

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

PROPOSED ISSUANCE OF SHARES TO EVOLVE CAPITAL ADVISORY PRIVATE LIMITED

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of Biolidics Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that based on the Sponsor agreement signed on 20 November 2023 (the “**Agreement**”) with Evolve Capital Advisory Private Limited (“**Evolve**”), the Company will issue S\$50,000 of in value of shares upon appointment of Evolve as the continuing sponsor of the Company, as the proposed payment of professional fees to Evolve for services rendered in part cash and part shares (the “**Professional Fees**”), on the terms and subject to the conditions of the Agreement. The shares portion will comprise the issue and allotment by the Company to Evolve of an aggregate of 4,132,231 new ordinary shares (“**Shares**”) in the capital of the Company (the “**Evolve Shares**”) at an issue price of S\$0.0121 per share (valued at a total of approximately S\$50,000) (the “**Evolve Share Issuance**”).

2. SALIENT TERMS OF THE AGREEMENT

The salient terms of the Agreement and Evolve Share Issuance are as follows:

2.1 Payment of Professional Fees and Issue Price of Evolve Shares

On the terms and subject to the conditions of the Agreement, the Company will pay to Evolve the Professional Fees in part cash and part Shares. The Shares portion will comprise the issue and allotment by the Company to Evolve of the 4,132,231 Evolve Shares at an issue price of S\$0.0121 per Evolve Share (valued at a total of approximately S\$50,000).

The issue price of the Evolve Shares represents a discount of 6.92% to the volume-weighted average price of the Company’s Shares on 28 December 2023 of S\$0.0130, being the full market day on which Shares were traded on the date that the Company and Evolve agree on the issue price of the Evolve Shares. The issue price was arrived at after taking into consideration, *inter alia*, the prevailing market conditions and financial performance of the Group, the recent share prices of the Company and the rationale for the Evolve Share Issuance as set out in Section 4 below, and was mutually agreed between the Company and Evolve.

2.2 Evolve Shares

The Evolve Shares, when issued and delivered, shall be free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and shall carry all rights similar to the existing Shares except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the Evolve Share Issuance.

2.3 Additional Listing Application

The Company will, through Evolve, its continuing sponsor, be making an application to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing and quotation of the Evolve Shares on the Catalist. The Company will make the necessary announcements once the approval-in-principle for the listing and quotation of the Evolve Shares has been obtained from the SGX-ST.

The Evolve Shares to be allotted and issued pursuant to the Evolve Share Issuance are conditional upon the grant of the listing and quotation notice by the SGX-ST and the conditions in the listing and quotation notice being fulfilled.

3. INFORMATION ON EVOLVE

3.1 Details of the shareholding of Evolve on completion of the Evolve Share Issuance are set out below:

| Number of Evolve Shares | Aggregate Value (\$) | Evolve Shares as a % of the Existing Issued Share Capital⁽¹⁾ | Evolve Shares as a % of the Enlarged Issued Share Capital⁽²⁾ |
|--------------------------------|-----------------------------|--|--|
| 4,132,231 | S\$50,000 | 0.63% | 0.62% |

Notes:

(1) Number of Evolve Shares divided by 657,626,605 Shares, being the number of issued shares in the capital of the Company as at the date hereof (the “**Existing Issued Share Capital**”).

(2) Number of Evolve Shares divided by 661,758,836 Shares, being the aggregate of the number of Evolve Shares and the Existing Issued Share Capital.

3.2 Evolve is the Company’s continuing sponsor. Evolve is a capital markets services licensee for dealing in capital markets products and advising on corporate finance and is authorised as a full sponsor by the SGX-ST.

3.3 Evolve has confirmed that it, or its partner or director, or associate of such partner or director, does not, individually or collectively, have an interest either directly or indirectly in 5% or more in the securities (including rights, options and warrants (or similar financial products, where applicable) of the Company. Evolve further confirms that it is independent of and has no conflicts of interest with the Company.

3.4 To the best of the Company’s knowledge, save as disclosed above, Evolve is not related to the Directors, controlling shareholders of the Company, or their respective associates. To the best of the Company’s knowledge, save as disclosed above, Evolve does not have any connection (including business relationship) with the Company, its Directors and substantial shareholders. As at the date of this announcement, Evolve does not hold any Shares or any other shareholding interests (direct or indirect) in the Company.

4. RATIONALE

The Evolve Shares are being issued to Evolve as part payment of professional fees. Please refer to Section 2 of this announcement for the salient terms of the Evolve Share Issuance.

5. FINANCIAL EFFECTS OF THE EVOLVE SHARE ISSUANCE

5.1 Bases and assumptions

The following are presented purely for illustrative purposes only and are neither indicative nor do they represent the actual future financial situation or any projection of the financial performance or position of the Group following completion of the Evolve Share Issuance. The financial effects of the Evolve Share Issuance on the Company as set out below are based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2022 ("FY2022"), as well as the following bases and key assumptions:

- (a) the financial effects of the Evolve Share Issuance on the Group's Net Tangible Loss ("NTL") per Share and Net Asset Value ("NAV") per Share are computed based on the assumption that the Evolve Share Issuance was completed on 31 December 2022;
- (b) the financial effects of the Evolve Share Issuance on the Group's loss per Share ("**LPS**") are computed based on the assumption that the Evolve Share Issuance was completed on 1 January 2022;
- (c) the expenses in connection with the Evolve Share Issuance are disregarded for the purpose of calculating the financial effects; and
- (d) save as set out above, there have not been any adjustments for the impact of any other transactions or events.

5.2 Share Capital

| | Before the Evolve Share Issuance | After the Evolve Share Issuance |
|---|---|--|
| Number of Shares (excluding treasury shares) ('000) | 657,627 | 661,759 |
| Issued and paid-up Share capital (S\$'000) | 55,161 | 55,211 |

5.3 NTL per Share

| | Before the Evolve Share Issuance | After the Evolve Share Issuance |
|--|---|--|
| NTL attributable to the equity holders of the Company as at 31 December 2022 (S\$'000) | 1,688 | 1,638 |

| | Before the Evolve Share Issuance | After the Evolve Share Issuance |
|-----------------------|---|--|
| Number of Shares | 657,627 | 661,759 |
| NTL per Share (cents) | 0.26 | 0.25 |

5.4 LPS

| | Before the Evolve Share Issuance | After the Evolve Share Issuance |
|---|---|--|
| Loss attributable to equity holders of the Company for FY2022 (S\$'000) | 9,428 | 9,428 |
| Number of issued Shares ('000) | 657,627 | 661,759 |
| LPS (S\$ cents) | 1.43 | 1.42 |

6. AUTHORITY FOR THE EVOLVE SHARE ISSUANCE

- 6.1 As at the date of this announcement, the Company has an issued and paid-up share capital (excluding treasury shares and subsidiary holdings) of 657,626,605 Shares. The Evolve Shares represent approximately 0.63% of the issued share capital of the Company as at the date of this announcement and approximately 0.62% of the enlarged issued share capital of the Company immediately after the completion of the Evolve Share issuance.
- 6.2 The Evolve Shares will be allotted and issued pursuant to the general mandate obtained from Shareholders at the annual general meeting of the Company held on 28 April 2023 for the issuance of Shares (the "**General Mandate**"). As at 28 April 2023, being the date the General Mandate was approved by Shareholders, the Company has an issued and paid-up share capital (excluding treasury shares and subsidiary holdings) of 559,126,605 Shares. As at the date of this announcement, the Company has issued 98,500,000 Shares pursuant to the General Mandate to Mr Zhu Hua, pursuant to a subscription agreement dated 21 November 2023. The Company also announced on 22 December 2023 that pursuant to the Subscription Agreement entered into with Mr Zhou Chao ("**Mr Zhou**"), the Company plans to issue and allot 83,000,000 Shares to Mr Zhou. Accordingly, the remaining total number of Shares that may be issued pursuant to the General Mandate is 377,626,605 Shares, of which the maximum number of Shares that may be issued other than on a pro-rata basis is 98,063,302 Shares. As such, the 4,132,231 Evolve Shares which may be issued pursuant to the Agreement fall within the limits of the Share Issue Mandate.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed in this announcement, none of the Directors or controlling shareholders of the Company and their respective associates has any interests, direct or indirect, in the Evolve Share Issuance, other than through their respective shareholding interests in the Company, if any.

8. CONFIRMATION BY DIRECTORS

The Evolve Share Issuance will not result in any new cash proceeds for the Company. The Directors are of the opinion that, after taking into consideration the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. The Evolve Share Issuance is being undertaken for the reasons set out in Section 4 of this announcement.

9. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Agreement 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.

10. FURTHER ANNOUNCEMENTS

The Company will make further announcements on the Evolve Share Issuance as and when there are material developments.

11. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement (save for the information on Evolve in Section 3 of this announcement), and confirm after making all reasonable enquiries that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Evolve Share Issuance, and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading (save that in respect of information relating to Evolve in Section 3 of this announcement, such information is given based on information available to the Company as at the date of this announcement and is subject to further due diligence investigation and verification). Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

12. CAUTION IN TRADING

Shareholders and potential investors are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this announcement that the Evolve Share Issuance will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments on the Evolve Share Issuance. Shareholders are advised to read this announcement and any further announcements by the Company carefully, and should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

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

This announcement has been reviewed by the Company's sponsor, Evolve Capital Advisory Private Limited (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and 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 details of the contact person for the Sponsor are:

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