of the Company</li> <li>• Deemed interested in 10,784,397 ordinary shares of the Company <sup>(2)</sup></li> <li>• 5,000,000 share options under the Company's Employee Share Option Scheme</li> <li>• 8,000,000 share awards under the Company's Performance Share Plan <sup>(3)</sup>.</li> </ul>

# CORPORATE GOVERNANCE REPORT

Director	Date of Initial Appointment	Date of Last Re-election	Current Directorships in other Listed Companies	Past Directorships in Listed Companies (in Last Five Years)	Shareholding in the Company and/or related corporations
Dhanie Tri Indrasto (Non-Executive Director)	5 June 2023	25 September 2023	–	–	<ul style="list-style-type: none"> <li>• Direct interest of 12,000,000 ordinary shares of the Company</li> <li>• 4,000,000 share options under the Company's Employee Share Option Scheme</li> <li>• 8,000,000 share awards under the Company's Performance Share Plan <sup>(4)</sup>.</li> </ul>

## Notes:

- (1) Mr Pierre Prunier is deemed to be interested in 164,974,300 ordinary shares of the Company, registered in the name of a nominee account of DBS Nominees Pte. Ltd.
- (2) Mr Irawan Mulyadi is deemed to be interested in 10,784,397 ordinary shares of the Company held by SIES Investech Inc. His spouse, Ms Selina Loh holds 40.0% of the total share capital of SIES Investech Inc.
- (3) As announced on 15 May 2024, the Company had granted up to 20,000,000 share awards to Mr Irawan Mulyadi pursuant to the TOTM Technologies Performance Share Plan Scheme 2021, of which 60% of the awards have vested 3 months from the date of grant. A remaining 40% of the awards or 8,000,000 share awards have yet to be vested as at the date of this Annual Report.
- (4) As announced on 15 May 2024, the Company had granted up to 20,000,000 share awards to Mr Dhanie Tri Indrasto pursuant to the TOTM Technologies Performance Share Plan Scheme 2021, of which 60% of the awards have vested 3 months from the date of grant. A remaining 40% of the awards or 8,000,000 share awards have yet to be vested.

At the Company's forthcoming annual general meeting ("AGM"), to be convened on 26 September 2024, the following Directors will be subject to retirement ("**Retiring Directors**") in accordance with Regulation 104 of the Company's Constitution, respectively, as follows:

- (1) Mr Low Chai Chong (Regulation 104 of the Company's Constitution)
- (2) Mr Diaz Faisal Hendropriyono (Regulation 104 of the Company's Constitution)

Please refer to "**Disclosure of Information on Directors seeking Re-election**" section of this Annual Report for details.

Each member of the NC shall abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations of the NC in respect of the assessment of his/her performance and independence or re-nomination as Director. Accordingly, Mr Low Chai Chong and Mr Diaz Faisal Hendropriyono (being NC Members) have abstained from deliberating and recommending on their own re-election.



# CORPORATE GOVERNANCE REPORT

**Provision 4.4: The NC determines annually, and as and when circumstances require, if a Director is independent, having regard to the circumstances set forth in Provision 2.1. Directors disclose their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, to the Board. If the Board, having taken into account the views of the NC, determines that such Directors are independent notwithstanding the existence of such relationships, the Company discloses the relationships and its reasons in its annual report.**

As set out in the Company's practices in Principle 2 above, the NC determines, on an annual basis, the independence of Directors. Each Independent Director is required to complete a checklist annually to confirm his independence. Further, an Independent Director shall immediately disclose to the NC any relationships or circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of the Company. Following its annual review, the NC has assessed and affirmed that the three Independent Directors, namely, Mr Low Chai Chong, Mr Aw Eng Hai and Mr Diaz Faisal Hendropriyono, are independent (within the meaning of the Code and the Catalist Rules).

**Provision 4.5: The NC ensures that new Directors are aware of their duties and obligations. The NC also decides if a Director is able to and has been adequately carrying out his or her duties as a Director of the Company. The Company discloses in its annual report the listed company directorships and principal commitments of each Director, and where a Director holds a significant number of such directorships and commitments, it provides the NC's and Board's reasoned assessment of the ability of the Director to diligently discharge his or her duties.**

When a Director has multiple board representations, the NC also considers whether or not the Director is able to and has adequately carried out his/her duties as a Director of the Company. The NC is satisfied that sufficient time and attention has been given by the Directors to the affairs of the Company, notwithstanding that some of the Directors have multiple board representations. The NC is of the view that the matter relating to multiple board representations should be left to the judgement of each Director given that time requirements for different board representations vary. As such, the NC and the Board have decided that there is no necessity to determine the maximum number of listed company board representations which a Director may hold.

The Board provides for appointment of alternate directors only in exceptional cases such as when a Director has a medical emergency. The alternate director bears all the duties and responsibilities of a Director. The Board will take into consideration the same criteria applied to the selection of directors to the appointment of alternate directors, taking into account, amongst others, his qualifications and competencies. There is currently no alternate Director on the Board.

Key information regarding the Directors, including their shareholdings in the Company, is set out on pages [●] to [●] of this Annual Report.

## BOARD PERFORMANCE

**Principle 5 : The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of its board committees and individual directors.**

**Provision 5.1: The NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each board committee separately, as well as the contribution by the Chairman and each individual director to the Board.**

**Provision 5.2: The company discloses in its annual report how the assessments of the Board, its board committees and each director have been conducted, including the identity of any external facilitator and its connection, if any, with the company or any of its directors.**

The Board's performance is linked to the overall performance of the Group. The Board ensures that the Company is in compliance with the applicable laws, and members of our Board are required to act in good faith, with due diligence and care, and in the best interests of the Company and its shareholders.



# CORPORATE GOVERNANCE REPORT

The NC is responsible for assessing the effectiveness of the Board as a whole and the Board Committees, and for assessing the contribution of the Chairman and each individual Director to the effectiveness of the Board. The NC has established a review process and has proposed objective performance criteria set out in assessment checklists which are approved by the Board. The NC assesses the Board's effectiveness as a whole by completing a Board Assessment Checklist, which takes into consideration factors such as the Board's structure, conduct of meetings, corporate strategy and planning, risk management and internal control, measuring and monitoring performance, recruitment and evaluation, compensation, financial reporting, communicating with shareholders and the Board's relationship with the Management as well as the effectiveness of the respective Board Committees. The NC also assesses the Board and Board Committee's performance based on a set of quantitative criteria and financial performance indicators as well as share price performance. The NC assesses the individual Directors' performance by completing an Individual Director Assessment Checklist, which takes into consideration factors such as commitment of time for meetings, level of participation and contribution at such meetings and the technical knowledge of the Directors. The assessment of the Board as a whole and the individual Directors are conducted annually. No external facilitator was engaged by the Board for this purpose in FY2024. The completed assessment checklists were collated by the Company Secretary and the results of the evaluation exercise were subsequently considered by the NC, before making recommendations to the Board, with the aim of assisting the Board to discharge its duties more effectively.

Following the review of the assessment checklists of the Board as a whole, Board Committees and each Director for FY2024, the NC with the concurrence of the Board, is of the view that the performance of the Board as a whole and the respective Board Committees are overall satisfactory and that each member of the Board has effectively and efficiently contributed to the Board and the Group during the year.

The performance criteria are not subject to changes from year to year. Nonetheless, where circumstances deem it necessary for any of the criteria to be changed, the Board will justify such changes.

The Board and the NC have endeavoured to ensure that Directors appointed to the Board possess the background, experience, business knowledge, finance and management skills critical to the Group's business. They have also ensured that each Director, with his special contributions, brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made.

## REMUNERATION MATTERS

### PROCEDURE FOR DEVELOPING REMUNERATION POLICIES

**Principle 6 : The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No Director is involved in deciding his or her own remuneration.**

**Provision 6.1: The Board establishes a RC to review and make recommendations to the Board on:**

- (a) a framework of remuneration for the Board and key management personnel; and
- (b) the specific remuneration packages for each Director as well as for the key management personnel.

**Provision 6.2: The RC comprises at least three Directors. All members of the RC are Non-Executive Directors, the majority of whom, including the RC Chairman, are independent. The RC currently comprises of three members, all of whom, including the RC Chairman, are Independent Directors.**

The RC currently comprises three members, all of whom, including the RC Chairman, are Independent Directors.

#### Name of RC Member

Low Chai Chong	(Chairman, Independent)
Aw Eng Hai	(Member, Independent)
Diaz Faisal Hendropriyono	(Member, Independent)



# CORPORATE GOVERNANCE REPORT

The RC will meet at least once a year. The RC carries out its duties in accordance with a set of terms of reference which includes the following:

- (a) reviewing and recommending for endorsement by the entire Board a framework of remuneration for the Directors and Executive Officers and determining specific remuneration packages of each Executive Director and key management personnel. The RC shall cover all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits in kind;
- (b) reviewing annually the remuneration, bonuses, pay increase and/or promotions of employees who are related to the Directors or substantial shareholders of the Company to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;
- (c) reviewing the Company's obligations arising in the event of termination of service contracts entered into between the Group and its Executive Directors or key management personnel, as the case may be, to ensure that the service contracts contain fair and reasonable termination clauses which are not overly onerous to the Group;
- (d) if necessary, seeking expert advice within and/or outside the Company on remuneration matters, ensuring that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants; and
- (e) reviewing annually the remuneration package in order to maintain their attractiveness to retain and motivate the Directors and key management personnel and to align the interests of the Directors and Executive Officers with the long-term interests of the Company.

**Provision 6.3: The RC considers all aspects of remuneration, including termination terms, to ensure they are fair.**

The RC considers all aspects of remuneration, including but not limited to, Directors' fees, salaries, allowances, bonuses, options, share-based incentives, awards and benefits-in-kind in the review of remuneration packages for the Directors and the key management personnel with an aim to be fair and to avoid rewarding poor performance, before making any recommendation to the Board. The RC also reviews the fairness and reasonableness of the termination clauses of the service agreements of the Executive Director and key management personnel. The RC's recommendations will be submitted for endorsement by the Board. No Director is involved in deciding remuneration, compensation or any form of benefit to be granted to himself, his associates or employees who are related to him.

As part of its review, the RC ensures that the Directors and key management personnel are adequately but not excessively remunerated as compared to industry benchmarks and other comparable companies. This is also to ensure that the compensation is suitable to attract, retain and motivate Directors and key management personnel to successfully manage the Group in the long-term success.

The members of the RC are familiar with executive compensation matters as they manage their own businesses and/or are holding other directorships. The RC has access to expert advice regarding executive compensation matters, if required, and shall ensure that any relationship between the appointed consultant and any of its Director or the Company will not affect the independence and objectivity of the remuneration consultant.

**Provision 6.4: The Company discloses the engagement of any remuneration consultants and their independence in the Company's annual report.**

During FY2024, the Company engaged Decode HR Pte. Ltd. ("**Decode**"), an external human resource consultancy firm to advise on the granting of share awards under the TOTM Technologies Performance Share Plan 2021 ("**PSP 2021**").

Decode presented a proposal to the RC regarding the grant of share awards under the PSP 2021. The proposal detailed the terms of the share awards, including performance conditions and allocation of the share awards under the PSP 2021.



# CORPORATE GOVERNANCE REPORT

There are no past and present relationships between Decode and the Company, its Board, Management or employees that could compromise Decode's independence and objectivity. **[Decode and TOTM to confirm]**

Other than the above, the Board did not engage any external remuneration consultant to advise on remuneration matters for FY2024.

## LEVEL AND MIX OF REMUNERATION

**Principle 7 : The level and structure of remuneration of the Board and key management personnel are appropriate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.**

**Provision 7.1: A significant and appropriate proportion of Executive Directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company.**

In setting remuneration packages, the Company takes into account pay and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of individual Directors and key management personnel. The remuneration package is designed to allow the Company to better align the interests of the Executive Director and key management personnel with those of shareholders and link rewards to corporate and individual performance.

**Provision 7.2: The remuneration of Non-Executive Directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities.**

The fees of the Independent and Non-Executive Directors are determined by the Board according to the level of contribution, and taking into account factors such as the effort and time spent, and their respective responsibilities. The Independent Directors shall not be over-compensated to the extent that their independence may be compromised. Payments of Directors' fees are subject to shareholders' approval at each AGM. Except as disclosed, the Independent and Non-Executive Directors do not receive any other remuneration from the Company and do not have any service agreements with the Company.

**Provision 7.3: Remuneration is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term.**

The review of the remuneration of the Executive Directors and key management personnel takes into consideration the performance and the contributions of the officer to the Company and gives due regard to the financial and business performance of the Group. The Group seeks to offer a competitive level of remuneration to attract, motivate and retain senior management of the required competency to run the Group successfully.

The Company has entered into a service agreement with the CEO, who also holds the position of Executive Director of the Company. The notice period of the said service agreement is six months. The service agreement of the CEO includes contractual provisions that would allow the Company to reclaim incentive components of remuneration from the CEO. In exceptional circumstances of misstatement of financial statements, or of misconduct resulting in financial loss to the Company and the Group, the Company believes that there are alternative legal avenues that will enable the Company to recover financial losses arising from such exceptional events from the other Executive Directors and key management personnel. The RC would review such contractual provisions as and when necessary. The RC aims to be fair and avoid rewarding poor performance.

The Company had adopted the PSP 2021 and the TOTM Technologies Employee Option Scheme 2021 ("ESOS 2021") at its extraordinary general meeting held on 30 September 2021. The PSP 2021 and ESOS 2021 help retain employees, Directors, and Controlling Shareholders, whose contributions are crucial to the long-term growth and profitability of the Group and to give recognition to employees and Directors of the Group who have contributed to the growth of the Group. The details of PSP 2021 and ESOS 2021 are set out in the circular to Shareholders dated 8 September 2021.



# CORPORATE GOVERNANCE REPORT

On 15 May 2024, the Company granted a total of up to 40,000,000 share awards to Mr Irawan Mulyadi and Mr Dhanie Tri Indrasto, with each receiving up to 20,000,000 share awards under PSP 2021. On 15 August 2024, 24,000,000 out of the 40,000,000 share awards have vested 3 months from the date of grant as the vesting conditions have been fulfilled. As announced on 20 August 2024, the Company has issued and allotted 24,000,000 new ordinary shares in the capital of the Company pursuant to the vesting of the aforementioned awards.

No share awards have been granted under ESOS 2021 in FY2024. Key information regarding the Directors, including their shareholdings in the Company, is set out on pages [●] to [●] of this Annual Report.

## DISCLOSURE OF REMUNERATION

**Principle 8 : The Company is transparent on its remuneration policies, level and mix of remuneration, the procedures for setting remuneration, and the relationships between remuneration, performance and value creation.**

**Provision 8.1: The Company discloses in its annual report the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of: (a) each individual Director and the CEO; and (b) at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than \$250,000 and in aggregate the total remuneration paid to these key management personnel.**

The Board is of the view that full disclosure of the exact or aggregate remuneration of each individual Director and key management is not in the best interests of the Company, taking into account the sensitive nature of remuneration, the competitive business environment the Group operates in and the potential negative impact such disclosure will have on the Group. Regarding the Code's recommendation to fully disclose the remuneration amount and breakdown of each individual Director and Management, the Company believes that disclosing their remuneration in the bands of S\$250,000 provides a sufficient overview of the Directors' and Management's remuneration.

The level and mix of remuneration paid or payable to the Directors and key management personnel for FY2024 are set out as follows:

(a) Remuneration bands of Directors and CEO of the Company **[TOTM to complete & confirm]**

Name of Director	Salary & CPF (%)	Bonus & CPF (%)	Director's Fee (%)	Other Benefits (%)	Total (%)
<b>From S\$500,001 to S\$750,000 per annum</b>					
Pierre Prunier	32	-	-	68	100
Non-Executive Directors					
<b>Below S\$250,000 per annum</b>					
Low Chai Chong	-	-	100	-	100
Aw Eng Hai	-	-	100	-	100
Diaz Faisal Hendropriyono	-	-	100	-	100
Irawan Mulyadi	-	-	100	-	100
Dhanie Tri Indrasto	-	-	100	-	100
Chua Hoe Sing <sup>(1)</sup>	-	-	100	-	100
Cheam Heng Haw, Howard <sup>(2)</sup>	-	-	100	-	100

### Notes:

(1) Mr Chua Hoe Sing resigned as Independent Director of the Company on 20 November 2023.

(2) Mr Cheam Heng Haw, Howard resigned as Independent Director of the Company on 24 November 2023.

# CORPORATE GOVERNANCE REPORT

(b) Remuneration bands of Key Management Personnel of the Company [TOTM to complete & confirm]

Key Management Personnel	Salary & CPF (%)	Bonus & CPF (%)	Director's Fee (%)	Other Benefits (%)	Total (%)
<b>Below S\$250,000 per annum</b>					
Frederick Lau Si Kah	96	-	-	4	100
Bryan Eaton Glancey Jr.	66	-	-	34	100

**Note:**

There are no termination, retirement or post-employment benefits that are granted to the Directors, CEO and the key management personnel of the Group.

(c) TOTM Employee Share Schemes

No shares have been issued under the ESOS 2021 during FY2024.

(d) TOTM Performance Share Plan

On 15 May 2024, the Company granted a total of up to 40,000,000 share awards Mr Irawan Mulyadi and Mr Dhanie Tri Indrasto under the PSP 2021. On 15 August 2024, 24,000,000 out of the 40,000,000 share awards have vested 3 months from the date of grant as the vesting conditions have been fulfilled. As announced on 20 August 2024, the Company has issued and allotted 24,000,000 new ordinary shares in the capital of the Company pursuant to the vesting of the aforementioned awards.

**Provision 8.2: The Company discloses the names and remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during the year, in bands no wider than S\$100,000, in its annual report. The disclosure states clearly the employee's relationship with the relevant Director or the CEO or substantial shareholder.**

There were no employees of the Company or its subsidiaries who were immediate family members of any Director or the CEO and whose remuneration exceeded S\$100,000 during FY2024.

**Provision 8.3: The Company discloses in its annual report all forms of remuneration and other payments and benefits, paid by the Company and its subsidiaries to Directors and key management personnel of the Company. It also discloses details of employee share schemes.**

Please refer to the table disclosing the breakdown of all forms of remuneration and other payments and benefits of Directors and key management personnel in Provision 8.1.

The PSP 2021 and the ESOS 2021 were approved by the shareholders on 30 September 2021 at the EGM of the Company. Both PSP 2021 and ESOS 2021 are administered by the RC or such other committee comprising Directors duly authorised and appointed by the Board, and contemplate award of shares and the award of options to subscribe for shares of the Company at a certain subscription price, as the case maybe, when or after prescribed performance targets are achieved by the selected employees of the Group.



# CORPORATE GOVERNANCE REPORT

## ACCOUNTABILITY AND AUDIT

### RISK MANAGEMENT AND INTERNAL CONTROLS

**Principle 9 : The Board is responsible for the governance of risk and ensure that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.**

**Provision 9.1: The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The Board sets up a Board Risk Committee to specifically address this, if appropriate.**

The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost effective control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board, assisted by the AC, reviews annually and ensures that a sound system of risk management and internal controls is maintained by the Group to safeguard shareholders' interests and the Group's assets and determines the nature and extent of the significant risks which the Group is willing to take in achieving its strategic objectives. The Group has implemented a system of internal controls designed to provide reasonable but not absolute assurance that assets are safeguarded, proper accounting records are maintained, operational controls are adequate and business risks are suitably managed. The Board, with the assistance of the AC, oversees the Management in the design, implementation and monitoring of the risk management and internal control systems, and reviews the adequacy and effectiveness of such systems at least annually.

The Company appoints internal auditors to conduct annual reviews, based on the internal audit plan approved by the AC, of the effectiveness of the Group's key risk management and internal control systems, including financial, operational, compliance and information technology controls. Any material non-compliance or lapses in internal controls, together with recommendations for improvement, are reported to the AC and the Board. The timely and proper implementation of all required corrective, preventive or improvement measures are closely monitored.

The External Auditor, during the conduct of their normal audit procedures, will also report on matters relating to internal controls relevant to the audit. Any material non-compliance and recommendation for improvement will be reported to the AC.

The Company implemented a comprehensive risk management strategy to address our challenges of providing end-to-end identity management and biometrics solutions. This approach includes a structured process for identifying, assessing and mitigating risk, as well as monitoring material and emerging risks, overseen by the Board with the assistance of the AC. The key components of the Company's risk management strategy are as follows:

Material risk description	Actions taken by the Company
<b>[TOTM to complete]</b>  [for e.g. Operational & Technology Risk, Regulatory risk & Reputation Risks]	<b>[TOTM to complete how TOTM addresses and mitigates identified risk]</b>

**Provision 9.2: The Board requires and discloses in the Company's annual report that it has received assurance from: (a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.**

The Board has received assurance from the Executive Director and CEO, and Deputy CFO, Mr Frederick Lau that (a) the financial records have been properly maintained and the financial statements for FY2024 give a true and fair view of the Company's operations and finances; and (b) the Company's risk management and internal control systems are adequate and effective.



# CORPORATE GOVERNANCE REPORT

Based on the internal controls established and maintained by the Group, work performed by the Internal Auditor and External Auditor of the Company, the reviews performed by the Management, and the various Board Committees, the Board, with the concurrence of the AC, was of the opinion that the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems are adequate and effective with room for improvement.

The Board concurred with the AC's opinion that risk management and internal controls systems should be further enhanced with the expansion of the Group's business and will endeavour to enhance and improve the Company's internal controls and risk management systems at the relevant time. The Management is currently working with the internal auditors to implement all necessary recommendations to address the areas for improvement. **[To be confirmed – depends on the resolution of the prior year's IA issues for PT IBI as presented at the recent AC Meeting]**

More details on the Group's risk management is set out on pages [I] to [I] of this Annual Report.

## AUDIT COMMITTEE

**Principle 10: The Board has an Audit Committee which discharges its duties objectively.**

**Provision 10.1 The duties of the AC include:**

- (a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- (b) reviewing at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- (c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements;
- (d) making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of independent auditors; and (ii) the remuneration and terms of engagement of the independent auditors;
- (e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function; and
- (f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.

**Provision 10.2: The AC comprises at least three Directors, all of whom are non-executive and the majority of whom, including the AC Chairman, are independent. At least two members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.**

**Provision 10.3: The AC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.**

The AC currently comprises three members, all of whom, including the AC Chairman, are Non-Executive and Independent Directors.

### Name of Member

Aw Eng Hai	(Chairman, Independent)
Low Chai Chong	(Member, Independent)
Diaz Faisal Hendropriyono	(Member, Independent)



# CORPORATE GOVERNANCE REPORT

No former partner or director of the Company's existing audit firm or auditing corporation is a member of the AC. The members of the AC have sufficient accounting or financial management expertise, as interpreted by the Board in its business judgement, to discharge the AC's functions. The Board is of the view that the AC members are appropriately qualified and have sufficient accounting and/or related financial management expertise and experience to discharge the AC's responsibilities.

The AC meets on a half-yearly basis. The written terms of reference of the AC have been approved and adopted. The main duties and powers of the AC include, amongst others:

- (a) reviewing the audit plans and scope of work of the external auditors and the internal auditors, including the results of the external and internal auditors' review and evaluation of the Group's system of internal controls, the Management letters on the internal controls and the Management's response;
- (b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls, and risk management system (such review may be carried out internally or with the assistance of any competent third parties) prior to the incorporation of such results in the Company's Annual Report;
- (c) reviewing the annual consolidated financial statements and the external auditors' report on those financial statements, and discussing any significant adjustments, major risk areas, changes in accounting policies and practices, significant financial reporting issues and judgements, compliance with Singapore Financial Reporting Standards as well as compliance with the Catalist Rules and other statutory or regulatory requirements, concerns and issues arising from their audits including any matters which the auditors may wish to discuss in the absence of Management to ensure the integrity of the financial statements of the Group and any announcements relating to the Company's financial performance, where necessary, before submission to the Board for approval;
- (d) reviewing and discussing with the external and internal auditors, any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response;
- (e) reviewing and ensuring the co-ordination between internal auditors, external auditors and the Management, including the assistance given by the Management to the auditors;
- (f) considering the appointment and re-appointment of the external auditors, including their independence and objectivity, taking into account the non-audit services provided by the external auditors;
- (g) reviewing any interested person transactions falling within the scope of Chapter 9 of the Catalist Rules, and approving interested person transactions where the value thereof amount to 3% or more of the latest audited net tangible assets of the Group (either individually or as part of a series or are aggregated with other transactions involving the same interested person during the same financial year), or any agreement or arrangement with an interested person that is not in the ordinary course of business of the Group, prior to the Group's entry into the transaction, agreement or arrangement;
- (h) making recommendations to the Board on the proposals to the shareholders with regard to the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
- (i) reviewing and approving the Group's foreign exchange hedging policies (if any), and conducting periodic reviews of foreign exchange transactions and hedging undertaken by the Group;
- (j) reviewing the Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time; and
- (k) ensuring that the internal audit function is adequately resourced and has appropriate standing within the Group and reviewing the adequacy and effectiveness of the internal audit function at least annually.

The AC has full authority to investigate any matter within its terms of reference, full access to and cooperation from the Management, and full discretion to invite any Director, Executive Officer or other employee of the Group to attend its meetings, and is given reasonable resources to enable it to discharge its functions properly and effectively.



# CORPORATE GOVERNANCE REPORT

The Group has implemented a whistle-blowing policy that sets out the reporting procedures for a whistleblower to make a report to the Company on misconduct or wrongdoing relating to the Company and its officer. The policy aims to provide an avenue for employees and external parties to raise concerns about misconduct or improprieties in the Group and at the same time assure them that they will be protected from victimisation for whistle-blowing in good faith. Cases that are significant are reviewed by the AC for adequacy of investigation actions and resolutions. The Company has provided the email address – [whistleblow@totmtechnologies.com](mailto:whistleblow@totmtechnologies.com) which is accessible by the members of AC on the Company's website to allow external parties to raise any concerns they may have.

The AC is responsible for oversight and monitoring of whistleblowing and the AC reviews all whistleblowing complaints, if any, at its AC meeting to ensure independence thorough investigation, and appropriate follow-up actions are taken. There were no whistle-blowing reports received during FY2024.

In the selection of suitable audit firms, the AC takes into account several considerations such as the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit, the firm's other audit engagements, the size and complexity of the Group being audited, and the number and experience of supervisory and professional staff assigned to the audit. The selected auditing firm based in Singapore is engaged as auditors for the Company as well as Singapore-incorporated subsidiary corporations of the Company.

The Group's significant subsidiary corporations are audited by the same auditing firm of the Company, Forvis Mazars and its member firms. Mr Chin Chee Choon is the engagement partner-in-charge from Forvis Mazars since the financial year ended 31 May 2022. Accordingly, the Company is in compliance with Rules 712, 713 and 715 of the Catalist Rules.

The external auditor updates the AC on any changes in accounting standards impacting the financial statements of the Group before an audit commences.

The AC considered the report from the external auditor, including their findings on the key areas of audit focus. Significant matters that were discussed with the Management and external auditor have been included as key audit matters ("KAMs") in the external auditor's report for FY2024 on page [●] of this Annual Report. In assessing each KAM, the AC considered the approach and methodology applied including the estimates and key assumptions used. The AC concluded that management's accounting treatment and estimates adopted in each of the KAMs were appropriate. **[to be updated after receiving updates from Forvis Mazars]**

Significant matters	How does the Audit Committee address the matter
Assessment of impairment of intangible assets	[TOTM to complete]
Revenue recognition	[TOTM to complete]
Presumed fraud risk of management override	[TOTM to complete]

In compliance with Rule 1204(6)(b) of the Catalist Rules, the AC undertook the annual review of the independence and objectivity of the external auditor by reviewing the non-audit services provided and the fees paid to them. It is the opinion of the AC that the nature and extent of non-audit services provided by Forvis Mazars do not affect the independence and objectivity of Forvis Mazars. The aggregate amount of fees paid or payable to the Forvis Mazars, broken down into audit and non-audit services during FY2024 are as follows:

(i)	Audit Fees	:	S\$128,000
(ii)	Non-Audit Fee	:	S\$ 15,900
	<b>Total</b>	:	<b>S\$143,900</b>

The AC is satisfied with the independence and objectivity of Forvis Mazars and has recommended to the Board that Forvis Mazars be nominated for re-appointment as the external auditor of the Company at the Company's forthcoming AGM.



# CORPORATE GOVERNANCE REPORT

**Provision 10.4: The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the Company's documents, records, properties and personnel, including the AC, and has appropriate standing within the Company.**

The Board recognises the importance of maintaining a system of internal controls to safeguard the shareholders' investments and the Group's assets. The Company outsources the internal audit ("IA") function to the internal auditor to perform the review and test of controls of the Group's processes. The AC approves the appointment, removal, evaluation and compensation of the internal auditor. The internal auditor reports directly to the AC Chairman and has unfettered access to the Company's documents, records, properties and personnel, including access to the AC. The internal auditor assists the AC in ensuring that the Company maintains a sound system of internal controls through regular monitoring of key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the AC, and conducting regular audits of high-risk areas.

The internal auditor plans its internal audit schedules in consultation with, but independent of the Management. The IA plan is submitted to the AC for approval prior to the commencement of the IA work. The AC will review the activities of the internal auditor, including overseeing and monitoring of the implementation of improvements required on internal control weaknesses identified. Improvements implemented to address control weaknesses are further reviewed by the internal auditor based on implementation dates agreed with Management.

The Company appointed BDO Advisory Pte Ltd (the "Internal Auditor"), an external risk advisory consultancy firm to undertake the IA functions of the Group. BDO Advisory Pte Ltd is an international auditing firm and they perform their work based on the BDO Internal Audit Methodology which references to the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors ("IIA"). The BDO Advisory Pte Ltd engagement team comprises four members and is headed by a Risk Advisory Partner who has more than twenty years of experience in audit and advisory services and is a Chartered Accountant of the Institute of Singapore Chartered Accountants and Certified Internal Auditor of the IIA. Members of the IA team also have relevant academic qualifications and internal audit experience. The AC is hence satisfied that the outsourced IA function is adequately staffed by suitably qualified and experienced professionals based on the IA conducted in FY2024.

During FY2024, BDO Advisory Pte Ltd conducted its audit reviews in accordance with the internal audit plan approved by the AC. The scope of internal audit comprised a review of the Group's internal controls, procurement and payments, cash and bank management, sustainability reporting internal review, enterprise risk management for the Company and its subsidiaries, TOTM Tech SG Pte. Ltd, and GenesisPro Pte. Ltd.. The Company is working on implementing the recommendations made by BDO Advisory Pte Ltd, as set out in their IA report for FY2024, to address the identified weakness by the agreed target implementation dates.

The AC reviewed the independence, adequacy and effectiveness of the Internal Auditor as required under Rule 1204(10C) of the Catalist Rules and determined that the Internal Auditor is independent, effective and adequately resourced and accordingly the internal audit function has the appropriate standing within the Group and is able to perform its functions effectively and objectively.

The AC reviews, at least annually, the adequacy and effectiveness of the IA function.

**Provision 10.5: The AC meets with the external auditors, and with the internal auditors, in each case without the presence of Management, at least annually.**

The AC meets with the external and internal auditors without the presence of the Management, at least annually, so that any concern and/or issue can be raised directly and privately.



# CORPORATE GOVERNANCE REPORT

## SHAREHOLDER RIGHTS AND ENGAGEMENT

### SHAREHOLDER RIGHT AND CONDUCT OF SHAREHOLDER MEETINGS

**Principle 11: The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.**

**Provisions 11.1: The Company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.**

The Company recognizes and accepts the principle that all shareholders are treated fairly and equitably and that they have been accorded certain rights under the Companies Act and the Company's Constitution. Information to all shareholders is disclosed in a timely and transparent manner and in compliance with SGX-ST disclosure requirements.

Shareholders are given ample opportunity to attend, participate and vote at the Company's general meetings. Shareholders are also informed of the voting procedures prior to the commencement of voting by poll at such general meetings.

The Company strives for timeliness and consistency in its disclosures to shareholders. It is the Company's policy to keep all shareholders informed of developments or changes that will have a material impact on the Company's share price, through announcements via SGXNet. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable. Shareholders are informed of general meetings through reports or circulars sent to all shareholders. The Company encourages shareholders' participation during the general meetings.

Shareholders are encouraged to attend and voice their opinions directly on matters under discussion at the general meetings.

Shareholders are informed of general meetings through the announcement released on the SGXNet and notices contained in the annual report or circulars sent to all shareholders. The annual report, circulars, notice of general meetings, and accompanying proxy form and other documents related to the general meetings are also made available on the Company's website at URL: <https://totmtechnologies.com>. For the request of a printed copy of this Annual Report, the Company has specified in the Notice of AGM on how shareholders can obtain such a printed copy.

Shareholders are entitled to attend the general meetings and are provided the opportunity to participate in the general meetings. If any shareholder is unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the general meeting through proxy forms sent in advance.

**Provision 11.2: The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.**

Resolutions are passed through a process of voting and shareholders are entitled to vote in accordance with established voting rules and procedures. The Company appoints an independent external party as scrutineer ("Scrutineer") for the poll voting process at the general meetings of the Company. The Scrutineer will explain the poll voting procedures to shareholders at the general meetings of the Company before the resolutions are put to vote. The Company also ensures that there are separate resolutions at general meetings on each distinct issue.

The Company will put all resolutions to vote by poll and announce the detailed results, including the number of votes cast for and against each resolution and the respective percentages, after the conclusion of the AGM.



# CORPORATE GOVERNANCE REPORT

**Provision 11.3: All Directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. Directors' attendance at such meetings held during the financial year is disclosed in the Company's annual report.**

The Directors have been and will be present at the AGMs and EGMs to answer queries raised by shareholders at these meetings. The external auditor is invited to attend the AGMs to address any shareholders' queries during general meetings, including queries on the conduct of audit and the preparation and content of the auditors' report.

The Board welcomes the view of shareholders on matters affecting the Company, whether at shareholders' meetings or on an ad-hoc basis. The Directors have been and will be present at the AGMs and EGMs to answer queries raised by shareholders at these meetings. The external auditor is invited to attend the AGMs to address any shareholders' queries during general meetings, including queries on the conduct of audit and the preparation and content of the auditor's report.

Shareholders are encouraged to attend and voice their opinions directly on matters under discussion, as well as to ask questions at the general meetings.

Additionally, Shareholders are given at least seven calendar days to submit written questions after the publication of the Company's notice of general meetings, and they may raise questions or share their views regarding the proposed resolutions as well as the Company's businesses and affairs with the Company. For submission of written questions, the Company has specified in the Notice of AGM and EGM on how the Shareholders may submit their written questions in advance of the general meeting. The Company will endeavour to address relevant and substantial queries (if any) prior the AGM and EGM through publication on SGXNet within the stipulated deadline. For more information on attending the Company's forthcoming AGM, voting and submission of questions, please refer to the Company's Notice of AGM dated 11 September 2024.

A table showing a list of the Directors and the number of Board and Board Committees meetings and the general meetings of shareholders held during FY2024 along with the record of attendance of each Director during their terms as Directors and members of the respective Board Committees of the Company are set out on page [●] of this Annual Report.

**Provision 11.4: The Company's Constitution (or other constitutive documents) allow for absentia voting at general meetings of shareholders.**

Shareholders (other than a shareholder who is a relevant intermediary) may vote in person or by appointing up to two proxies to attend and vote on their behalf at the general meetings of the Company. A shareholder who is a relevant intermediary is entitled to appoint more than two proxies to attend and vote at the general meetings of the Company. All shareholders have the opportunity to participate effectively in and vote at general meetings.

The Company has not amended its Constitution to provide for absentia voting methods. Voting in absentia and by electronic mail may only be possible following careful study to ensure that integrity of the information and authentication of shareholders' identities through the web are not compromised. The Company will employ electronic polling, if necessary.

**Provision 11.5: The Company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.**

The proceedings of AGM and EGM of the Company are properly recorded and detailed in the minutes of general meetings, including relevant substantial comments or queries from shareholders relating to the agenda of the meeting and responses from the Board or the Management (if any), are available to shareholders upon their request at the registered office of the Company during office hours.

The minutes of all shareholders' general meeting(s) of the Company are posted on the SGXNet and the Company's corporate website at URL: <https://totmtechnologies.com> within 1 month after the date of the shareholders' general meeting(s).



# CORPORATE GOVERNANCE REPORT

## **Provision 11.6: The Company has a dividend policy and communicates it to shareholders.**

The Company does not have a formal dividend policy. The form, frequency and amount of dividends will depend on the Group's earnings, financial position, results of operations, capital needs, plans for expansion, and other factors as the Board may deem appropriate. The Board has not recommended any dividend for FY2024 due to the subdued financial position of the Group and the Board wishes to conserve cash for working capital purposes. **[Company to confirm]**

## **ENGAGEMENT WITH SHAREHOLDERS**

**Principle 12: The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.**

**Provision 12.1: The Company provides avenues for communication between the Board and all shareholders, and discloses in its annual report the steps taken to solicit and understand the views of shareholders.**

The Company recognises that effective communication leads to transparency and enhances accountability. The Company regularly conveys pertinent information, gathers views or input, and addresses shareholders' concerns. In this regard, the Company provides timely information to its shareholders via SGXNet announcements and news releases and ensures that price-sensitive information is publicly released and is announced within the mandatory period. The Company does not practice selective disclosure of material information.

**Provision 12.2: The Company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.**

**Provision 12.3: The Company's investor relations policy sets out the mechanism through which shareholders may contact the Company with questions and through which the Company may respond to such questions.**

Shareholders, investors or analysts may send their queries or concerns to the Management, via the Company's contact details which can be found on the Company's website and press releases. The Company will consider use of other forums as and when applicable. Shareholders are also encouraged to actively participate at the general meeting of the Company to allow for an ongoing exchange of views with the Management and Board of Directors.

The Board's policy is that all shareholders should be informed simultaneously in an accurate and comprehensive manner regarding all material developments that impact the Group via SGXNet on an immediate basis, which is in line with the Group's disclosure obligations pursuant to the Catalist Rules and the Companies Act. The Company's half-yearly financial results, annual reports, and sustainability reports are announced on the SGXNet within the stipulated period with the aim of promoting regular, effective and fair communication with shareholders.

## **MANAGING STAKEHOLDERS RELATIONSHIPS**

### **ENGAGEMENT WITH STAKEHOLDERS**

**Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interest of the Company are served.**

**Provision 13.1: The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups.**

The Company recognises the importance of close collaboration with its key stakeholders such as employees, investors and media, suppliers and service providers, customers, etc., in order to achieve sustainable business goals. The Company has in place a process to identify its various stakeholders and understand their viewpoints as well as actively communicating with them to align the Company's expectation and goals. The Group engages with the key stakeholders through various platforms.



# CORPORATE GOVERNANCE REPORT

**Provision 13.2: The Company discloses in its annual report its strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.**

Details of the stakeholders engaged by the Group, areas of focus, approaches to stakeholder, including frequency of engagement by type and by stakeholder group and key feedback or issues that have been raised through stakeholder engagement can be found in the Company's Sustainability Report for FY2024, [which is set out on pages [●] to [●] of this Annual Report / which will be published as a standalone report by 30 September 2024]. **[to be updated]**

The Company ensures that all material information relating to the Company and its financial performance is disclosed in a timely manner via SGXNet and the Company's corporate website.

**Provision 13.3: The Company maintains a current corporate website to communicate and engage with stakeholders.**

The Company maintains its corporate website, at URL: <https://totmtechnologies.com>, providing information about the Company such as Board of Directors and Key Executives, product or services, as well as announcements of the Company released on the SGXNet.

## OTHER CORPORATE GOVERNANCE MATTERS

### 1. **Material Contracts** [Rule 1204(8) of the Catalist Rules]

There were no material contracts entered into by the Company and its subsidiaries involving the interests of the CEO, each Director or controlling shareholder, either still subsisting at the end of the financial year 31 May 2024 or if not then subsisting, entered into since the end of the previous financial year.

### 2. **Interested Person Transactions** [Rule 1204(17) of the Catalist Rules]

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC, and that the transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

Other than the following, the information required pursuant to Catalist Rule 920 regarding interested person transactions during FY2024 was less than S\$100,000:-

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transaction conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
PT WAN Solutions	Irawan Mulyaldi, Non-Executive Director of the Company is a director and a 99% shareholder of PT WAN Solutions.	S\$103,000 <sup>(1)</sup>	Nil

**Note:**

- (1) During FY2024, the Group entered into sales transactions with PT WAN Solutions for sales of digital toolkits totalling US\$153,000 (approximately S\$204,000), of which US\$76,000 (approximately S\$103,000) was received by the Group from PT Wan Solutions as advance payment during FY2024. The remaining amount of US\$77,000 (approximately S\$101,000) is expected to be received after the financial year end subsequent to the delivery of the goods. PT Wan Solutions has been a strategic partner to the Group for the supply of biometrics identification systems in Indonesia.

# CORPORATE GOVERNANCE REPORT

## 3. Dealings in Securities

[Rule 1204(19) of the Catalist Rules]

The Company has adopted policies in line with the requirements of Rule 1204(19) of the Catalist Rules on dealings in the Company's securities.

The Company prohibits its officers from dealing in the Company's shares on short-term considerations or when they are in possession of unpublished price-sensitive information. The Company shall not deal in and shall prohibit dealings in its shares by its Directors, officers and employees during the period commencing one month before the announcement of the Company's half-year and full-year financial statements, and ending on the date of the announcement of the results. Directors and employees of the Company are expected to observe the insider trading laws at all times even when dealing in securities within the permitted trading periods.

## 4. Non-Sponsor Fees *[Sponsor to confirm]*

[Rule 1204(21) of the Catalist Rules]

No non-sponsor fees were paid to the Company's sponsor, SAC Capital Private Limited in FY2024.

## 5. Update on Use of Proceeds

[Catalist Rule 1204(22)]

The proceeds from the placement of 71,000,000 Shares that was announced on 28 October 2022 and completed on 17 November 2022 (the "**November 2022 Placement Exercise**") have been fully utilised, as follows:

	November 2022 Placement Exercise (S\$'000)
Net proceeds allocated for working capital	7,888
Net proceeds utilised for working capital <sup>(1)</sup>	(7,888)
Net proceeds remaining for working capital as at the date of this Annual Report	–

### Note:

- (1) A breakdown of the net proceeds from the November 2022 Placement Exercise that were utilised since 30 June 2022 to the date of this Annual Report is as follows:

Summary of expenses	Working Capital (S\$'000)
Staff costs and director fee	3,019
Finance cost or bank charges	13
Professional fees	819
Administrative expenses	3,514
Purchases from supplier	190
Capital expenditure on office renovation	333
<b>Total</b>	<b>7,888</b>

Following the full utilisation of the proceeds from the November 2022 Placement Exercise, the Company has no outstanding available proceeds.