BIOLIDICS LIMITED
(Company Registration No.: 200913076M)
(Incorporated in the Republic of Singapore)

ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF BIOMEDICS LABORATORY PTE. LTD.

- ENTRY INTO A PARTIAL SETTLEMENT DEED

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1. Introduction

1.1. The board of directors (the "**Board**" or "**Directors**") of Biolidics Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcements dated 27 March 2020, 24 December 2021, 24 June 2022, 23 September 2022 and 29 September 2022 ("**Announcements**"), and circular to shareholders dated 8 April 2020 ("**Circular**"), in relation to the acquisition ("**Acquisition**") of the entire issued and paid-up share capital of Biomedics Laboratory Pte. Ltd.. Capitalised terms used and not defined herein shall have the same meanings ascribed to them in the Circular and the Announcements.

1.2. The Board wishes to announce that the Company has on 28 February 2023 entered into a partial settlement deed ("**Partial Settlement Deed**") with Clearbridge BSA Pte. Ltd. ("**CBSA**") in relation to the SPA, the Share Charge, the First Amendment Deed, the Second Amendment Deed, the Third Amendment Deed and the Assignment Deed, each as amended from time to time.

2. Salient terms of the Partial Settlement Deed

2.1 Pursuant to the terms and subject to the conditions of the Partial Settlement Deed, the Company and CBSA (the "**Parties**" and each a "**Party**") agree, *inter alia*:

(a) to partially settle S$1,161,250 of the Deferred Consideration ("**Partial Settlement Sum**"), of which S$550,000 of the Partial Settlement Sum will be settled by way of cash ("**Cash Settlement Sum**") and the remaining S$611,250 will be satisfied by way of issuance of new ordinary shares in the issued share capital of the Company ("**Consideration Shares**");

(b) that the Company shall pay to CBSA the Cash Settlement Sum within two (2) weeks from the date of execution of the Partial Settlement Deed;

(c) that CBSA agrees to receive, and the Company agrees to issue, 37,500,000 Consideration Shares at an issue price of S$0.0163 for each Consideration Share, which was based on the volume weighted average price of the issued ordinary shares of the Company ("**Shares**") traded on the SGX-ST on 28 February 2023 of S$0.0163 per Share;

(d) that the issuance of the Consideration Shares will be subject to the receipt of the listing and quotation notice from the SGX-ST for the dealing in, listing of and quotation for the Consideration Shares on the Catalist Board of the SGX-ST ("**LQN**"). In the event that the LQN is not granted by the SGX-ST, the Parties agree without reservation that CBSA shall be entitled to:

i. retain the full sum of the Cash Settlement Sum free and clear of all claims and conditions and other encumbrances whatsoever; and

ii. receive the balance amount of the Deferred Consideration less the Cash Settlement Sum, being S$2,750,000, by no later than 25 November 2023, by way of bank transfer of immediately available funds to an account designated by CBSA, and

(e) that the Share Charge shall continue to be in effect and all the Charged Shares shall remain charged in favour of CBSA in accordance with the terms and conditions of the Share Charge until the balance amount of the Deferred Consideration has been paid in full, whether 42 months from the Completion Date or otherwise.

Following the completion of the payment of the Partial Settlement Sum by way of the Cash Settlement Sum and the issuance of the Consideration Shares to CBSA, the balance sum of the Deferred Consideration, being S$2,138,750, shall be payable by the Company to CBSA no later than 25 November 2023 by way of bank transfer of immediately available funds to an account designated by CBSA.

3. Rationale for the Partial Settlement Deed

3.1. The Company intends to satisfy the Cash Settlement Sum using internal resources.

3.2. As at 31 December 2022, the Group had negative equity of S$1.69 million and negative working capital of S$0.09 million. The entry into of the Partial Settlement Deed, pursuant to which the Company will be able to partially repay S$611,250 of the Deferred Consideration by way of the Consideration Shares instead of by way of cash, will improve the liquidity and working capital position of the Group and enable the Group to utilise its cash resources for other purposes.

3.3. Accordingly, the Board is of the view that the Partial Settlement Deed is beneficial to the interests of the Company.

4. Interests of Directors

None of the Directors has any interest, whether direct or indirect, in the Partial Settlement Deed other than through their respective shareholding interests, direct and/or indirect, in the Company (if any).

5. Document Available for Inspection

A copy of the Partial Settlement Deed will be made available for inspection during normal business hours at the registered office of the Company at 37 Jalan Pemimpin, #02-07 Mapex, Singapore 577177 for a period of three (3) months from the date of this announcement.

6. Cautionary Statement

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The Partial Settlement Deed is subject to certain conditions, including the receipt of the LQN from the SGX-ST. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully and where in doubt as to the action they should take, they should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers immediately.

BY ORDER OF THE BOARD

Song Tang Yih
Executive Director and Chief Executive Officer
28 February 2023

*This announcement has been prepared by the Company and has been reviewed by the Company's sponsor, United Overseas Bank Limited ("**Sponsor**"), for compliance with Rules 226(2)(b) and 753(2) of the Catalist Rules. This announcement has not been examined or approved by the SGX-ST. The SGXST 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.*