

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

**MATERIAL VARIANCES BETWEEN THE AUDITED FINANCIAL STATEMENTS AND UNAUDITED
FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

The Board of Directors (the “**Board**”) of Biolidics Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement on the unaudited condensed consolidated financial statements of the Group for the interim six months and full financial year ended 31 December 2024 (“**FY2024**”) dated 28 February 2025 (“**Unaudited Condensed Consolidated Financial Statements**”). Further reference is made to the audited consolidated financial statements of the Group for FY2024 (“**Audited Financial Statements**”) and the report thereon by the Company’s independent auditor (“**Independent Auditor’s Report**”) included in the Company’s annual report for FY2024 (“**2024 Annual Report**”) which will be released on the SGXNet in due course.

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Board wishes to highlight that subsequent to the release of the Unaudited Condensed Consolidated Financial Statements, the Company’s independent auditor has proposed certain adjustments which the management of the Company has adopted accordingly in respect of the statements of financial position, and consolidated cash flow statement in the Audited Financial Statements.

The material variances between the Audited Consolidated Financial Statements and the Unaudited Consolidated Financial Statements, and the explanations thereon, are set out as follows:

Statements of financial position as at 31 December 2024

	Audited Financial Statements	Unaudited Condensed Financial Statements	Variance		Notes
	S\$’000	S\$’000	S\$’000	%	
Non-current assets					
Goodwill	2,495	1,792	703	39	3
Current liabilities					
Loan due to shareholder	410	1,076	(666)	(62)	5
Non-current liabilities					
Loan due to shareholder	666	-	666	N.A.	5
Deferred tax liability	360	353	7	2	2
Equity					
Share capital	72,612	74,149	(1,537)	(2)	1
Capital reserve	-	(1,220)	1,220	(100)	1
Contingent consideration	1,013	-	1,013	N.A.	1

Consolidated cash flow statement for the financial year ended 31 December 2024

	Audited Financial Statements	Unaudited Condensed Financial Statements	Variance		Notes
	S\$'000	S\$'000	S\$'000	%	
Operating activities					
Adjustment for:					
Depreciation of plant and equipment	4	5	(1)	(20)	6
Reversal for expected credit loss	(2)	(1)	(1)	100	6
Interest on lease liabilities	9	7	2	29	6
Changes in working capital					
Other payables	(16)	1,612	(1,628)	<(100)	4
Cash flows from operating activities	(2,313)	(685)	1,628	<(100)	4
Financing activities					
Proceeds from shares issuance	2,632	1,004	1,628	>100	4
Cash flows generated from financing activities	2,364	736	1,628	>100	4
Net increase in cash and cash equivalent	46	46	-	N.A.	7

Notes:

1. The Group had revised the accounting treatment for the share capital in connection with the acquisition of Shenzhen Xiaozhao Network Technology Co., Ltd.. Initially, the share capital was measured based on historical trading price of the Company's shares at the issuance date of 3 October 2024. The revised treatment adopts the fair value of the shares at the acquisition date of 22 October 2024, using the trading price of S\$0.008 per share, instead of S\$0.009 per share previously applied.

Hence, the value of the share capital decreased by S\$1,537,000. The previously included Earn-Out Consideration Shares amounting to S\$1,220,000 have now been excluded from share capital and are disclosed separately as contingent with an amount of S\$1,085,000 based on the trading price of S\$0.08. Furthermore, the contingent consideration has been discounted from S\$1,085,000 to its present value of S\$1,013,000, in accordance with fair value measurement principles. In line with this adjustment, the capital reserve (S\$1,220,000) previously recognised to offset the difference between the issued share value and the acquisition-date fair value has been reversed.

2. The Group revised the Deferred tax liability according to Purchase Price Allocation report which is from S\$353,000 to S\$360,000.
3. The Group has revised the goodwill from S\$1,792,000 to S\$2,495,000. The revision arose as a result of the adjustments made in Note 1 and Note 2, specifically the decrease in share capital, the reversal of the capital reserve, and the revision of the deferred tax liability. In addition, the previous goodwill calculation did not include the Earn-Out Consideration Shares, which have now been incorporated as part of the total consideration transferred in accordance with the applicable financial reporting standards. These changes collectively resulted in an increase in the recognised goodwill as part of the Purchase Price Allocation exercise.
4. The Group has reclassified partial proceeds from the issuance of shares from operating activities to financing activities, amounting to S\$1,628,000.

5. The Group reclassified a shareholder loan amounting to S\$1,076,000, which was previously presented entirely as a current liability. Based on the repayment terms, S\$410,000 has been classified as a current liability, being repayable within the next 12 months, while the remaining S\$666,000 has been reclassified as a non-current liability, repayable after 12 months.
6. For better presentation purposes, the Group has made some rounding adjustments in order to ensure the consistency of the disclosure of note to account and the statement of cashflow.
7. Overall, the audited net decrease in cash and cash equivalents of S\$46,000 remains unchanged from the unaudited net decrease of S\$46,000. This is due to subsequent key adjustments made to the Unaudited Financial Statements for FY2024, as explained in Notes 1,2,3,4 and 5, which do not impact the Group's cash flows. However, as a result of the adjustments to the Unaudited Financial Statements for FY2024, as stated in Notes 1,2,3,4 and 5, the amounts of certain items in the audited consolidated statement of cash flows differ from those in the unaudited consolidated statement of cash flows.

Shareholders and potential investors of the Company are advised to read this announcement in conjunction with the Independent Auditor's Report and the Audited Financial Statements which will form part of the 2024 Annual Report, which will be released on the SGXNet in due course.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and are advised to read this announcement and any further announcements by the Company carefully. When in doubt, shareholders and potential investors of the Company are advised to seek independent advice from their professional advisors before trading or making any investment decision in the Company's securities.

BY ORDER OF THE BOARD

Zhu Hua
Executive Director and Chairman
10 April 2025

This document has been reviewed by the Company's sponsor, Evolve Capital Advisory Private Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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