

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER (“FY”) 2020

This announcement has been prepared by Biolidics Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) 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 Catalyst (“**Catalist Rules**”). 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.

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER (“FY”) 2020

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		
	<u>FY2020</u> S\$'000	<u>FY2019</u> S\$'000	+ / (-) %
Revenue	8,907	1,438	519.4
Other income	624	217	187.6
Changes in inventories	608	73	732.9
Purchases	(6,071)	(545)	n.m.
Employee benefits expense	(2,735)	(1,506)	81.6
Depreciation expense	(753)	(594)	26.8
Amortisation expense	(243)	(46)	428.3
Research and development expense	(877)	(1,232)	(28.8)
Other expenses	(4,016)	(2,609)	53.9
Finance costs	(127)	(6)	n.m.
Loss before tax	(4,683)	(4,810)	(2.6)
Income tax credit	33	-	n.m.
Loss for the year	(4,650)	(4,810)	(3.3)
<u>Other comprehensive loss for the year:</u>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Effects of translation of foreign operations	112	17	558.8
Total comprehensive loss for the year	(4,538)	(4,793)	(5.6)

n.m. – not meaningful

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

The Group's net loss was arrived at after (charging)/crediting the following:

	Group		
	<u>FY2020</u>	<u>FY2019</u>	+ / (-)
	S\$'000	S\$'000	%
<u>Material items under other income</u>			
Government grants and rebates	593	70	747.1
Interest income	27	114	(76.3)
<u>Material items under other expenses</u>			
Plant and equipment written off	(5)	(35)	(85.7)
Loss on disposal of plant and equipment	(10)	-	n.m.
Intangible assets written off	-	(90)	n.m.
Bad debts written off	(22)	(2)	n.m.
Allowance for inventories obsolescence	(19)	-	n.m.
Travelling expenses	(209)	(701)	(70.2)
Professional fees (cash-settled)	(1,869)	(869)	115.1
Professional fees (equity-settled)	(579)	-	n.m.
Sales and marketing expenses	(108)	(172)	(37.2)
Foreign exchange loss	(545)	(13)	n.m.
<u>Material items under finance costs</u>			
Interest expense on borrowings	(63)	-	n.m.
Interest expense on lease liabilities	(26)	(6)	333.3
Accretion of interest on deferred consideration	(38)	-	n.m.
Depreciation expense on:			
Plant and equipment	(453)	(317)	42.9
Right-of-use assets	(300)	(277)	8.3
Amortisation expense	(243)	(46)	428.3

n.m. – not meaningful

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.

	Group		Company	
	As at 31/12/20 S\$'000	As at 31/12/19 S\$'000	As at 31/12/20 S\$'000	As at 31/12/19 S\$'000
Non-current assets				
Plant and equipment	772	735	718	735
Right-of-use assets	635	602	400	602
Intangible assets	3,777	567	642	567
Goodwill	626	-	-	-
Investment in subsidiaries	-	-	5,046	1,463
	<u>5,810</u>	<u>1,904</u>	<u>6,806</u>	<u>3,367</u>
Current assets				
Cash and cash equivalents	10,669	6,030	9,024	4,603
Trade receivables	202	224	358	225
Prepayments	267	389	246	341
Other receivables	197	171	468	177
Inventories	1,610	904	1,589	903
	<u>12,945</u>	<u>7,718</u>	<u>11,685</u>	<u>6,249</u>
Total assets	<u>18,755</u>	<u>9,622</u>	<u>18,491</u>	<u>9,616</u>
Current liabilities				
Trade payables	143	523	130	523
Other payables	781	614	771	613
Contract liabilities	185	142	185	142
Lease liabilities	265	140	150	140
Borrowings	869	-	869	-
Deferred grant income	48	-	48	-
	<u>2,291</u>	<u>1,419</u>	<u>2,153</u>	<u>1,418</u>
Net current assets	<u>10,654</u>	<u>6,299</u>	<u>9,532</u>	<u>4,831</u>
Non-current liabilities				
Contract liabilities	-	35	-	35
Lease liabilities	378	397	274	397
Borrowings	3,764	-	3,764	-
Provision for reinstatement cost	10	5	5	5
Deferred consideration	3,507	-	3,507	-
Deferred tax liabilities	533	-	-	-
	<u>8,192</u>	<u>437</u>	<u>7,550</u>	<u>437</u>
Total liabilities	<u>10,483</u>	<u>1,856</u>	<u>9,703</u>	<u>1,855</u>
Net assets	<u>8,272</u>	<u>7,766</u>	<u>8,788</u>	<u>7,761</u>
Equity attributable to owners of the Company				
Share capital	58,335	53,799	58,335	53,799
Foreign currency translation reserve	129	17	-	-
Share-based payment reserve	508	-	508	-
Accumulated losses	(50,700)	(46,050)	(50,055)	(46,038)
Total equity	<u>8,272</u>	<u>7,766</u>	<u>8,788</u>	<u>7,761</u>

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

Amount repayable in one year or less, or on demand

<u>As at 31 December 2020</u>		<u>As at 31 December 2019</u>	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
133	869	70	-

Amount repayable after one year

<u>As at 31 December 2020</u>		<u>As at 31 December 2019</u>	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
314	3,764	288	-

Assets pledged as security

- a) The Group's hire purchase loans classified as lease liabilities which amounted to S\$447,000 as at 31 December 2020 (31 December 2019: S\$358,000) are secured as collateral against the Group's right-of-use assets which have a net carrying amount of S\$451,000 as at 31 December 2020 (31 December 2019: S\$424,000).

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	
	FY2020 S\$'000	FY2019 S\$'000
Operating activities		
Loss before income tax	(4,683)	(4,810)
Adjustments for:		
Expenses relating to short-term leases	-	11
Amortisation expense	243	46
Depreciation of plant and equipment	453	317
Depreciation of right-of-use assets	300	277
Plant and equipment written off	5	35
Inventories written off	-	52
Intangible assets written off	-	90
Allowance for inventories obsolescence	19	-
Bad debts written off	22	2
Loss/(Gain) on disposal of plant and equipment	10	(15)
Interest expense on lease liabilities	26	6
Interest expense on borrowings	63	-
Accretion of interest on deferred consideration	38	-
Interest income from fixed deposits	(27)	(114)
Employee share-based payment – equity settled	1,368	-
Professional fees – equity settled	579	-
Provision for reinstatement cost	-	5
Operating cash flows before movement in working capital	(1,584)	(4,098)
Trade receivables	4	228
Prepayments	127	(72)
Other receivables	(7)	48
Inventories (Note)	(721)	(354)
Trade payables	(417)	215
Other payables	151	(516)
Contract liabilities	8	(112)
Deferred grant income	48	-
Cash flows used in operations	(2,391)	(4,661)
Interest received	21	110
Interest paid	(89)	(6)
Net cash used in operating activities	(2,459)	(4,557)
Investing activities		
Additions to plant and equipment (Note)	(325)	(562)
Additions to intangible assets	(125)	(124)
Proceeds from disposal of plant and equipment	-	15
Acquisition of a subsidiary, net of cash acquired	(90)	-
Net cash used in investing activities	(540)	(671)
Financing activities		
Proceeds from placement shares	3,125	-
Proceeds from borrowings	5,000	-
Placement shares issuance expenses	(28)	-
Payment of principal portion of borrowings	(367)	-
Payment of principal portion of lease liabilities	(204)	(258)
Net cash generated from/(used in) financing activities	7,526	(258)
Net increase/(decrease) in cash and cash equivalents	4,527	(5,486)
Cash and cash equivalents at beginning of year	6,030	11,499
Exchange effects on cash and cash equivalents	112	17
Cash and cash equivalents at end of year	10,669	6,030

Note: During FY2019 and FY2020, the Group transferred inventories to plant and equipment that were loaned out to collaboration partners and customers, and transferred plant and equipment to inventories that were sold to collaboration partners and customers subsequently:-

	FY2020 S\$'000	FY2019 S\$'000
Transfer of inventories to plant and equipment	70	183
Transfer of plant and equipment to inventories	8	9

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 year.**

(In S\$'000)	Share capital	Foreign currency translation reserve	Share-based payment reserve	Accumulated losses	Total equity
Group					
Balance as at 1 January 2020	53,799	17	-	(46,050)	7,766
<i>Total comprehensive loss for the year</i>					
Loss for the year	-	-	-	(4,650)	(4,650)
Other comprehensive income for the year	-	112	-	-	112
Total	-	112	-	(4,650)	(4,538)
<i>Transactions with owners, recognised directly in equity</i>					
Issuance of ordinary shares	3,125	-	-	-	3,125
Share issuance expenses	(28)	-	-	-	(28)
Employee share-based payment – equity settled	-	-	1,368	-	1,368
Professional fees – equity settled	-	-	579	-	579
Transfer of issued shares	1,439	-	(1,439)	-	-
Total	4,536	-	508	-	5,044
Balance as at 31 December 2020	58,335	129	508	(50,700)	8,272
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 income for the year	-	17	-	-	17
Total	-	17	-	(4,810)	(4,793)
Balance as at 31 December 2019	53,799	17	-	(46,050)	7,766

(In S\$'000)	Share capital	Share-based payment reserve	Accumulated losses	Total equity
Company				
Balance as at 1 January 2020	53,799	-	(46,038)	7,761
Loss for the year, representing total comprehensive loss for the year	-	-	(4,017)	(4,017)
Total	-	-	(4,017)	(4,017)
<i>Transactions with owners, recognised directly in equity</i>				
Issuance of ordinary shares	3,125	-	-	3,125
Share issuance expenses	(28)	-	-	(28)
Employee share-based payment – equity settled	-	1,368	-	1,368
Professional fees – equity settled	-	579	-	579
Transfer of issued shares	1,439	(1,439)	-	-
Total	4,536	508	-	5,044
Balance as at 31 December 2020	58,335	508	(50,055)	8,788
Balance as at 1 January 2019	53,799	-	(41,240)	12,559
Loss for the year, representing total comprehensive loss for the year	-	-	(4,798)	(4,798)
Balance as at 31 December 2019	53,799	-	(46,038)	7,761

1(d)(ii)

Details of any changes in the Company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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.

	Number of shares	Issued and paid-up share capital S\$
As at 30 June 2020	260,358,000	56,896,028
Issuance of shares on 19 August 2020 ⁽¹⁾	2,521,000	983,190
Issuance of shares on 31 August 2020 ⁽²⁾	1,168,000	455,520
As at 31 December 2020	264,047,000	58,334,738

⁽¹⁾ On 19 August 2020, the Company allotted and issued 2,521,000 new ordinary shares to certain employees and a director of the Company pursuant to the vesting of share awards ("Awards") granted under the Company's performance share plan ("PSP").

⁽²⁾ On 31 August 2020, the Company allotted and issued 1,168,000 new ordinary shares as consideration in lieu of fees for the services rendered by third party individuals to the Group.

As at 31 December 2020, the Company had:

- (i) Up to 5,182,500 new shares (“**Award Shares**”) to be issued to certain employees and a director of the Company subject to the vesting of outstanding Awards granted under the PSP upon the achievement of predetermined performance targets, of which (a) up to 1,727,500 Awards will vest within 4 months from 1 January 2021; (b) up to 1,727,500 Awards will vest within 4 months from 1 January 2022; and (c) up to 1,727,500 Awards will vest within 4 months from 1 January 2023, and
- (ii) Up to 1,555,500 new share (“**New Shares**”) to be issued to third party individuals which were awarded to them in part as consideration in lieu of fees for the services rendered and in part as performance based incentives for future performance of such service, and will vest upon the achievement of predetermined performance targets over a predetermined performance period, out of which (a) up to 518,500 New Shares will vest within 4 months from 1 January 2021; (b) up to 518,500 New Shares will vest within 4 months from 1 January 2022; and (c) 518,500 New Shares will vest within 4 months from 1 January 2021.

The outstanding Award Shares and New Shares, which amounted to 6,738,000 shares in aggregate as at 31 December 2020, represent approximately 2.55% of the total number of issued shares of the Company (excluding treasury shares) as at 31 December 2020. As at 31 December 2019, the Company had no outstanding convertibles.

There were no treasury shares and subsidiary holdings held by the Company as at 31 December 2020 and 31 December 2019.

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 2020	31 December 2019
Total number of issued ordinary shares ('000)	264,047	242,500

There were no treasury shares held by the Company as at 31 December 2020 and 31 December 2019.

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.

Not applicable.

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.

Not applicable.

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 modifications 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.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for FY2020 as compared to those applied in the audited financial statements for FY2019 except for the adoption of new or revised Singapore Financial Reporting Standards (International) ("**SFRS(I)**") and Interpretations of Singapore Financial Reporting Standards ("**SFRS(I) INT**") that are mandatory for financial years beginning on or after 1 January 2020. The adoption of these SFRS(I) and SFRS(I) INT has no significant impact on the Group's consolidated financial statements.

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 SFRS(I) and SFRS(I) INT that are mandatory for financial years beginning on or after 1 January 2020. The adoption of these SFRS(I) and SFRS(I) INT has no significant impact on the Group's consolidated financial statements.

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	
	FY2020	FY2019
Loss for the year (S\$'000)	(4,650)	(4,810)
Weighted average number of shares ('000)		
- Basic	257,466	242,500
- Diluted	258,096	242,500
Loss per share (cents)		
- Basic	(1.81)	(1.98)
- Diluted	(1.80)	(1.98)

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-20	31-Dec-19	31-Dec-20	31-Dec-19
Net asset value (S\$'000)	8,272	7,766	8,788	7,761
Number of shares ('000)	264,047	242,500	264,047	242,500
Net asset value per share (cents)	3.13	3.20	3.33	3.20

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 519.4% or S\$7.47 million, from S\$1.44 million in FY2019 to S\$8.91 million in FY2020, due mainly to revenue from the sale of our test kits for the detection of the Novel Coronavirus 2019 antibodies (the "COVID-19 Antibody Test Kits") which amounted to S\$7.81 million.

Revenue from the sales of our ClearCell® FX1 system, our CTChip® FR1 biochip and other related services and consumables remained relatively stable at S\$1.17 million and S\$1.06 million in FY2019 and FY2020 respectively.

Other income

Other income increased by 187.6% or S\$0.40 million, from S\$0.22 million in FY2019 to S\$0.62 million in FY2020, due mainly to government grant income of S\$0.23 million and S\$0.29 million in aggregate from the Jobs Support Scheme (“**JSS**”) and Capability Development Grant (“**CDG**”). The increase was partially offset by the decrease of S\$0.09 million in interest income from fixed deposits.

Changes in inventories

We recorded an increase of S\$0.63 million in the closing balance of our inventories in FY2020, as compared to an increase of S\$0.07 million in FY2019. 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 S\$5.55 million, from S\$0.55 million in FY2019 to S\$6.09 million in FY2020, due mainly to the increase in sales of our COVID-19 Antibody Test Kits during the year.

Employee benefits expense

Employee benefits expense increased by 81.6% or S\$1.23 million, from S\$1.51 million in FY2019 to S\$2.74 million in FY2020, due mainly to share-based payment expense of S\$1.37 million as a result of the vesting of Awards granted under the PSP.

Depreciation expense

Depreciation expense increased by 26.8% or S\$0.16 million, from S\$0.59 million in FY2019 to S\$0.75 million in FY2020, due mainly to the depreciation of office renovation following the Company’s office relocation in the second half of FY2019 and the depreciation of plant and equipment purchased since the second half of FY2019, as compared to a full year depreciation in FY2020.

Amortisation expense

Amortisation expense increased by 428.3% or S\$0.19 million, from S\$0.05 million in FY2019 to S\$0.24 million in FY2020, due mainly to the amortisation of the CAP Accreditation of BioMedics Laboratory Pte. Ltd. (“**Biomedics**”), identified as an intangible asset during the Purchase Price Allocation review.

Research and development (“**R&D**”) expense

R&D expense decreased by 28.8% or S\$0.36 million, from S\$1.23 million in FY2019 to S\$0.88 million in FY2020, due mainly to the reduction in R&D activities during the year.

Other expenses

Other expenses increased by 53.9% or S\$1.41 million, from S\$2.61 million in FY2019 to S\$4.02 million in FY2020. The increase was due mainly to (i) an increase of S\$0.96 million in professional fees (cash-settled) as a result of an increase in consultant fees of S\$0.45 million mainly relating to technical, quality assurance, regulatory affairs and laboratory services, and one-off professional fees of S\$0.17 million in relation to the acquisition of the entire issued and paid-up share capital of Biomedics (the “**Acquisition**”) and one-off professional fees of S\$0.23 million in relation to the COVID-19 Antibody Test Kits, (ii) share-based payment expense of S\$0.58 million as a result of vesting of share awards granted to third party individuals in part as consideration in lieu of fees for their services rendered to the Group and in part as performance based incentives for future performance of such service, and (iii) an increase of S\$0.53 million in foreign exchange loss as a result of the weakening of the United States Dollar arising from certain bank balances denominated in United States Dollar. These increases were partially offset by a decrease of S\$0.49 million in travelling expenses and a decrease of S\$0.06 million in sales and marketing expenses.

Finance costs

Finance costs increased by S\$0.12 million, from approximately S\$6,000 in FY2019 to S\$0.13 million in FY2020, due mainly to the interest expense from the bank loan and lease liabilities and accretion of interest on the deferred consideration payable for the Acquisition.

Income tax credit

Income tax credit pertains to the reversal of deferred tax liabilities arising from the CAP Accreditation of Biomedics.

Loss for the year

As a result of the foregoing, loss for the year decreased by 3.3% or S\$0.16 million, from S\$4.81 million in FY2019 to S\$4.65 million in FY2020. Excluding the one-off expense for professional fees, the other income under JSS and CDG, and equity-settled share-based payments, the Group would have recorded a loss for the year of S\$2.82 million in FY2020.

REVIEW OF THE GROUP’S FINANCIAL POSITION

Non-current assets

The Group’s non-current assets increased by 205.1% or S\$3.91 million, from S\$1.90 million as at 31 December 2019 to S\$5.81 million as at 31 December 2020. This was due mainly to an increase in intangible assets and goodwill of S\$3.21 million and S\$0.63 million, respectively, which arose mainly from the Acquisition.

Current assets

The Group’s current assets increased by 67.7% or S\$5.23 million, from S\$7.72 million as at 31 December 2019 to S\$12.95 million as at 31 December 2020. This was due mainly to (i) an increase in cash and cash equivalents of S\$4.64 million, and (ii) an increase in inventories of S\$0.71 million.

Current liabilities

The Group's current liabilities increased by 61.5% or S\$0.87 million, from S\$1.42 million as at 31 December 2019 to S\$2.29 million as at 31 December 2020. This was due mainly to an increase in borrowings of S\$0.87 million comprising the current portion of working capital bank loans drawn down during the year.

Non-current liabilities

The Group's non-current liabilities increased by S\$7.75 million, from S\$0.44 million as at 31 December 2019 to S\$8.19 million as at 31 December 2020. This was due mainly to (i) an increase in borrowings of S\$3.76 million comprising the non-current portion of working capital bank loans drawn down during the year, and (ii) deferred consideration of S\$3.51 million in relation to the Acquisition which was completed for an aggregate consideration of up to S\$3.70 million (the "**Consideration**"). The Consideration is to be satisfied by way of cash, of which S\$0.1 million was paid upon completion of the Acquisition and the balance of the Consideration shall be paid no later than 24 months from the date of completion.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

Operating cash inflow before movements in working capital amounted to S\$1.58 million in FY2020. Net cash used for working capital amounted to S\$0.88 million due mainly to (i) an increase in inventories of S\$0.72 million, and (ii) a decrease in trade payables of S\$0.42 million, and partially offset by (i) a decrease in prepayments of S\$0.13 million, and (ii) an increase in other payables of S\$0.15 million. As a result, net cash used in operating activities was S\$2.46 million in FY2020.

Net cash used in investing activities for FY2020 amounted to S\$0.54 million. This was due mainly to (i) additions in plant and equipment of S\$0.33 million, (ii) additions in intangible assets of S\$0.13 million, and (iii) the net cash outflow of S\$0.09 million in relation to the Acquisition.

Net cash generated from financing activities for FY2020 amounted to S\$7.53 million. This was due mainly to proceeds of S\$3.13 million and S\$5.00 million from the issuance of placement shares and draw down of working capital bank loans in FY2020, respectively.

Exchange effects on cash and cash equivalents for FY2020 amounted to S\$0.11 million.

As a result, there was a net increase in cash and cash equivalents by S\$4.53 million, from S\$6.03 million as at 31 December 2019 to S\$10.67 million as at 31 December 2020.

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.

The Company is committed to being highly competitive in our product and service offerings, and in having a growth-focused mindset within the healthcare sector. We will continue to focus on products/services that generate economies of scope (i.e. cost and/or operational efficiencies created by dealing with a variety of different synergistic/adjacent products) and expand our sale and distribution of third party medical and healthcare-related products and other technologies within the diagnostic space whilst being organisationally agile.

On the cancer diagnostics front, cancer remains one of the world's biggest medical challenges and the Company's non-invasive liquid biopsy technologies are focused on many critical and unmet medical needs in the cancer diagnostics area that potentially provide improved outcomes and better clinical management for individual patients. To broaden our market presence, the Company has established various partnerships in Asia, for the development and commercialisation of a wide range of cancer diagnostics solutions, using our ClearCell® FX1 system and CTChip® FR1 biochip.

The global COVID-19 pandemic has had a significant impact on the global economy and businesses, and it has inevitably brought more attention to the healthcare industry. Due to the rapidly evolving nature of the COVID-19 pandemic and as more information and discoveries from research and studies conducted become available, companies involved in the development, supply and distribution of COVID-19 related products are required to keep pace with the latest developments and ensure that their products stay relevant. On this front, the Company will continue to actively explore collaborations and partnerships for the development and commercialisation of new technologies and products related to COVID-19, in addition to our COVID-19 Antibody Test Kit and SARS-CoV-2 antigen test kit (i.e. the ClearEpi Antigen Rapid Test) launched on 30 March 2020 and 25 January 2021 respectively.

We will continue to monitor the COVID-19 situation and will provide updates should there be material developments affecting the Group.

11 Dividend

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

Nil

(b) (i) Amount per share

Nil

(ii) Previous corresponding period

Nil

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be shared).

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 has been declared by the Company as the Group had incurred losses for FY2020.

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 aggregate value of all interested person transactions (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalyst Rules) (the "**Aggregate Value of Non-mandated IPTs**") and the aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) (the "**Aggregate Value of Mandated IPTs**") during FY2020 are as follows:

Name of interested person	Nature of relationship	Aggregate Value of Non-mandated IPTs (S\$'000)	Aggregate Value of Mandated IPTs (S\$'000)
Clearbridge Health Limited ("CBH") – Secondment of staff	Controlling shareholder of the Company	-	104
Clearbridge Medical Group Pte. Ltd. – Sales of products	Subsidiary of CBH	-	5,230
Hybrionic Pte Ltd – Provision of labelling, packaging and storage services	See note below	183	-

Note: Mr Chen Chung Ni Johnny, the father of the Company's Non-Executive Non-Independent Director, Mr Chen Johnson, is a director of, and holds an equity interest of approximately 87.7%, in Hybrionic Pte Ltd. Mr Chen Johnson is also a director of Hybrionic Pte Ltd.

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 (in the format set out in Appendix 7H) 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 Catalist Rules.

16 Use of IPO proceeds

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

(\$'000)	Amount allocated (as disclosed in the offer document)	Amount utilised as at the date of this announcement	Balance
Expand our clinical services applications and clinical services customer segment	2,700	2,561	139
Advance our pipeline products	2,400	796	1,604
General corporate and working capital purposes ⁽¹⁾	1,000	1,000	-
Total	6,100	4,357	1,743

Note:

(1) Comprises operating expenses.

17 Use of placement shares proceeds

Pursuant to the issuance of 17,858,000 placement shares on 27 March 2020, the Company received net proceeds of approximately S\$3.1 million.

As at the date of this announcement, the net proceeds have been utilised as follows:

(S\$'000)	Amount allocated (as disclosed in the placement shares announcement)	Amount utilised as at the date of this announcement	Balance
Expansion of the Group's presence in its existing markets into new market segments, and through establishing new sales channels	1,595	730	865
Expansion of the Company's businesses through investments, mergers and acquisitions, joint ventures and/or strategy collaborations with third parties	792	20	772
General corporate and working capital purposes ⁽¹⁾	711	711	-
Total	3,098	1,461	1,637

Note:

(1) Comprises operating expenses.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

18 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

The following is an analysis of the Group's revenue and results by reportable segment:

(S\$'000)	Cancer	Infectious diseases	Laboratory services	Corporate segment	Total
FY2020					
Revenue:					
External customers	1,061	7,807	39	–	8,907
Inter-segment	–	–	–	–	–
Total revenue	1,061	7,807	39	–	8,907
Segment results:					
Other income	–	–	3	621	624
Employee benefits expense	(193)	(138)	(39)	(2,365)	(2,735)
Depreciation expense	(491)	–	(136)	(126)	(753)
Amortisation expense	(49)	–	(194)	–	(243)
Research and development expense	(715)	(162)	–	–	(877)
Other expenses	(415)	(560)	(227)	(2,814)	(4,016)
Finance costs	–	–	(5)	(122)	(127)
Segment profit/ (loss) before tax	(1,248)	1,959	(588)	(4,806)	(4,683)
Income tax credit	–	–	33	–	33
Segment profit/ (loss) after tax	(1,248)	1,959	(555)	(4,806)	(4,650)
Assets:					
Additions to non-current assets	378	–	–	142	520

(\$'000)	Cancer	Corporate segment	Total
FY2019			
Revenue:			
External customers	1,438	–	1,438
Inter-segment	–	–	–
Total revenue	1,438	–	1,438
Segment results:			
Other income	–	217	217
Employee benefits expense	(500)	(1,006)	(1,506)
Depreciation expense	(341)	(253)	(594)
Amortisation expense	(46)	–	(46)
Research and development expense	(1,232)	–	(1,232)
Other expenses	(692)	(1,917)	(2,609)
Finance costs	–	(6)	(6)
Segment loss before tax	(1,844)	(2,966)	(4,810)
Income tax expense	–	–	–
Segment loss after tax	(1,844)	(2,966)	(4,810)
Assets:			
Additions to non-current assets	1,186	563	1,749

(1) Additions to non-current assets consist of additions to plant and equipment, right-of-use assets and intangible assets.

Geographical information

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

(\$'000)	Cancer		Infectious disease		Laboratory services	
	FY2020	FY2019	FY2020	FY2019	FY2020	FY2019
Singapore	67	161	2,544	-	5	-
Japan	163	538	154	-	-	-
China	335	209	-	-	-	-
Europe	236	197	44	-	-	-
United States	29	47	172	-	-	-
Hong Kong	213	178	350	-	-	-
Philippines	-	-	2,540	-	-	-
Indonesia	9	-	1,990	-	-	-
Others	9	108	13	-	34	-
	1,061	1,438	7,807	-	39	-

19 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 of this announcement.

20 A breakdown of sales.

	FY2020	<u>Group</u>	FY2019	+ / (-)
	S\$'000		S\$'000	%
Sales reported for first half of the year	7,100		997	611.8
Loss reported for first half of the year	(106)		(1,756)	(94.0)
Sales reported for second half of the year	1,807		441	309.8
Loss reported for second half of the year	(4,544)		(3,054)	48.8

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

Not applicable.

22 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.

23 Disclosure pursuant to Rule 706A of the Catalist Rules

Save as disclosed in the Company's announcement dated 14 August 2020 entitled "Announcement pursuant to Rule 706A of the Listing Manual", there was no acquisition or sale of shares by the Company during FY2020 which requires disclosure pursuant to Rule 706A of the Catalist Rules.

ON BEHALF OF THE BOARD

Yee Pinh Jeremy
Non-Executive Non-Independent Chairman

Leong Yow Seng
Lead Independent Director

26 February 2021