BIOLIDICS LIMITED
(Company Registration Number: 200913076M)

RESPONSE TO QUERIES BY SGX REGCO
ON THE COMPANY'S ANNOUNCEMENTS OF 7 FEBRUARY 2022

The board of directors (the "**Board**") of Biolidics Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the queries by SGX RegCo on the Company's announcements released on 7 February 2022 in relation to: (i) the resignation of Non-Executive Non-Independent Chairman; (ii) the re-designation of Independent Director to Non-Executive Independent Chairman; and (iii) changes to the composition of the Board and Board Committees (collectively, the "**Announcements**").

Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as ascribed to them in the Announcements.

Question 1: It was announced that Mr Yee Pinh Jeremy ("**Mr Yee**") has decided to resign as the Non-Executive Non-Independent Chairman to "focus on his other existing work commitments" and Gavin Mark McIntyre ("**Mr McIntyre**") will be re-designated as the Company's Non-Executive Independent Chairman.

1 a. Mr Yee has been leading the Board as its Chairman since the Company's IPO in 2018. Please provide more details on Mr Yee's reason for cessation.

Company's response: Mr Yee is currently an Executive Director and the Chief Executive Officer ("**CEO**") of Clearbridge Health Limited ("**CBH**"), a Singapore-incorporated company that is listed on the Catalist of the Singapore Exchange Securities Trading Limited. He has indicated that as the current businesses of CBH and its subsidiaries have expanded as compared to at the point of its listing in 2017, he would like to relinquish his role as the Non-Executive Chairman of the Board in order to devote more time to focus on CBH's business and future plans in his capacity as the Executive Director and CEO of CBH.

1 b. Mr Yee's effective date of cessation was 7 February 2022. Did Mr Yee provide any notice to the Company and the Board prior to the effective date of cessation? Why was the cessation announcement not made earlier?

Company's response: Mr Yee had consulted with the nominating committee of the Company ("**NC**") on 27 January 2022 of his plans to relinquish his role as the Non-Executive Chairman of the Board in view of his existing work commitments. The NC had then requested for Mr Yee, and Mr Yee had agreed, to remain on the Board until such time a suitable candidate was identified to fill the position as Chairman of the Board. Given that there was no agreement and certainty of Mr Yee's resignation and effective date of cessation at that point in time, no announcement was made by the Company on 27 January 2022 in relation to Mr Yee's plans to relinquish his role as the Non-Executive Chairman of the Board.

After the Lunar New Year holidays, on 3 February 2022, the NC convened a meeting to discuss, amongst others, Mr Yee's indication of his intention to relinquish his role as the Non-Executive Chairman of the Board. After deliberation (and based on the considerations of the NC as further described in the Company's response to Query 1(d) below), the NC proposed to the Board, and the Board noted Mr Yee's intention to relinquish his role as the Non-Executive Chairman of the Board and approved the appointment of Mr McIntyre as the Chairman of the Board upon Mr Yee's cessation as Chairman of the Board, and the decision was thereafter conveyed to Mr Yee on 7 February 2022. The Board and Mr Yee mutually agreed for his cessation date as the Non-Executive Chairman of the Board to be fixed as 7 February 2022 and Mr Yee tendered his resignation to the Board on 7 February 2022, with an immediate announcement made by the Company of Mr Yee's cessation upon such agreement on the same day.

1 c. What is the impact of Mr Yee's cessation as Chairman on (i) the Board and (ii) operations of the Group?

Company's response: The current Board members comprise persons with a broad range of expertise and experience in diverse areas including medical technologies, accounting, finance, management and strategic planning and the Board has an appropriate level of independence and diversity of thought and background in its composition for effective functioning and decision-making in the best interests of the Group. As such, the Board is of the view that Mr Yee's cessation is not expected to have a significant impact on the Board. Given that Mr Yee's role on the Board was non-executive in nature, his cessation as Non-Executive Chairman of the Board will not have any direct impact on the management of the Group and is therefore expected to have minimal impact on the operations of the Group.

Further, the Group has been incurring losses and the Company believes that the changes in directors of the Company will bring fresh perspectives to the Board as the Group continues to chart its course in a challenging business environment.

1 d. Mr McIntyre was appointed as the Company's Independent Director ("**ID**") in November 2021. In less than 3 months, he was re-designated as Non-Executive Independent Chairman. Please elaborate on the (i) Nominating Committee ("**NC**")'s and (ii) Sponsor's considerations in assessing Mr McIntyre's re-designation and his familiarity with the Group.

Company's response: In assessing the suitability of Mr McIntyre to be appointed as the Non-Executive Independent Chairman of the Board, the NC had considered the following factors:

(i) Mr McIntyre's mix of skills, professional qualifications and his ability to devote sufficient time and attention to his duties as a Director and Chairman of the Board. In particular, Mr McIntyre is a Certified Practising Accountant and has had prior experience serving as a director in various Singapore-incorporated private and public companies, and had previously been appointed as the Chief Financial Officer of a Singapore-based investment holding company;

(ii) the NC noted that Mr McIntyre has prior experience as a director of 2 other companies which are listed on the SGX-ST and he is familiar with the role and responsibilities of a chairman of the board of directors of a SGX-ST listed company; and

(iii) Mr McIntyre has undergone an in-house orientation programme for new directors during which he was briefed on the Group's businesses, strategic directions and governance practices.

Sponsor's response: After taking into consideration, *inter alia*, (a) the NC's views on the suitability of Mr McIntyre's appointment as the Non-Executive Independent Chairman of the Board, (b) reviewing the disclosures and declarations relating to the qualifications and experience of Mr McIntyre, including his role and appointments on the board of directors of the Company and other companies listed on the SGX-ST, and (c) Mr McIntyre will be supported by the other members of the Board and management of the Company in discharging his duties as chairman of the Board, nothing has come to the attention of the Sponsor that Mr McIntyre is not suitable and does not possess the necessary qualifications and experience to be appointed as the Non-Executive Independent Chairman of the Company

Question 2: We note that in the past 12 months, there had been changes to the composition of the Board and key management team, with 4 cessations of such positions. Consequently, the Company has also appointed 4 new IDs and 1 new CEO during the same period.

2 a. Please confirm if any of the resignees highlighted concerns; disagreements with management and/or Board; or material issues that should be brought to the attention of shareholders.

Company's response: The Board confirms that the resignees did not highlight any concerns; disagreements with management and/or Board; or material issues that should be brought to the attention of shareholders of the Company.

2 b. Please provide details on the NC's assessment of efficacy of the Board as a whole.

Company's response: The NC believes the current Board remains effective in view of the following:

(i) the composition of the Board complies with the requirements of the Catalist Rules and the Code of Corporate Governance 2018 ("**CG Code**") and in particular, the current Board comprises 6 directors of which 4 (including the Chairman of the Board) are independent, and non-executive directors continue to make up a majority of the Board. As such, the Board maintains an appropriate level of independence to enable it to make decisions in the best interests of the Company;

(ii) the Board comprises members with a broad range of expertise and experience in diverse areas including medical technologies, accounting, finance, management and strategic planning, which provides diversity of thought and background so as to avoid groupthink and foster constructive debate;

(iii) there is clear division of responsibility between the Chairman and the CEO, such that no one individual has unfettered powers of decision-making;

(iv) the composition of the Board Committees, namely, the audit committee, NC and remuneration committee, complies with the requirements of the CG Code; and

(v) management continues to provide directors of the Company with complete, adequate and timely information and the Board has access to management to enable them to discharge their duties and responsibilities.

2 c. Please provide details on the Sponsor's assessment of efficacy of the Board as a whole.

Sponsor's response: In assessing the efficacy of the Board as a whole, the Sponsor has taken into consideration, *inter alia*, the broad range of expertise and experience possessed by the current Board members, which encompass diverse areas such as medical technologies, accounting, finance, management and strategic planning, and also the nature and scope of the Group's operations, and notes that such diverse skills, experience and attributes of the Board members will provide for effective direction for the Company and will be appropriate to facilitate decision making in relation to the operations of the Group.

BY ORDER OF THE BOARD

Song Tang Yih
Executive Director and Chief Executive Officer
10 February 2022

*This announcement has been prepared by the Company and has been reviewed by United Overseas Bank Limited (the "**Sponsor**") for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist. This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Mr. Lim Hoon Khiat, Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.*