

BIOLIDICS LIMITED
(Company Registration Number: 200913076M)

**RESPONSE TO QUERIES BY SGX REGCO
ON THE COMPANY'S ANNOUNCEMENT OF 14 JULY 2020**

The board of directors (the "**Board**" or the "**Directors**") of Biolidics Limited (the "**Company**" or "**Biolidics**") refers to the queries by SGX RegCo on the announcement in relation to the licence agreement on 14 July 2020 (the "**Announcement**"). Unless otherwise defined, capitalised terms used in this announcement in the Company's responses shall have the same meaning as ascribed to them in the Announcement.

SGX RegCo Queries:

Question 1: It was mentioned in the Announcement that the Company had, on 9 July 2020, entered into a licensing agreement (the "Agreement") with Accelerate Technologies Pte Ltd (A*ccelerate) for a duration of five years from the date of the Agreement (the Term). Did the Company provide any consideration or outlay for being granted the non-exclusive worldwide rights to use the Technology for the detection of COVID-19 viral spike/Angiotensin Converting Enzyme 2 (ACES) blocking antibodies?

Question 2: What are the rights assignment for the products or technologies that are subsequently developed by the Company using the Technology? Are there any differences between how these rights are assigned during the Term and after the Term? Does Biolidics have exclusive rights to the said products or technologies?

Question 3: It is stated in the Announcement that the Company will further develop the Technology.

- (a) What is the current status and the Company's ability with regards to its efforts to further develop the Technology?
- (b) At present, what is the projected timeline or milestone, if any, for Biolidics to successfully develop the Technology?
- (c) Are there any conditions that need to be met, such as the completion of the Technology development by the Company, before it could market the serology tests which incorporate the Technology into its Covid-19 Antibody Test Kit or into any other form of serology tests?
- (d) When does the Company expect to be able to market the serology tests which incorporate the Technology into its Covid-19 Antibody Test Kit or into any other form of serology tests?

Question 4: At present, how far along is Biolidics in successfully incorporating the Technology into its Covid-19 Antibody Test Kit, or into any other form of serology tests?

Question 5: The Agreement with A*ccelerate was entered into on 9 July 2020. We note that the Company called for trading halt on 13 July 2020, at 12:19pm, and released the Announcement on 14 July 2020, 10:46pm.

- (a) What are the reasons for the delay in the announcement?
- (b) Was the Sponsor aware and consulted on the disclosure of this matter and what was their advice?
- (c) When did the Board and Sponsor approve the announcement?"

Company's Responses:

Company's response to Q1: The Company is obliged to pay for the use of the Technology. The terms of such payment are confidential and it is not in the Company's interest to publicly disclose the same.

Company's response to Q2: Generally speaking, the Company has the right to use the Technology and develop its own enhancements during the Term. After the Term, the Company will no longer have the right to use the Technology, but will own the enhancements which the Company has created on its own.

Company's response to Q3(a): The Company is currently in the initial phase of the product development. The Company has shortlisted a number of potential partners for product development, optimisation, validation and eventual commercialisation of the Technology and/or Licensed Products. The Company is still in the process of assessing the potential partners and will make the necessary announcements to update shareholders and potential investors as and when there are material developments.

As described in the Announcement, the Company would like to highlight again that there is no certainty that the Company will be able to, among others, successfully develop the serology tests which incorporate the Technology.

Company's response to Q3(b): Based on the Company's preliminary assessment, it is anticipated that it would take up to nine months to incorporate the Technology into a serology test kit.

Company's response to Q3(c): The Company is required to perform validation of the serology tests which incorporate the Technology and obtain the relevant regulatory authorisations and/or approvals before it can commercialise the serology tests ("**Regulatory Approvals**"). At this point in time, the Company is not able to provide any indication of the time required for validation to be completed and to obtain the relevant Regulatory Approvals. To clarify, the Company intends to incorporate the Technology into new serology test kits, and not its existing COVID-19 Antibody Test Kit.

It is also critical to obtain suitable product liability insurance to ensure the commercial viability of the serology tests prior to commercialisation.

The Company would like to highlight that there is no certainty that the Company will be able to, among others, successfully develop, achieve the relevant regulatory authorisations or approvals and commercialise the serology tests which incorporate the Technology, if developed.

The Company will make the necessary announcements to update shareholders and potential investors as and when there are material developments.

Company's response to Q3(d): The commercialisation of the serology tests which incorporate the Technology depends on (i) the time required to obtain the Regulatory Approvals, which is beyond the Company's control, and (ii) the Company's ability to obtain suitable product liability insurance for such serology tests. As such, at this point in time the Company is unable provide any indication on when the Company will be able to market the serology tests which incorporate the Technology, if developed. As clarified above, the Company intends to incorporate the Technology into new serology test kits only.

The Company will make the necessary announcements to update shareholders and potential investors as and when there are material developments.

Company's response to Q4: As set out at the Company's response to Question 3 above, the Company is currently in the initial phase of the product development and has shortlisted a number of potential partners for product development, optimisation, validation and eventual commercialisation of the Technology and/or Licensed Products. The Company is still in the process of assessing the potential

partners and will make the necessary announcements to update shareholders and potential investors as and when there are material developments.

Company's response to Q5(a): As part of good corporate governance and with the intention of actively updating its shareholders of developments during these times of heightened scrutiny on disclosures and price volatility, the Company wishes to keep the market informed of its COVID-19 related activities during this rapidly evolving pandemic situation and hence decided to make the Announcement.

The Agreement was signed after trading hours on 9 July 2020. As 10 July 2020 was Polling Day for the Singapore General Election and 11 July 2020 and 12 July 2020 was a weekend, the Company was only able to finalise the contents of the Announcement on 14 July 2020.

As set out in the Announcement, the Agreement is not expected to have a material impact on the earnings per share and the net asset value of the Group for the current financial year ending 31 December 2020. The Company had also highlighted that there is no certainty that the Company will be able to, among others, successfully develop the serology tests which incorporate the Technology. The Announcement which would not have a material impact on the current financial year, was disclosed with the intention of keeping the market updated.

Company's response to Q5(b): The Sponsor was aware and was consulted on the disclosure of this matter. The Sponsor had provided its comments to various drafts of the Announcement and was apprised of the comments on the draft Announcement received from various parties. The Sponsor had also advised the Company to monitor the Company's share price and trading activities prior to the release of the Announcement. The Sponsor advised the Company to call for a trading halt on 13 July 2020 after consultation with the SGX-ST.

Company's response to Q5(c): The Sponsor and the Board approved the Announcement on 14 July 2020, at and around 9.37 p.m. and 10.45 p.m., respectively.

BY ORDER OF THE BOARD

Yee Pinh Jeremy
Non-Executive Non-Independent Chairman
16 July 2020

This announcement has been prepared by Biolidics Limited (the "Company") and has been reviewed by the Company's sponsor, United Overseas Bank Limited (the "Sponsor"), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "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 Chia Beng Kwan, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.