

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

**PROPOSED PLACEMENT OF 17,858,000 NEW ORDINARY SHARES ("PLACEMENT SHARES")
IN THE CAPITAL OF BIOLIDICS LIMITED AT A PLACEMENT PRICE OF S\$0.175 FOR EACH
PLACEMENT SHARE ("PLACEMENT")**

1. INTRODUCTION

- 1.1. The board of directors (the "**Board**" or "**Directors**") of Biolidics Limited (the "**Company**", and together with its subsidiaries, collectively the "**Group**") wishes to announce that the Company had, on 13 March 2020 and 15 March 2020, entered into subscription agreements (each a "**Subscription Agreement**" and collectively the "**Subscription Agreements**") with each of the subscribers (the "**Subscribers**") set out in paragraph 1.3 below.
- 1.2. Subject to and upon the terms of the respective Subscription Agreements, the Subscribers have agreed to subscribe and pay for, and the Company will allot and issue to the Subscribers, an aggregate of 17,858,000 Placement Shares at the price of S\$0.175 for each Placement Share (the "**Placement Price**"), amounting to an aggregate Placement consideration of S\$3,125,150.
- 1.3. The details of the allotment to each of the Subscribers are set out below.

Information on the Subscribers set out below were provided by the respective Subscribers. In respect of such information, the Company and the Board have not independently verified the accuracy and correctness of the same and the Company and the Board's responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.

Subscriber	Number of Placement Shares subscribed for	Subscription consideration payable (S\$)	Shareholding prior to the completion of the Placement as a percentage of the existing issued share capital of the Company⁽¹⁾	Shareholding (including the number of Placement Shares subscribed for) as a percentage of enlarged issued share capital of the Company after completion of the Placement⁽¹⁾	Particulars of the Subscriber
Kuik Thiam Huat	572,000	100,100	1.27%	1.40%	A private investor
Kuik Chim Mui	572,000	100,100	0.21%	0.41%	A private investor
Toh Chin Teck	286,000	50,050	0.25%	0.34%	A private investor
Tan Peng Koon	286,000	50,050	0.42%	0.50%	A private investor
Ong Kim On	772,000	135,100	0.15%	0.44%	A private investor
Koh Teak Huat	572,000	100,100	0.04%	0.26%	A private investor
Lim Hwee Sian	572,000	100,100	1.45%	1.57%	A private investor
Kenyon Pte. Ltd.	2,000,000	350,000	2.30%	2.91%	A company incorporated in Singapore

					with businesses in building construction, engineering design and consulting activities
Ramesh S/O Pritamdas Chandiramani	1,429,000	250,075	0.12%	0.66%	A private investor
Ng Mui Ee	343,000	60,025	-(2)	0.13%	A private investor
Wang Ying Shu	572,000	100,100	-(2)	0.22%	A private investor
Pang Yee Poh	343,000	60,025	0.06%	0.19%	A private investor
Leong Hee Kuan	115,000	20,125	-(2)	0.04%	A private investor
Tan Swee Ling May	2,285,000	399,875	0.63%	1.46%	A private investor
Aw Chi-Ken Benjamin (Hu Zhiqing)	1,142,000	199,850	-(2)	0.44%	A private investor
Yap Boh Wei	285,000	49,875	-(2)	0.11%	A private investor
Leong Hien Yang	1,142,000	199,850	0.02%	0.46%	A private investor
Kenny Liu Zhenqi	285,000	49,875	-(2)	0.11%	A private investor
Tham Tuck Seng	857,000	149,975	-(2)	0.33%	A private investor
Ng Chuen Guan (Huang Junyuan)	2,857,000	499,975	-(2)	1.10%	A private investor
Eng Joo Kheng	571,000	99,925	-(2)	0.22%	A private investor

Note:

(1) Including deemed interests, if any.

(2) These Subscribers do not hold any Shares as at the date of this Announcement prior to completion of the Placement.

- 1.4. The Placement Shares shall be issued as fully paid and free from all claims, mortgages, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with the existing ordinary shares in the capital of the Company ("**Shares**"), except that, subject to completion of the Placement ("**Completion**"), the Placement Shares shall rank for, including without limitation, any entitlements, distributions, dividends or rights, the record date in respect of which falls on or after the date of Completion.
- 1.5. As at the date of this announcement, the Company has an issued and paid-up share capital of 242,500,000 Shares. Immediately after Completion and assuming that no further Shares are issued prior thereto, the Company's issued and paid-up share capital will increase to 260,358,000 Shares (the "**Enlarged Share Capital**"). The Placement Shares represent approximately 7.36% of the existing issued and paid-up share capital of the Company and will represent approximately 6.86% of the Enlarged Share Capital.
- 1.6. The Company will be making an application through its sponsor to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing of, and quotation for, the Placement Shares on the Catalist Board of the SGX-ST ("**Catalist**"). The Company will make the necessary announcement in due course when the listing and quotation notice (the "**LQN**") has been obtained from the SGX-ST.
- 1.7. The Placement will be undertaken pursuant to the private placement exemption under Section 272B of the Securities and Futures Act, Chapter 289 of Singapore. As such, no prospectus

or offer information statement will be lodged with the Monetary Authority of Singapore in connection with the Placement.

- 1.8. The Placement Shares will not be issued to transfer a controlling interest in the Company and none of the Placement Shares will be placed to any of the persons set out as restricted persons under Rule 812 of the SGX-ST Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**").
- 1.9. No placement agent has been appointed in respect of the Placement.

2. AUTHORITY TO ISSUE SHARES

- 2.1. The Placement Shares will be allotted and issued pursuant to the general mandate obtained from Shareholders at the annual general meeting of the Company held on 30 April 2019 for the issuance of Shares (including the making or granting of offers, agreements or options that might or would require Shares to be issued) (the "**General Mandate**").
- 2.2. Pursuant to the General Mandate, the Directors are authorised to, among other things, allot and issue new Shares not exceeding 100.0% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) as at 30 April 2019, after adjusting for (a) new Shares arising from the conversion or exercise of any convertible securities; (b) new Shares arising from the exercise of share options or vesting of share awards which are outstanding and/or subsisting at the time of the passing of the resolution, provided that such share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and (c) any subsequent bonus issue, consolidation or subdivision of Shares (the "**Base Figure**"), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing Shareholders shall not exceed 50.0% of the Base Figure.
- 2.3. As at 30 April 2019, being the date the General Mandate was approved by Shareholders, the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) was 242,500,000 Shares. As at the date of this announcement, the Company has not issued any new Shares pursuant to the General Mandate. Accordingly, the total number of Shares that may be issued pursuant to the General Mandate is 242,500,000 Shares, of which the maximum number of Shares that may be issued other than on a pro-rata basis is 121,250,000 Shares.
- 2.4. The proposed allotment and issuance of 17,858,000 Placement Shares will fall within the maximum number of 121,250,000 Shares that may be issued pursuant to the General Mandate other than on a pro-rata basis, and as such, the prior approval of Shareholders is not required for the issuance of the Placement Shares under the Placement.

3. PRINCIPAL TERMS OF THE PLACEMENT

3.1. Placement Price

The Placement Price of S\$0.175 for each Placement Share represents a discount of approximately 7.3% to the volume weighted average price of S\$0.1888 for trades done on Catalist on 13 March 2020, being the full market day on or immediately prior to which the Subscription Agreements were signed.

3.2. Conditions precedent to Completion

Pursuant to the terms of the respective Subscription Agreements, Completion is conditional upon:

- (a) the LQN being obtained and not having been revoked or amended and, where such approval is subject to conditions that are required to be fulfilled on or before the completion date, their being so fulfilled or waived by the SGX-ST; and

- (b) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Subscription Agreements by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company or the respective Subscribers.

4. FURTHER INFORMATION ON THE SUBSCRIBERS

- 4.1. Save for Ng Mui Ee, Wang Ying Shu, Leong Hee Kuan, Aw Chi-Ken Benjamin (Hu Zhiqing), Yap Boh Wei, Kenny Liu Zhenqi, Tham Tuck Seng, Ng Chuen Guan (Huang Junyuan) and Eng Joo Kheng, the Subscribers are existing shareholders of the Company. None of the Subscribers are an investment company or a fund, nor will any of them be holding the Placement Shares in trust or as a nominee.
- 4.2. Each of the Subscribers had previously expressed an interest to invest or further invest in the Company and were independently approached by the Company. The Company understands that these Subscribers have entered into their respective Subscription Agreements purely for financial investment purposes.
- 4.3. Except as disclosed in this announcement, as at the date of this announcement, the Subscribers do not hold, directly or indirectly, any Shares, and is not related to any of the Directors or substantial shareholders and their respective associates.

5. RATIONALE AND USE OF PROCEEDS

- 5.1. The Directors are of the view that the Placement is beneficial to the Group as it will increase resources and working capital available to the Company so as to pursue acquisition and/or business opportunities and improve cash flow, as part of management's strategy to achieve long-term growth and deliver shareholder value.
- 5.2. The estimated net proceeds from the Placement (after deducting professional fees and related expenses of approximately S\$28,000) are approximately S\$3,097,000 (the "**Net Proceeds**").
- 5.3. The Company intends to utilise the Net Proceeds as follows:
 - (a) approximately S\$1,595,000 (representing approximately 51.48% of the Net Proceeds) for expansion of the Group's presence in its existing markets, into new market segments, and through establishing new sales channels;
 - (b) approximately S\$792,000 (representing approximately 25.57% of the Net Proceeds) for expansion of the Company's businesses through investments, mergers and acquisitions, joint ventures and/or strategy collaborations with third parties; and
 - (c) approximately S\$711,000 (representing approximately 22.95% of the Net Proceeds) for general working capital purposes.
- 5.4. The Company will make periodic announcements on the utilisation of the Net Proceeds as and when the Net Proceeds are materially disbursed, including whether the use was in accordance with the stated use and in accordance with the percentage allocated as announced and will provide a status report on the utilisation of such Net Proceeds in its annual report(s). Where the Net Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the relevant announcements and annual report(s). Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.
- 5.5. Pending the deployment of the Net Proceeds, such Net Proceeds may be placed as deposits with banks and/or financial institutions or invested in short-term money markets or debt

instruments or for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit from time to time.

6. CONFIRMATION BY THE BOARD

The Board is of the opinion that, as at the date of this announcement:

- (a) after taking into consideration the Group's present internal resources and present bank facilities available to the Group, the Group has sufficient working capital to meet its present requirements. Notwithstanding the above, the purpose of the Placement is to raise funds for (i) scaling the Group's presence in markets that the Group operates in, expansion into new market segments and establishing new sales channels, (ii) expansion of the Company's businesses through mergers and acquisitions, joint ventures, strategy collaborations and/or investments, and (iii) general working capital purposes, as disclosed in paragraph 5.3 of this announcement; and
- (b) after taking into consideration the Group's present internal resources, present bank facilities available to the Group and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

7. FINANCIAL EFFECTS OF THE PLACEMENT

The financial effects of the Placement set out below were prepared based on the Group's unaudited consolidated financial statements for the financial year ended 31 December 2019 ("FY2019") and are for illustrative purposes only and are not intended to reflect the actual future financial performance or position of the Group immediately after Completion.

7.1. Share Capital

The effect of the Placement on the share capital of the Group is as follows:

	Before the Placement	After the Placement
As at 31 December 2019	242,500,000	260,358,000

7.2. Net Tangible Assets ("NTA")

The effects of the Placement on the unaudited consolidated NTA per Share of the Group as at 31 December 2019, assuming that the Placement had been effected on 31 December 2019, are summarised below:

	Before the Placement	After the Placement
Consolidated NTA (S\$'000)	7,199	10,296
Number of Shares	242,500,000	260,358,000
Consolidated NTA per Share (cents)	2.97	3.95

7.3. Earnings per Share ("EPS")

The effects of the Proposed Acquisition on the unaudited consolidated EPS of the Group for FY2019, assuming that the Placement had been effected at the beginning of the financial year, are summarised below:

	Before the Placement	After the Placement
Loss attributable to equity holders of the Company	(4,810)	(4,838)
Weighted average number of Shares	242,500,000	260,358,000

Consolidated EPS (cents)	(1.98)	(1.86)
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8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors nor (in so far as the Directors are aware) any substantial Shareholder or their respective associates (a) has any interest, whether direct or indirect, in the Placement, other than through their respective shareholdings in the Company, if any; and (b) has any connection (including business relationship) with any of the Subscribers or their directors or substantial Shareholders, where applicable.

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in 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 Placement, the Company and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

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 such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Subscription Agreements are available for inspection during normal business hours at the Company's registered office at 37 Jalan Pemimpin #02-07 Mapex Singapore 577177 for a period of three (3) months from the date of this announcement.

11. FURTHER ANNOUNCEMENTS

The Company will make further announcements to update Shareholders as and when appropriate.

12. CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company. There is no certainty or assurance that the Placement will be completed. The Company will make the necessary announcements, in compliance with the requirements of the Catalist Rules, as and when there are material developments in respect of the Placement and other matters contemplated in this announcement. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Yee Pinh Jeremy
Non-Executive Non-Independent Chairman
16 March 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.