

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

This announcement has been prepared by Biolidics Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) and its contents have 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 (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the 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 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.

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

PART I - INFORMATION REQUIRED FOR QUARTERLY, HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) **An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	GROUP		+ / (-) %
	FY2019 S\$'000	FY2018 S\$'000	
Revenue	1,438	1,268	13.4
Other income	217	65	233.8
Changes in inventories	73	(7)	n.m.
Purchases	(545)	(381)	43.0
Employee benefits expense	(1,506)	(1,330)	13.2
Depreciation expense	(594)	(362)	64.1
Amortisation expense	(46)	(29)	58.6
Research and development expense	(1,232)	(1,072)	14.9
Change in fair value of financial liabilities designated as FVTPL	-	(312)	(100.0)
Other expenses	(2,609)	(3,515)	(25.8)
Finance costs	(6)	(576)	(99.0)
Loss before tax	(4,810)	(6,251)	(23.1)
Income tax expense	-	-	n.m.
Loss for the year	(4,810)	(6,251)	(23.1)
Other comprehensive income for the year:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Effects of translation of foreign operations	17	2	750.0
Reclassification adjustment transfer to profit or loss for derecognition of translation reserve upon disposal of subsidiaries	-	(12)	n.m.
Total comprehensive income for the year	(4,793)	(6,261)	(23.4)

n.m. - not meaningful

1(a)(ii) Notes to statement of comprehensive income

Loss before tax is arrived at after crediting/(charging) the following:

	GROUP		
	FY2019	FY2018	+ / (-)
	S\$'000	S\$'000	%
<u>Material items under other income</u>			
Government grants and rebates	70	49	42.9
Interest income	114	-	n.m.
<u>Material items under other expenses</u>			
Property, plant and equipment written off	-	(28)	(100.0)
Impairment of property, plant and equipment	(35)	-	n.m.
Intangible assets written off	(90)	(162)	(44.4)
Doubtful debt written off	(2)	-	n.m.
Allowance for inventories, net	-	(1)	(100.0)
Inventories written off	(52)	(35)	48.6
Rental expenses	(11)	(220)	(95.0)
Travels	(701)	(241)	190.9
Professional fees	(869)	(900)	(3.4)
Sales and marketing expenses	(172)	(131)	31.3
Clinical studies	(1)	(181)	(99.4)
Foreign exchange loss, net	(13)	(45)	(71.1)
Interest expense	(6)	-	n.m.
Listing expenses	-	(1,122)	(100.0)
Depreciation expense on:			
Property, plant and equipment	(317)	(362)	(12.4)
Right-of-use asset ⁽¹⁾	(277)	-	n.m.
Amortisation expense	(46)	(29)	58.6

n.m. - not meaningful

⁽¹⁾ In FY2019, the Group has adopted SFRS(I) 16 Leases effective for annual periods beginning on or after 1 January 2019. The Group recognises liabilities to make lease payments (i.e. lease liabilities) and assets representing the right to use the underlying assets during the lease term (i.e. right-of-use assets) in the statement of financial position and separately the depreciation expense on the right-of-use assets in profit or loss during the period.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	As at 31/12/19	GROUP	As at 31/12/19	COMPANY	As at 31/12/18
	S\$'000	As at 31/12/18	S\$'000	As at 31/12/19	S\$'000
		S\$'000		S\$'000	S\$'000
ASSETS					
Current assets					
Cash and cash equivalents	6,030	11,499	4,603	11,499	11,499
Trade receivables	224	455	225	455	455
Prepayments	389	317	341	317	317
Other receivables	172	215	177	215	215
Inventories	904	777	903	777	777
Total current assets	7,719	13,263	6,249	13,263	13,263
Non-current assets					
Investment in subsidiaries	-	-	1,463	-	-
Property, plant and equipment	735	351	735	351	351
Right-of-use assets	602	-	602	-	-
Intangible assets	567	578	567	578	578
Total non-current assets	1,904	929	3,367	929	929
Total assets	9,623	14,192	9,616	14,192	14,192
Current liabilities					
Trade payables	523	308	523	308	308
Other payables	615	1,036	612	1,036	1,036
Contract liabilities	142	188	142	188	188
Lease liabilities	140	-	140	-	-
Total current liabilities	1,420	1,532	1,417	1,532	1,532
Net current assets	6,299	11,731	4,832	11,731	11,731
Non-current liabilities					
Provision for reinstatement cost	5	-	5	-	-
Contract liabilities	35	101	35	101	101
Lease liabilities	397	-	397	-	-
Total non-current liabilities	437	101	437	101	101
Capital and reserves					
Share capital	53,799	53,799	53,799	53,799	53,799
Translation reserve	17	-	-	-	-
Accumulated losses	(46,050)	(41,240)	(46,037)	(41,240)	(41,240)
Total equity	7,766	12,559	7,762	12,559	12,559
Total liabilities and equity	9,623	14,192	9,616	14,192	14,192

During FY2018, the Group dissolved all of its subsidiaries, and as a result, the statement of financial position of the Group is identical to the statement of financial position of the Company as at 31 December 2018 due to the deconsolidation of the subsidiaries.

During FY2019, the Company has incorporated 2 wholly-owned subsidiaries, Biolidics (Shanghai) Co., Ltd. and Biolidics Pty Ltd.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31 December 2019		As at 31 December 2018	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
70	-	-	-

Amount repayable after one year

As at 31 December 2019		As at 31 December 2018	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
288	-	-	-

Assets pledged as security

The Group's right-of-use assets include a net carrying amount of S\$424,000 (2018: S\$Nil) held as collateral to secure the Group's hire purchase loans classified as lease liabilities which amounted to S\$358,000 (2018: S\$Nil).

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP	
	FY2019 S\$'000	FY2018 S\$'000
Operating activities		
Loss before income tax	(4,810)	(6,251)
Adjustments for:		
Gain on dissolution of investment in subsidiaries	-	(12)
Amortisation expense	46	29
Depreciation expense (property, plant and equipment)	317	362
Depreciation expense (right-of-use assets)	277	-
Property, plant and equipment written off	-	28
Impairment of property, plant and equipment	35	-
Gain on disposal of property, plant and equipment	(15)	-
Allowance for inventory obsolescence	-	1
Inventories written off	52	35
Doubtful debts written off	2	-
Intangible assets written off	90	162
Change in fair value of financial liabilities designated as FVTPL	-	312
Accretion of interest expense on redeemable convertible preference shares	-	576
Interest income from fixed deposit	(114)	-
Finance costs	6	-
Provision for reinstatement cost	5	-
Operating cash flows before movements in working capital	(4,109)	(4,758)
Trade receivables	229	(166)
Prepayments	(72)	-
Other receivables	47	(171)
Inventories (Note A)	(353)	(17)
Trade payables	215	(505)
Other payables	(516)	651
Contract liabilities	(112)	278
Interest income received	110	-
Interest paid	(6)	-
Net cash used in operating activities	(4,567)	(4,688)
Investing activities		
Purchase of property, plant and equipment (Note A)	(562)	(56)
Acquisition of intangible assets	(125)	(150)
Proceeds from disposal of property, plant and equipment	15	1
Net cash used in investing activities	(672)	(205)
Financing activities		
Proceeds from Pre-IPO and Recapitalisation Exercise	-	6,839
Proceeds from issuance of IPO shares	-	7,700
Share issuance expense capitalised against share capital	-	(466)
Repurchase of vested employee share options	-	(7)
Cash paid on settlement of convertible loans	-	(131)
Payment of principal portion of lease liabilities	(247)	-
Net cash used in financing activities	(247)	13,935
Net increase in cash and cash equivalents	(5,486)	9,042
Cash and cash equivalents at beginning of year	11,499	2,455
Exchange effects on cash and cash equivalents	17	2
Cash and cash equivalents at end of year	6,030	11,499

Note A: During FY2018 and FY2019, the Group transferred inventory which are loaned out to collaboration partners and customers to testing and trial equipment in property, plant and equipment, and transferred testing and trial equipment in property, plant and equipment to inventories which are sold to collaboration partners and customers subsequently.

	FY2019	FY2018
	S\$'000	S\$'000
Transfer of inventory to property, plant and equipment	183	188
Transfer of property, plant and equipment to inventory	9	5

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial period.

(\$'000)

	Share capital	Translation reserve	Share option reserve	Accumulated losses	Total equity
Group					
Balance as at 1 January 2019	53,799	-	-	(41,240)	12,559
<i>Total comprehensive loss for the year</i>					
Loss for the year	-	-	-	(4,810)	(4,810)
Other comprehensive loss for the year	-	17	-	-	17
Total	-	17	-	(4,810)	(4,793)
Balance as at 31 December 2019	53,799	17	-	(46,050)	7,766
Balance as at 1 January 2018	10,244	10	998	(35,098)	(23,846)
<i>Total comprehensive loss for the year</i>					
Loss for the year	-	-	-	(6,251)	(6,251)
Other comprehensive income for the year	-	(10)	-	-	(10)
Total	-	(10)	-	(6,251)	(6,261)
<i>Transactions with owners, recognised directly in equity</i>					
Repurchase of vested share options	-	-	(7)	-	(7)
Reclassification due to termination of ESOS	-	-	(109)	109	-
Issuance of shares pursuant to the Pre-IPO and Recapitalisation Exercise	36,320	-	(882)	-	35,438
Issuance of ordinary shares pursuant to the IPO	7,700	-	-	-	7,700
Share issuance expenses	(465)	-	-	-	(465)
Total	43,555	-	(998)	109	42,666
Balance as at 31 December 2018	53,799	-	-	(41,240)	12,559

* Included in the accumulated losses in FY2018 is an amount of S\$109,000 related to the ESOS that was terminated in FY2018.

(S\$'000)

<u>Company</u>	Share capital	Share option reserve	Accumulate d losses	Total equity
Balance as at 1 January 2019	53,799	-	(41,240)	12,559
Loss for the year, representing total comprehensive loss for the year	-	-	(4,797)	(4,797)
Balance as at 31 December 2019	53,799	-	(46,037)	7,762
Balance as at 1 January 2018	10,244	998	(34,453)	(23,211)
Loss for the year, representing total comprehensive loss for the year	-	-	(6,896)	(6,896)
<i>Transactions with owners, recognised directly in equity</i>				
Repurchase of vested share options	-	(7)	-	(7)
Reclassification due to termination of ESOS	-	(109)	109	-
Issuance of shares pursuant to the Pre-IPO and Recapitalisation Exercise	36,320	(882)	-	35,438
Issuance of ordinary shares pursuant to the IPO	7,700	-	-	7,700
Share issuance expenses	(465)	-	-	(465)
Total	43,555	(998)	109	42,666
Balance as at 31 December 2018	53,799	-	(41,240)	12,559

* Included in the accumulated losses in FY2018 is an amount of S\$109,000 related to the ESOS that was terminated in FY2018.

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There has been no change to the Company's share capital since 30 June 2019.

There were no treasury shares, outstanding convertibles and subsidiary holdings held by the Company as at 31 December 2019 and 31 December 2018.

1(d)(iii) Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	31 December 2019	31 December 2018
Total number of issued ordinary shares excluding treasury shares	242,500,000	242,500,000

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no treasury shares held by the Company.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There were no subsidiary holdings.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors of the Company.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable

3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable as the Company's latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Save as disclosed in paragraph 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as compared to those applied in the audited financial statements for the financial year ended 31 December 2018.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted all applicable new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of Singapore Financial Reporting Standards ("SFRS(I) INT") which became effective for accounting periods beginning on or after 1 January 2019.

SFRS(I) 16 Leases ("SFRS(I) 16")

SFRS(I) is effective for financial years beginning on or after 1 January 2019.

Under the new standard, an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset) and a liability to make lease payments (i.e. the lease liability) are recognised. Interest expense on the lease liability and the depreciation expense on the right-of-use asset are recognised separately in profit or loss.

The Group has applied the modified retrospective approach and does not restate comparative amounts for the year prior to first adoption.

In addition, the Group has elected practical expedients to apply the exemption not to recognise right-of-use asset and lease liabilities to leases for which the lease term ends within 12 months as of 1

January 2019 and to apply a single discount rate to a portfolio of leases with reasonably similar characteristics.

On the adoption of SFRS(I) 16, the Group measured lease liability based on remaining lease payments discounted using the incremental borrowing rate at the date of initial application, 1 January 2019. Right-of-use asset was measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

On the adoption of SFRS(I) 16, the Group recognised right-of-use assets of S\$0.21 million and lease liabilities of S\$0.21 million for its leases previously classified as operating lease as of 1 January 2019.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	<u>FY2019</u>	<u>FY2018</u>
Loss reported for the year (S\$'000)	<u>(4,810)</u>	<u>(6,251)</u>
Weighted average number of shares ('000) *	<u>242,500</u>	<u>126,171</u>
Loss per share (cents)		
- Basic and diluted	<u>(1.98)</u>	<u>(4.95)</u>

* As approved by shareholders of the Company, pursuant to written resolutions dated 20 November 2018, 1,268,678 shares were sub-divided into 215,000,000 shares ("**Share Split**"). Adjusted for the Share Split.

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares, excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.

	Group		Company	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
Net asset value (S\$'000)	7,766	12,559	7,762	12,559
No. of shares ('000)	242,500	242,500	242,500	242,500
Net asset value per share (cents)	<u>3.20</u>	<u>5.18</u>	<u>3.20</u>	<u>5.18</u>

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

REVIEW OF THE GROUP'S PERFORMANCE

Revenue

Revenue increased by 13.4% or S\$0.17 million, from S\$1.27 million in FY2018 to S\$1.44 million in FY2019, due mainly to an increase in the sales of our ClearCell® FX1 System and related consumables as a result of an expanded customer base contributed by laboratories that collaborated with the Company to develop cancer diagnostics tests.

Other income

Other income increased by 233.8% or S\$0.15 million, from S\$0.07 million in FY2018 to S\$0.22 million in FY2019, due mainly to interest income on fixed deposits placed with the banks in FY2019.

Changes in Inventories

We recorded an increase of approximately S\$0.07 million in the closing balance of our inventories in FY2019, as compared to a decrease of S\$7,000 in FY2018. The fluctuations in the balance of our inventories were due mainly to the timing of purchase and sale of inventories.

Purchases

Our purchases increased by 43.0% or S\$0.17 million from S\$0.38 million in FY2018 to S\$0.55 million in FY2019, due mainly to the increase in purchases made for our ClearCell® FX1 Systems and related consumables in anticipation of higher demand in view of our collaborations with various partner laboratories to develop cancer diagnostics tests.

Employee benefits expense

Employee benefits expense increased by 13.2% or S\$0.18 million, from S\$1.33 million in FY2018 to S\$1.51 million in FY2019. This was mainly due to payment of directors' fee during FY2019 after the listing of the Company.

Depreciation expense

Depreciation expense increased by 64.1% or S\$0.23 million, from S\$0.36 million in FY2018 to S\$0.59 million in FY2019, due mainly to the adoption of SFRS(I) 16 resulting in recognition of depreciation expense on the right-of-use assets and depreciation charged on property, plant and equipment purchased during the year.

Amortisation expense

Amortisation expense remained relatively stable at S\$0.03 million and S\$0.05 million respectively, in FY2018 and FY2019.

Research and development (“R&D”) expense

R&D expense increased by 14.9% or S\$0.16 million, from S\$1.07 million in FY2018 to S\$1.23 million in FY2019, due mainly to the increased efforts by the Company to collaborate with partner laboratories to develop cancer diagnostics tests.

Change in fair value of financial liabilities designated as FVTPL

Change in fair value of financial liabilities designated as FVTPL pertains to the fair valuation of convertible loans. These convertible loans were fully converted into ordinary shares in FY2018.

Other expenses

Other expenses decreased by 25.8% or S\$0.91 million, from S\$3.52 million in FY2018 to S\$2.61 million in FY2019. The decrease was due mainly to the following:

- (i) a one-off expense in FY2018 pertaining to the professional fees and other miscellaneous expenses incurred pursuant to the listing and initial public offering (“**IPO**”) of the Company’s shares on the Catalist Board amounting to S\$1.12 million; and
- (ii) a S\$0.07 million decrease in intangible assets written off; and
- (iii) a S\$0.18 million decrease in clinical studies as a result of the completion of a collaboration with Institute of Cancer Research: Royal Cancer Hospital in FY2018.

This was partially offset by a S\$0.46 million increase in travel expenses in line with the increase in sales and marketing efforts and increase in activities relating to collaboration with partner laboratories to develop cancer diagnostics tests.

Finance costs

Finance costs in FY2019 pertains to interest from lease liabilities. In FY2018, the finance costs pertain to interest expense accreted on the redeemable convertible preference shares, which were fully converted into ordinary shares in FY2018.

Loss for the year

As a result of the foregoing, loss for the year decreased by 23.1% or S\$1.44 million, from S\$6.25 million in FY2018 to S\$4.81 million in FY2019.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Current assets

The Group's current assets decreased by 41.8% or S\$5.54 million, from S\$13.26 million as at 31 December 2018 to S\$7.72 million as at 31 December 2019, due mainly to cash used in the Company's operating activities and purchase of property, plant and equipment.

Non-current assets

The Group's non-current assets increased by 105.0% or S\$0.97 million, from S\$0.93 million as at 31 December 2018 to S\$1.90 million as at 31 December 2019, due mainly to an increase in property, plant and equipment of S\$0.39 million and the recognition of S\$0.60 million in right-of-use assets following the adoption of SFRS(I) 16.

Current liabilities

The Group's current liabilities decreased by 7.3% or S\$0.11 million, from S\$1.53 million as at 31 December 2018 to S\$1.42 million as at 31 December 2019, due mainly to a decrease in other payables of S\$0.42 million as a result the settlement of accrued professional fees and expenses incurred in relation to the IPO. This was partially offset by (i) an increase in trade payables of S\$0.22 million due to an increase in purchases of inventories closer to the end of FY2019; (ii) an increase in lease liabilities of S\$0.14 million following the adoption of SFRS(I) 16.

Non-current liabilities

The Group's non-current liabilities increased by 332.7% or S\$0.34 million, from S\$0.10 million as at 31 December 2018 to S\$0.44 million as at 31 December 2019, due mainly to an increase in lease liabilities of S\$0.40 million following the adoption of SFRS(I) 16.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

Cash outflow before movements in working capital amounted to S\$4.11 million in FY2019. Net cash used in working capital amounted to S\$0.46 million due mainly to a decrease in other payables of S\$0.52 million, a decrease in contract liabilities of S\$0.11 million and an increase of inventories of S\$0.35 million, and partially offset by interest income of S\$0.11 million received, a decrease in trade receivables of S\$0.23 million and an increase in trade payables of S\$0.22 million. As a result, net cash used in operating activities was S\$4.57 million in FY2019.

Net cash used in investing activities for FY2019 amounted to S\$0.67 million. This was due mainly to the additions in property, plant and equipment and intangible assets in FY2019.

Net cash used in financing activities for FY2019 amounted to S\$0.25 million. This was due mainly to the repayment of principal portion of the lease liabilities.

As a result, after adjusting for the effect of foreign exchange rate changes, there was a net decrease in cash and cash equivalents from S\$11.50 million as at 31 December 2018 to S\$6.03 million as at 31 December 2019.

9 **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

10 **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Cancer remains one of the world's biggest medical challenges and the increased prevalence of cancer is driving the growth of the global market for cancer diagnostics market, in which Biolidics operates.

There is a growing demand for minimally invasive procedures in this area and on this front, Biolidics has established a total of 6 partnerships in Asia with Japan-based Sysmex Corporation, Agency for Science, Technology and Research's (A*STAR) Genome Institute of Singapore (GIS) and partnering laboratories in China, for the development and commercialization of a wide range of clinical or laboratory developed tests ("LDTs") using the Company's ClearCell® FX1 system and CTChip® FR1 biochip. In particular, a partnering laboratory in China, Hunan Agen Medicine Laboratory Technology Co., Ltd., has started offering two LDTs in 2019.

Biolidics will continue to actively explore strategic collaborations and partnerships for the development of new LDTs. In addition, the Company is looking to enhance our internal capabilities and processes to achieve greater cost efficiencies and productivity.

11 Dividend

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

Nil

(b) (i) Amount per share

Not applicable

(ii) Previous corresponding period

Nil

(c) Whether the dividend is before tax, net of tax or tax exempt

Not applicable

(d) Date the dividend is payable

Not applicable

(e) Date on which Registrable Transfers received by the Company (up to 5pm) will be registered before entitlements to the dividend are determined

Not applicable

12 If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend was declared by the Company for the current financial period reported on as the Company is not profitable yet.

13 If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for interested person transactions.

14 Negative confirmation by the board pursuant to Rule 705(5)

Not required for full year result announcement.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1).

The Company confirms that it has procured the undertakings from all of its directors and executive officers as required under Rule 720(1) of the Catalist Rules.

16 Use of IPO proceeds

The Company received net proceeds from the IPO of approximately S\$6.1 million (the “**Net Proceeds**”). As at the date of this announcement, the Net Proceeds have been utilised as follows:

	Amount allocated (as disclosed in the Offer Document) (S\$'000)	Amount utilised as at the date of this announc ement (S\$'000)	Balance (S\$'000)
Expand our clinical services applications and clinical services customer segment	2,700	(1,876)	824
Advance our pipeline products	2,400	(272)	2,128
General corporate and working capital purposes ⁽¹⁾	1,000	(1,000)	-
Total	6,100	(3,148)	2,952

Note:

(1) Comprises operating expenses.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

17 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Segment revenue and results

(S\$'000)	Technical and product development		Global commercial channel management		Corporate segment		Total	
	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018
Segment revenue ⁽¹⁾								
Sale of goods	-	-	1,438	1,268	-	-	1,438	1,268
Project revenue	-	-	-	-	-	-	-	-
Total revenue	-	-	1,438	1,268	-	-	1,438	1,268
Results:								
Other income	-	-	-	-	217	65	217	65
Employee benefits expense	-	-	(500)	(627)	(1,006)	(703)	(1,506)	(1,330)
Depreciation expense	(121)	(97)	(220)	(251)	(253)	(14)	(594)	(362)
Amortisation expense	(46)	(29)	-	-	-	-	(46)	(29)
Research and development expense	(1,232)	(1,072)	-	-	-	-	(1,232)	(1,072)
Change in fair value of financial liabilities designated as FVTPL	-	-	-	-	-	(312)	-	(312)
Other expenses	(206)	(204)	(486)	(247)	(1,917)	(3,064)	(2,609)	(3,515)
Finance costs	-	-	-	-	(6)	(576)	(6)	(576)
Segment loss	(1,603)	(1,401)	(241)	(246)	(2,966)	(4,604)	(4,810)	(6,251)
Assets:								
Addition of non-current assets ⁽²⁾	1,002	170	184	218	563	6	1,749	394

- (1) Revenue reported represents revenue generated from external customers. There were no inter-segment sales in FY2019 and FY2018.
- (2) Additions to non-current assets consist of additions to property, plant and equipment, right-of-use assets and intangible assets.

Geographical information

Revenue information based on the geographical location of customers are as follows:

<u>(\$'000)</u>	Revenue - Product Sales	
	FY2019	FY2018
Singapore	161	93
Japan	538	360
China	209	87
Europe	197	413
United States	47	35
Hong Kong	178	262
Malaysia	41	0
Taiwan	61	0
Others	6	18
	1,438	1,268

18 **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to paragraph 8.

19 A breakdown of sales.

	<u>Group</u>		
	FY2019 S\$'000	FY2018 S\$'000	+/(-) %
Sales reported for first half year	997	627	59.0
Loss reported for first half of the year	(1,756)	(2,775)	(36.7)
Sales reported for second half year	441	641	(31.2)
Loss reported for second half of the year	(3,054)	(3,476)	(12.1)

20 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable

21 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10). If there are no such persons, the issuer must make an appropriate negative statement.

There are no persons occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

ON BEHALF OF THE BOARD

Yee Pinh Jeremy
Non-Executive Non-Independent Chairman

Leong Yow Seng
Lead Independent Director

27 February 2020