



# ENTERING A **NEW ERA**

ANNUAL REPORT 2024



Incorporated in 2009, Biolidics Limited (“**Biolidics**” or the “**Company**” and together with its subsidiaries the “**Group**”) focuses on developing a portfolio of innovative diagnostic solutions to lower healthcare costs and improve clinical outcomes.

To diversify our business model and build long term growth, the Group is also actively exploring technology-enabled lifestyle businesses, which would involve the ownership, operation and management of Multi-Channel Networks (“**MCN**”) businesses, live streaming social e-commerce platforms and Esports-related businesses.



# TABLE OF CONTENTS

02	<b>Message To Shareholders</b>
04	<b>Operations &amp; Financial Review</b>
06	<b>Board Of Directors</b>
08	<b>Executive Officer</b>
09	<b>Corporate Information</b>
10	<b>Sustainability Report</b>
30	<b>Corporate Governance</b>
60	<b>Directors' Statement</b>
64	<b>Independent Auditor's Report</b>
72	<b>Financial Statements</b>
145	<b>Statistics Of Shareholdings</b>
147	<b>Notice Of Annual General Meeting</b>
152	<b>Additional Information On Directors Seeking Re-Election</b>
	<b>Proxy Form</b>

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.

The contact person for the Sponsor is Mr. Jerry Chua (Tel: (65) 6241 6626), at 160 Robinson Road, #20-01/02, SBF Center, Singapore 068914.

## MESSAGE TO SHAREHOLDERS

We saw a significant surge of 183.0% in our overall revenue, posting S\$0.78 million in FY2024 as compared to S\$0.28 million in FY2023.

### DEAR SHAREHOLDERS,

On behalf of the Board of Directors of Biolidics Limited (“**Biolidics**” or the “**Company**” and together with its subsidiaries, the “**Group**”), I am pleased to present to you my inaugural annual report as the Group Chairman for the financial year ended 31 December 2024 (“**FY2024**”).

In an era defined by rapid technological advancement and shifting consumer preferences, we are proud to announce our strategic diversification into the Multi-Channel Networking (“**MCN**”) and E-sports-related industries in FY2024. This move marked a new chapter for us, and reiterated our commitment to innovation and our desire to harness the immense potential of these dynamic markets.

The Group has been exploring potential opportunities since obtaining approval from the Shareholders for the diversification of the Group’s existing business to include the technology-enabled lifestyle business, which would involve the ownership, operation and management of MCN businesses, live streaming social e-commerce platforms and E-sports related businesses. During the year, our successful acquisition of Shenzhen Xiaozhao Network Technology Co., Ltd (“**Shenzhen Xiaozhao**”) has provided fresh revenue and income streams. Through this strategic move, we saw a significant surge of 183.0% in our overall revenue, posting S\$0.78 million in FY2024 as compared to S\$0.28 million in the financial year ended 31 December 2023 (“**FY2023**”).

This acts as our initial foray into the MCN, E-sports and live-streaming business sectors. Shenzhen Xiaozhao has an attractive business model as an integrated marketing services provider in the gaming industry, focusing on the promotion and distribution of mobile games as well as E-sports events. Additionally, with the rich experience and extensive knowledge of the management of Shenzhen Xiaozhao in the gaming and mobile internet industry, we are confident that the new business and operations will allow the Group to achieve a more consistent and sustainable financial growth. Although we were still in the red, incurring a loss of S\$3.19 million in FY2024, we believe that we will be able to achieve robust growth in time to come.



# MESSAGE TO SHAREHOLDERS

## DIVERSIFYING BEYOND

During the year under review, our newly-acquired company Shenzhen Xiaozhao had successfully inked several contracts that had generated regular and stable income streams. In particular, in May to August 2024, the company signed several cooperation agreements worth RMB15.0 million with game development companies in publishing and promoting its game for one year and an option to renew for another year.

Furthermore, Shenzhen Xiaozhao has also entered into additional subsisting contracts with several marketing channel partners to place advertisements relating to contracts with several game developers and E-sports industry players. These strategic initiatives not only elevated our branding, but also set a solid foundation for future collaborations and cooperations with the other industry stakeholders.

In line with our vision for sustainable growth, we have also focused on cost management. To minimise losses, the Group had decided to carry out Creditors' Voluntary Liquidation ("CVL") on our wholly-owned subsidiary Biomedics Laboratory Pte Ltd ("**Biomedics Laboratory**") in FY2024. Biomedics Laboratory was incorporated in Singapore in 2019 and mainly engaged in the provision of Polymerase Chain Reaction ("PCR") testing services and other medical laboratory testing services. It had not been able to secure new business contracts since FY2022 after changes in the travel restrictions were implemented. While it had carried out cost-cutting measures previously, it continued to face difficulty in sustaining its operating expenses due to its huge decline in revenue. We believe that this decision will bring long-term value to our stakeholders in the foreseeable future.

## LOOKING BEYOND

Moving forward, though the road ahead remains fraught with uncertainties such as trade tensions, geopolitical conflicts and subdued consumer sentiments, we are optimistic that the new business presents an opportunity to pave our way to expand into the emerging markets, which will in turn improve revenue generation.

From the macro-economic perspective, the MCN, live-streaming and E-sports landscape is flourishing, with global MCN market projected to grow to US\$8.2 billion by 2029 at a compound annual growth rate of 12.5%<sup>1</sup>. This vibrant ecosystem not only encompasses competitive gaming but also offers vast opportunities in content creation, sponsorship, and merchandising. By leveraging our existing strengths and expertise, we believe we can make a meaningful impact in this arena.

As we enter this new field, we are dedicated to building a robust infrastructure that supports both players and fans. Our focus will be on fostering competitive excellence while creating engaging experiences that resonate with a diverse audience. We envision collaborations with leading MCN and E-sports organisations, investing in talent development, and exploring new media platforms to enhance our brand visibility and connect with the community.

## APPRECIATION BEYOND WORDS

At this juncture, I would like to extend my heartfelt appreciation to Mr Song Tang Yih who had stepped down as the Executive Director and Chief Executive Officer, and Mr Gavin Mark McIntyre who had stepped down as the lead Independent Director, for their invaluable contributions for the Group. I would also like to welcome our new Executive Director and President Mr Chen Lu to the Board. I believe that his wealth of knowledge and extensive experience will help steer the Group towards a greater future.

I would also like to take this opportunity to express my gratitude to our team, staff and business associates for your dedication and continued support. Last but not least, I am very grateful to our valued shareholders for your confidence and belief in our vision. As we navigate this transformative journey, we remain confident in our ability to deliver sustainable value for all stakeholders. While the road ahead can hold many new challenges, we firmly believe that together, we will unlock new opportunities and set the stage for a prosperous future.

**ZHU HUA**  
Executive Director & Chairman

<sup>1</sup> [https://www.thebusinessresearchcompany.com/report/multi-channel-network-global-market-report#:~:text=Multi%2DChannel%20Network%20Market%20Growth,\(CAGR\)%20of%2012.5%25.](https://www.thebusinessresearchcompany.com/report/multi-channel-network-global-market-report#:~:text=Multi%2DChannel%20Network%20Market%20Growth,(CAGR)%20of%2012.5%25.)

## OPERATIONS & FINANCIAL REVIEW

### Revenue

The Group's revenue saw a significant increase of 183.0%, rising by S\$0.50 million from S\$0.28 million in FY2023 to S\$0.78 million in FY2024. This substantial growth was primarily driven by revenue generated from the sales of E-Sport services in FY2024, marking the group's expansion into this new business sector following the acquisition on 22 October 2024. Notably, the E-Sport service revenue in China was contributed by a newly acquired indirect wholly owned subsidiary, further strengthening the company's presence in the market and positioning it for future growth in the E-Sport industry.

### Other Income

The Group's other income increased by 106.5%, or S\$0.1 million, from S\$0.09 million in FY2023 to S\$0.19 million in FY2024. This was primarily due to an increase in government grants of S\$0.04 million, a gain on liquidation of S\$0.02 million, and a reversal of the provision for inventory obsolescence of S\$0.07 million. However, this increase was partially offset by a decrease in interest income from fixed deposits of S\$0.04 million.

### Changes In Inventories

The Group recorded an increase of S\$0.03 million in the closing balance of our inventories in FY2024, compared to a decrease of S\$0.02 million in FY2023. These fluctuations in our inventory balances were primarily due to the timing of purchases and sales of inventories.

### Purchases

Our purchases rose by S\$0.43 million or 339.1%, from S\$0.13 million in FY2023 to S\$0.56 million in FY2024. This increase aligns with the rise in revenue associated with the services rendered by the E-sport segment. This his surge is primarily driven by the introduction of a new business segment, E-sport.

### Employee Benefits Expense

The Group's employee benefits expense increased by S\$0.93 million or 91.3%, from S\$1.02 million in FY2023 to S\$1.95 million in FY2024. This increase was mainly due to a share-based benefit awarded to an executive director, amounting to S\$0.84 million, as well as the introduction of a new segment that required an increase in headcount.

### Depreciation Expense

The Group's depreciation expense decreased by S\$0.04 million, or 27.8%, from S\$0.12 million in FY2023 to S\$0.08 million in FY2024. This decline is attributed to assets being fully depreciated and/or impaired FY2023.

### Research And Development ("R&D") Expense

The Group's R&D expenditure decreased by 96.8% or from S\$31,000 to S\$1,000 in FY2024, primarily due to the reduction in R&D activities during the respective financial periods.

### Other Expenses

The Group's other expenses rose by 219.3% or S\$1.02 million, from S\$0.47 million in FY2023 to S\$1.49 million in FY2024. This increase was primarily due to heightened professional fees (both cash and equity settled) resulting from various corporate actions.

### Finance Costs

The Group's finance costs decreased by 64.9% or S\$0.07 million, from S\$0.11 million in FY2023 to S\$0.04 million in FY2024, primarily due to the reduced borrowings and the full repayment of deferred consideration.

### Income Tax Credit

The Group's income tax rose by S\$5,000, from S\$Nil in FY2023 to S\$5,000 in FY 2024, mainly due to the profit generated by the new segment, E-Sport.

### Loss For The Period

The Group recorded a loss for the period increased by S\$1.68 million or 110.8%, from S\$1.51 million in FY2023 to S\$3.19 million in FY2024.

.



# OPERATIONS & FINANCIAL REVIEW

## REVIEW OF THE GROUP'S FINANCIAL POSITION

### Non-current assets

The Group's non-current assets increased by 1,487.70% or S\$3.75 million, from S\$0.25 million as at 31 December 2023 to S\$4.00 million as at 31 December 2024. This rise was primarily attributable to goodwill and intangible assets recognised from the acquisition of a wholly-owned subsidiary during the financial year.

### Current assets

The Group's current assets increased by 55.12% or S\$0.24 million, growing from S\$0.43 million as at 31 December 2023 to S\$0.67 million as at 31 December 2024. This was primarily due to an increase in (i) the trade receivables of S\$0.21 million and (ii) cash and cash equivalents rising by S\$0.11 million; partially offset by a decrease in (i) prepayments of S\$0.06 million and (ii) a reduction in other receivables of S\$0.01 million.

### Current liabilities

The Group's current liabilities decreased by 0.78% or S\$0.01 million, from S\$1.92 million as at 31 December 2023 to S\$1.91 million as at 31 December 2024. This was mainly due to an increase in (i) loan due to shareholder of S\$0.41 million, and (ii) increase in trade payables of S\$0.17 million; partially offset by a decrease in (i) borrowing of S\$0.47 million, and (ii) decrease in lease liabilities of S\$0.15 million.

### Non-current liabilities

The Group's non-current liabilities increased by 37.3% or S\$0.28 million, from S\$0.75 million as at 31 December 2023 to S\$1.03 million as at 31 December 2024. This was due mainly to a decrease in (i) borrowings of S\$0.61 million comprising the non-current portion of working capital bank loans; (ii) non-current portion of lease liabilities of S\$0.12 million and an increase in (i) non-current portion of loan due to shareholder of S\$0.67 million; (ii) deferred tax liability of S\$0.36 million, which arose from the acquisition of a wholly-owned subsidiary during the financial year.

## REVIEW OF THE GROUP'S CASH FLOW STATEMENT

Operating cash outflow before movements in working capital amounted to S\$2.35 million in FY2024. Net cash generated from working capital totalled S\$0.08 million mainly due to an increase in prepayment of S\$0.06 million, an increase in inventories of S\$0.05 million, and partially offset by a decrease in contract liabilities amounting to S\$0.03 million. Consequently, net cash used in operating activities was S\$2.31 million in FY2024.

Net cash used in investing activities in FY2024 amounted to S\$5,000, primarily derived from (i) the purchase of plant and equipment at S\$6,000, (ii) net cash used in liquidation and strikeoff at S\$6,000, partially offset by cash generated from the acquisition of a wholly-owned subsidiary at S\$7,000.

Net cash generated from financing activities in FY2024 amounted to S\$2.36 million. This was due mainly to (i) loan from shareholder of S\$1.08 million, (ii) net proceeds from share issuance of S\$2.6 million, partially offset by payment shares issuance expenses of S\$0.07 million and S\$1.27 million of the principal portions of borrowings and lease liabilities respectively.

As a result of the above, there was a net increase in cash and cash equivalents by S\$0.11 million, from S\$0.18 million as at 31 December 2023 to S\$0.29 million as at 31 December 2024.

## BOARD OF DIRECTORS

### ZHU HUA



Date of First Appointment: **1 December 2023**

Present directorships in other listed companies: **Nil**

Past directorships in other listed companies: **Nil**

---

Zhu Hua is the Executive Director and Chairman of the Company, where previously he was appointed as a Non-Executive Non-Independent Director of the Company on 1 December 2023 following the completion of his subscription of the Company's Shares on 28 November 2023.

Zhu Hua currently holds various senior positions in investment, technology and internet-related companies. He has worked in several equity investment fund companies and has about 21 years of experience in investment management. In particular, he has more than 11 years of investment experience in the internet, mobile internet and multi-channel network industry.

Zhu Hua obtained his Master of Science – International Securities Investment and Banking from University of Reading. He also holds a Bachelor of Economics – Investment Economics from Lanzhou University of Finance & Economics.

### CHEN LU



Date of First Appointment: **30 April 2024**

Present directorships in other listed companies: **Nil**

Past directorships in other listed companies: **Nil**

---

Chen Lu was appointed as the Executive Director and President of the Company on 30 April 2024.

With the diversification of the Group's existing business to include the new business of technology-enabled entertainment business, which would involve the ownership, operation and management of live streaming social e-commerce platforms, Esports-related businesses and multi-channel network businesses (the “**New Business**”), it is the Company's intention to form a strong team with the requisite technical expertise to oversee and execute the operations of the New Business.

Chen Lu has previously served in senior management roles (such as Chief Technology Officer and General Manager) in various technology companies across Asia. Chen Lu has attained a Master of Engineering and Bachelor of Engineering from the University of Electronic Science and Technology of China.



## BOARD OF DIRECTORS

### LIEW YOKE PHENG JOSEPH



Date of First Appointment: **27 November 2023**

Chairman: **Audit & Risk Committee**

Member: **Nominating Committee and Remuneration Committee**

Present directorships in other listed companies:

**Grand Venture Technology Limited**  
**Tianjin Pharmaceutical Da Ren Tang Group Corporation Limited**

Past directorships in other listed companies:

**Hoe Leong Corporation Limited**  
**Innovalues Holdings Limited**  
**Shanghai Turbo Enterprises Ltd**  
**United Food Holdings Limited**

Joseph is the Independent Director of the company. He was the Executive Chairman and CEO of Hoe Leong Corporation Limited from 2019 to 2023. Joseph was the General Manager of business compliance and senior adviser on internal audit at Giti Tire (China) Investment Company Ltd from 2014 to 2018 and a Consultant with GT Asia Pacific Holdings Pte Ltd from 2018 to 2019.

Joseph began his career in 1980 as an auditor with Peat Marwick, Mitchell & Co. (now part of KPMG). He then joined Caltex Asia Limited in 1982 as an internal auditor. From 1985 to 1988, Joseph was head of operations and information technology audit with Great Eastern Life Assurance Company Limited. Joseph then left to become Managing Director of Base Management Systems Pte. Ltd. in 1989, before returning to Great Eastern Life Assurance Company Limited in 1992 as head of internal audit. Subsequently, between 1995 and 2003, Joseph was a director of RSM Chio Lim Stone Forest Group of companies. Joseph joined Sunlife Everbright Life Insurance Company Limited in 2003 as its Chief Financial Officer, followed by Sage Software Asia Pte. Ltd, from 2006 to 2014, as its director and Asia regional Chief Financial Officer.

Joseph holds a Bachelor of Commerce from Nanyang University, Singapore. He is a Certified Information Systems Auditor, a Certified Fraud Examiner, a Fellow of the Institute of Singapore Chartered Accountants, a Fellow of the Association of Chartered Certified Accountants (United Kingdom) and a Senior Accredited Director of the Singapore Institute of Directors. He is a director of Lew Foundation and Char Yong (Dabu) Foundation.

### CH'NG LI-LING



Date of First Appointment: **31 March 2023**

Chairman: **Nominating Committee**

Member: **Audit & Risk Committee and Remuneration Committee**

Present directorships in other listed companies:

**LHN Limited (SGX-ST)**

Past directorships in other listed companies:

**Anchor Resources Limited (SGX-ST)**  
**Declout Limited (SGX-ST)**

Li-Ling was redesignated as the Lead Independent Director of the Company on 18 June 2024. She is a founding member of RHTLaw Asia, heading its Financial Services (Regulatory) and Technology (FSR and Fintech) Practice, and co-leads its Environment, Social and Governance (ESG) Practice.

Li-Ling is a Council Member of RHT G.R.A.C.E. Institute, a non-profit organisation dedicated to training and development for Governance, Risks, Anti-Money Laundering, Compliance and Ethics, and is a co-anchor host of the podcast EthBeats: Lessons in G.R.A.C.E.ful Living.

Li-Ling is currently also the lead independent non-executive director of LHN Limited, a company listed on the SGX-ST, and is the Chairwoman of their remuneration committee. She was previously an independent director of DeClout Limited from September 2012 to April 2018 and an independent director of Anchor Resources Limited from December 2015 to January 2021, companies which are listed on the SGX-ST.

Li-Ling is currently a member of the Singapore Academy of Law, Legal Practitioner (non-practising) of New South Wales, Australia and qualified as a solicitor of England and Wales.

Li-Ling graduated with a Bachelor of Arts (Honours) degree from NUS in 1994 and obtained her Bachelor of Laws (Honours) and Master of Laws (Merit) from the University of London in 1995 and 2011 respectively.

## BOARD OF DIRECTORS

### IAN DAVID BROWN



Date of First Appointment: **14 June 2021**

Chairman: **Remuneration Committee**

Member: **Audit & Risk Committee and  
Nominating Committee**

Present directorships in other listed companies: **Nil**

Past directorships in other listed companies:

**Cygenics Limited (later renamed CordLife Limited)  
(Australian Securities Exchange)**

Ian is an Independent Director of the Company. Since 2011, Ian is the chief executive officer and managing director of Yallingup Ventures Pty Ltd (f.k.a. Ian Brown Group Pty Ltd), a Perth-based contract strategy training and consulting company, where he is contracted to the Commonwealth Scientific and Industrial Research Organisation (CSIRO) and the Defence Science and Technology Group (DSTG) to design and facilitate their national science research translation workshops focused on project risk management and impact optimisation for internal projects and external programs.

From 2009 to 2011, Ian was the chief executive officer at RepRegen Limited, a spin-out novel ceramics and polymer technology company at Imperial College London, where he was responsible for the overall business. From 2007 to 2009, Ian was the chief executive officer and managing director of Avanti Capital Limited, a Melbourne-based boutique corporate advisory company, where he was responsible for the overall business. From 2001 to 2007, Ian was the chief operating officer and executive director of Cygenics Limited (later renamed CordLife Limited), a South-east Asian medical cryogenic storage company listed on the Australian Securities Exchange, where he was responsible for the worldwide operations. He spent the early part of his career in the clinical diagnostic products industry.

Ian is currently the executive chairman of Respiradigm Pty Ltd, a Kids Research Institute spin-out company commercialising a novel asthma risk test; and REX Ortho Pty Ltd, a Curtin University spin-out company commercialising a novel surgical implant device.

Ian obtained his Executive Masters of Business Administration jointly from the University of Queensland and Melbourne Business School in 2007 and was awarded a Fellow of the Australian Institute of Company Directors in 2002. Since 2010, he has been retained as an Entrepreneur in Residence (EiR) at INSEAD, Europe's leading business school, where he mentors MBA students and alumni, serves as a co-facilitator and mentor at the school's Sci-Tech Entrepreneur boot camps, role player at the Capstone course and a judge of the INSEAD Venture Competition.

## EXECUTIVE OFFICER

### LAU WEI KIAN Financial Controller

Wei Kian is the Financial Controller of the Group and he is responsible for the Group's financial and management reporting, internal controls and human resource matters. Prior to joining the Group, Wei Kian has been the Financial Controller of Pollux Properties Ltd. since July 2019, where he was responsible for overseeing the finance and accounting functions. Wei Kian was also previously a Group Financial Controller of a company listed on the mainboard of the SGX-ST. Prior to that, he was an auditor in Ernst and Young LLP (Singapore) and Deloitte & Touche (Malaysia). Wei Kian holds a Bachelor of Accounting from the Multimedia University, Malaysia.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Zhu Hua

*Executive Director and Chairman*

Chen Lu

*Executive Director and President*

Ch'ng Li-Ling

*Lead Independent Director*

Liew Yoke Pheng Joseph

*Independent Director*

Ian David Brown

*Independent Director*

## AUDIT & RISK COMMITTEE

Liew Yoke Pheng Joseph (*Chairman*)

Ian David Brown

Ch'ng Li Ling

## NOMINATING COMMITTEE

Ch'ng Li-Ling (*Chairman*)

Liew Yoke Pheng Joseph

Ian David Brown

## REMUNERATION COMMITTEE

Ian David Brown (*Chairman*)

Ch'ng Li-Ling

Liew Yoke Pheng Joseph

## COMPANY SECRETARY

Nor Hafiza Alwi, FCIS

*(Fellow Member and Practising  
Chartered Secretary)*

## REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

18 Howard Road

#11-09 Novelty BizCentre

Singapore 369585

Tel: +65 6482 0668

## SPONSOR

Evolve Capital Advisory Private Limited

160 Robinson Road

#20-01/02, SBF Center

Singapore 068914

## SHARE REGISTRAR

B.A.C.S Private Limited

77 Robinson Road

#06-03, Robinson 77

Singapore 068896

## AUDITOR

PKF-CAP LLP

6 Shenton Way

OUE Downtown 1 #38-01

Singapore 068809

Partner-in-charge: Jonathan Lim Ryn Jye

Date of appointment: 01 April 2024

*(Appointed for FY2024)*



# SUSTAINABILITY REPORT



# SUSTAINABILITY REPORT

# SUSTAINABILITY REPORT

## BOARD STATEMENT

The board ("Board") of directors ("Directors") of Biolidics Limited ("Biolidics" or the "Company", and together with its subsidiaries, the "Group") is pleased to present the Group's sustainability report (the "Report") for the financial year ended 31 December 2024 ("FY2024").

With the aim of lowering healthcare costs and improving clinical outcomes, Biolidics started its journey by pioneering minimally invasive cancer diagnostics solutions since its initial public offering in December 2018. In 2020, the Group expanded its offerings to include a range of diagnostic solutions and laboratory testing services. The subsidiary that provides laboratory services has been in voluntary liquidation since June 2024.

To provide additional and recurrent revenue streams for the Group, the Group has diversified its business into Multi-Channel Networking, E-Sports and Live-Streaming ("New Businesses") in 2024. This will allow the Group to reduce its reliance on the Group's existing business in cancer diagnostics services.

The Board recognises the importance of sustainability and considers environmental, social and governance ("ESG") factors in its decision making, while focusing on areas which are most relevant to its business. For FY2024, the Group has continued its sustainability approach by reviewing its materiality assessment, performance indicators and targets that will guide its sustainability efforts. Regarding the governance of sustainability issues, the Board has overall responsibility for the ESG issues of the Group, including determining material ESG factors, formulating necessary strategies, ensuring the Group has appropriate and effective internal control and risk management systems, monitoring the Group's ESG performance, ensuring the Group's compliance with relevant external requirements, and reviewing and approving sustainability reports. Assisting the Board to fulfil its responsibility in ESG issues, the management ("Management") of Biolidics, including the Group's senior executives, is responsible for monitoring the implementation of relevant policies and measures in accordance with the Group's strategy, managing the Group's material ESG factors, and evaluating the Group's performance in various aspects of ESG. In support of the Management, the members of the sustainability reporting task force ("SR Task Force") are responsible for implementing relevant policies, evaluating

and collecting ESG data, and keeping abreast of current sustainability trends through regular training. The Management and SR Task Force members report to the Board at least twice a year on the progress of ESG-related work, including the results of the materiality assessment of ESG factors and its targets in a timely manner, and provide advice to the Board on relevant issues to continuously improve the Group's ESG performance. The Board will review the Group's ESG performance and the effectiveness of the Group's policies and procedures in managing its material ESG factors at least annually. In addition, all Directors have attended the mandatory sustainability training courses to equip themselves with basic knowledge on sustainability matters.

The Group is committed to growing sustainably as a forward-looking company covering its approach and performance in sustainability while expanding into New Businesses.

This Report is prepared in accordance with the Listing Manual Section B: Rules of Catalist of the SGX-ST ("Catalist Rules") and with reference to the Global Reporting Initiative ("GRI") Standards. This Report serves as a platform for Biolidics to formally communicate its sustainability approach regarding its practices, performance and targets in relation to its sustainability efforts for FY2024 with its stakeholders. For target setting, the Group categorises targets set for the next year as "short-term targets", targets set for a period of two to five years as "medium-term targets", and targets set beyond five years as "long-term targets", with these time horizons being applied to the identified material ESG factors in target setting within its planning and strategy.

Board of Directors  
Biolidics Limited



# SUSTAINABILITY REPORT



## ABOUT THIS REPORT

This is Biolidics' sixth sustainability report.

The scope of this Report focuses on the Group's key business operations in Singapore, specifically the cancer business segment. Given that the New Businesses were fully acquired on 22 October 2024 and therefore lack a full-year effect, this Report excludes any data related to the New Businesses. The Company will make the necessary disclosures in the next sustainability report. The reporting scope of this Report differs from the sustainability report for the financial year ended 31 December 2023 ("FY2023") due to the liquidation and exclusion of the laboratory services business in FY2024. Information disclosed in this Report reflects the Group's ESG efforts and encapsulates its commitment to sustainable growth as a forward-looking company covering its approach and performance in sustainability for FY2024. The Group will continue to assess the major ESG aspects of its different businesses and extend the scope of disclosures when and where applicable.

This Report is prepared in accordance with the requirements of Practice Note 7F: Sustainability Reporting Guide of the Catalist Rules and with reference to the GRI Standards. The GRI standards were chosen because they are one of the most commonly used frameworks, and therefore, familiar to readers. Throughout the preparation of the Report, the Group has applied the reporting principles of the GRI, which include accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability. In addition, the climate-related disclosures in this Report include material information with reference to

the recommendations provided by the Task Force on Climate-Related Financial Disclosures ("TCFD").

This Report references the following Universal Standards and Topic Standards:

[GRI 1: Foundation 2021](#)  
[GRI 2: General Disclosures 2021](#)  
[GRI 3: Material Topics 2021](#)  
[GRI 201: Economic Performance 2016](#)  
[GRI 205: Anti-corruption 2016](#)  
[GRI 305: Emissions 2016](#)  
[GRI 306: Waste 2020](#)  
[GRI 401: Employment 2016](#)  
[GRI 403: Occupational Health and Safety 2018](#)  
[GRI 404: Training and Education 2016](#)  
[GRI 405: Diversity and Equal Opportunity 2016](#)  
[GRI 406: Non-discrimination 2016](#)  
[GRI 418: Customer Privacy 2016](#)

This Report has undergone the internal review process of the Group, and was reviewed by the Board. The Group has engaged its internal auditors to perform an internal review of its sustainability reporting process. The Group has not sought external assurance for this Report for FY2024, and may consider undertaking it in the future.

The Group strives to continuously refine its sustainability strategy and practices. The Group greatly welcomes your feedback and comments regarding this Report. You can reach us at [support@biolidics.com](mailto:support@biolidics.com).



# SUSTAINABILITY REPORT

## MATERIALITY ASSESSMENT

The Group conducted a materiality assessment exercise, referencing the GRI Standards – GRI 3: Material Topics 2021. The objective of the exercise was to identify, prioritise and validate ESG factors that are significant to business operations and of interest to the Group's key stakeholders.

With the facilitation of an external consultant and by considering trends and current themes of concern in the healthcare industry as well as the sustainability trends in Singapore and globally, the Group has shortlisted and identified 9 material ESG factors. Then, the Group conducted a materiality assessment in the form of questionnaires. Shareholders, customers and employees from different

business units across the Group were involved in completing the materiality survey and rated the relative importance of these factors according to the significance of their impacts on the economy, environment, and people, including impacts on human rights, as well as their influence on business strategy, financial planning, and the overall business model. Based on the results of the materiality survey, the priority of different material ESG factors was identified and disclosed in the table below. The results of the materiality assessment have been reviewed and approved by the Management and the Board.

The following table depicts the relative importance of the Group's material factors for FY2024.

Material Factors	Rating	Sustainability Aspects
Economic Performance	1	
Climate Change Mitigation and Adaptation	5	
Occupational Health and Safety (Including Effluents and Waste)	4	 
Talent Retention (Including Training and Education)	5	
Diversity, Equal Opportunity and Non-discrimination	3	
Customer Privacy	5	
Product Quality and Safety	9	
Anti-corruption	8	 
Environmental and Socioeconomic Compliance	2	






Legend:

 Economic
  Environmental
  Social
  Governance

# SUSTAINABILITY REPORT

## STAKEHOLDER ENGAGEMENT

The Group recognises that communicating with its stakeholders allows it to further develop and refine its business strategies and respond quickly and effectively to their concerns and needs. Stakeholders' engagement is carried out through various communication channels and methods as depicted in the table below:

Stakeholders	Key Topics and Concerns	Engagement Methods	Frequency of Engagement
<b>Customers</b> 	<ul style="list-style-type: none"> <li>• Quality of products and services</li> <li>• Customer needs</li> </ul>	<ul style="list-style-type: none"> <li>• Contact form on the Group's website</li> <li>• Customer and technical support</li> </ul>	When applicable
<b>Strategic partners</b> 	<ul style="list-style-type: none"> <li>• Market and industry trends</li> <li>• Long-term partnership</li> <li>• The Group's financial performance</li> <li>• Business growth plans</li> <li>• Good corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>• Regular meetings and follow-ups</li> <li>• Partner support channel</li> <li>• Technical updates</li> </ul>	Throughout the year
<b>Employees</b> 	<ul style="list-style-type: none"> <li>• Training and development of employees</li> <li>• Recruitment and retention of skilled employees</li> <li>• Well-being of employees</li> </ul>	<ul style="list-style-type: none"> <li>• Regular meetings and briefings</li> <li>• Employee performance review</li> <li>• Training programmes</li> </ul>	Throughout the year
<b>Governments and regulators</b> 	<ul style="list-style-type: none"> <li>• Compliance with laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings and consultations</li> <li>• Responding to requests for information (e.g. through surveys)</li> </ul>	Throughout the year
<b>Shareholders</b> 	<ul style="list-style-type: none"> <li>• The Group's financial performance</li> <li>• Good corporate governance</li> <li>• Sustainable business growth</li> </ul>	<ul style="list-style-type: none"> <li>• Annual general meetings</li> <li>• Announcements of material information, including financial performance, through SGXNET and the Group's website</li> </ul>	Periodically

# SUSTAINABILITY REPORT

## ECONOMIC

### Economic Performance

The Group has consistently demonstrated a commitment to growth and financial stability by actively seeking opportunities to expand its business activities. In addition to pursuing growth avenues, the Group strives to optimise its cost structure, ensuring prudent management of expenses and preserving cashflows.

#### FY2024 PERFORMANCE

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>In FY2024, the Group is focusing on business diversification as part of its strategic initiatives. While efforts are underway to develop new ventures and boost revenue, the target of achieving an improvement in revenue through New Businesses was not achieved.</li> </ul> | <ul style="list-style-type: none"> <li>In FY2024, the target of maintaining the practice of disclosing the Group's financial statements in alignment with recognised financial reporting standards, with zero instances of non-compliance, was successfully achieved.</li> </ul> | <ul style="list-style-type: none"> <li>In FY2024, the Group continues to seek opportunities for business diversification via New Businesses. The target of continuing to seek opportunities for business diversification was successfully achieved.</li> </ul> |
|---|--|--|

#### FY2025 TARGET

- |  |  |  |
|--|--|--|
| <ul style="list-style-type: none"> <li>Short-term target: Achieve an improvement in revenue through New Businesses.</li> </ul> | <ul style="list-style-type: none"> <li>Short-term target: Maintain the practice of disclosing the Group's financial statements in alignment with recognised financial reporting standards, with zero instances of non-compliance.</li> </ul> | <ul style="list-style-type: none"> <li>Long-term target: Continue to seek opportunities for business diversification.</li> </ul> |
|--|--|--|

The Group is cognisant of the importance of linking executive remuneration to sustainability performance. However, as the Group has incurred losses since its incorporation, it will only be feasible to reward executives for achieving sustainability targets when the Group becomes profitable.

For more information regarding the Group's economic performance for FY2024, please refer to the Operations & Financial Review section and the Financial Statements section of this annual report.



# SUSTAINABILITY REPORT

ENVIRONMENTAL

Climate Change Mitigation and Adaptation

FY2024 PERFORMANCE	
<ul style="list-style-type: none"><li>Due to downsizing in office space and manpower, the Group’s total greenhouse gas (“GHG”) emissions have significantly decreased. In FY2024, the Group’s GHG emissions intensity is approximately 0.07 tCO<sub>2</sub>e/thousand revenue (\$\$). The target of maintaining or reducing GHG emissions intensity by the financial year ending 31 December 2028 (“FY2028”), based on the baseline of approximately 0.06 tCO<sub>2</sub>e/thousand revenue from FY2023, is currently in progress.</li></ul>	<ul style="list-style-type: none"><li>In FY2024, the Group has raised employee awareness about energy and water conservation measures through employee meetings. However, the target of organising at least one activity each year to raise awareness among employees on climate change was not achieved.</li></ul>
FY2025 TARGET	
<ul style="list-style-type: none"><li>Short-term target: Organise at least one activity each year to raise awareness among employees on climate change.</li></ul>	<ul style="list-style-type: none"><li>Medium-term target: Maintain or reduce GHG emissions intensity by FY2028, using the baseline of FY2023 GHG emissions intensity.</li></ul>

The Group understands the importance of developing a strategy and risk management framework that sets the foundation for the Group’s climate resilience. The Group acknowledges that the TCFD provides recommendations regarding the disclosure of climate-related financial information. TCFD has four overarching elements, including governance, strategy, risk management and metrics and targets, to assess the impact of key climate-related risks and opportunities. The Group will continue to strengthen its disclosure with reference to the TCFD and other applicable climate-related disclosure frameworks.

Governance

The Board has oversight of the Group’s sustainability strategy including its formulation and reviews disclosures relating to climate-related risks and opportunities and its actions to enhance climate resilience. The Management is responsible for developing objectives, plans and performance metrics, managing and monitoring the overall climate-related sustainability performance, and driving the implementation of relevant initiatives across different departments and business units. In collaboration with the Management, the SR Task Force will maintain and implement climate-related policies, conduct necessary climate risk assessments, and gather pertinent information. The Management and SR Task Force will report to and provide suggestions to the Board, where appropriate, regarding the material sustainability issues, including climate-related matters.

# SUSTAINABILITY REPORT

## Strategy

The Group continuously updates itself on climate-related risks, including physical risks and transition risks, and climatic events affecting its business, strategy and financial planning.

The Group has identified that the transition risks are more material to the Group's business and operation. The Group expects that the laws and regulations related to climate change will become more stringent and more demanding, with developments such as more aggressive government policies and measures to limit GHG emissions, in addition to carbon taxes. As a result, the Group may be exposed to legal risks and compliance requirements which in turn may lead to higher operating costs.

While physical risks generally remain low, the Group still faces extreme weather events such as heavy rainfall and extreme heat, which might disrupt the Group's business operations and pose threat to the health and safety of its employees.

With the increased awareness of climate change, the Group's stakeholders may prefer products and services that are less damaging to the climate. As a result, the transition to a low-carbon business model can bring opportunities. If the Group is able to adopt more environmentally friendly practices in its operations, the Group may be able to seize more business opportunities from business customers who recognise the Group's environmental initiatives. In addition, the Group will explore and implement climate scenario analysis to strengthen its resilience against the potential impact of climate change on its operations in the future.

## Risk Management

The Board, with the assistance of the audit & risk committee of the Company, is responsible for risk governance and ensuring that the Management maintains a sound system of risk management and internal controls. Recognising the climate-related risks, along with other ESG risks that affect or will affect its businesses, the Group will include climate change risks into the enterprise risk management process of the Group.

To mitigate the identified risks, the Group has adopted the Climate Change Policy. The Group regularly monitors existing and emerging trends, policies and regulations related to climate change, and reminds the Management when necessary to avoid violations or reputational risks due to delayed response. As the Group goes beyond compliance to strive to improve the environmental performance of its operations, the Group can quickly adapt to the more stringent regulations that may arise.

## Metrics and Targets

The Group is aware that its businesses involve emissions and recognises that reduction of emissions is essential. The Group's major sources of GHG emissions are energy indirect GHG emissions from purchased electricity (Scope 2), and no direct GHG emissions (Scope 1) were generated. In FY2024, the Group generated a total of 5.82 tCO<sub>2</sub>e of GHG emissions, which is equivalent to 0.07 tCO<sub>2</sub>e/thousand revenue (\$\$). GHG emissions data are calculated based on, including but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development and the Grid Emission Factor issued by the Energy Market Authority of Singapore in 2023 and 2024.

The Group has striven to mitigate its GHG emissions and has set a GHG emissions reduction target, as mentioned earlier in this section. Moving forward, the Group will continue to devote its efforts and ensure that its strategies align with its commitment.

## Energy and Water Consumption

In FY2024, the Group consumed approximately 50.87 GJ of electricity and 0.03 ML of water. The Group is committed to ongoing efforts to minimise its environmental footprint and promote sustainable practices. The Group has heightened employee awareness about the importance of reducing resource consumption to enhance energy efficiency and minimise water usage through employee meetings.

# SUSTAINABILITY REPORT

SOCIAL AND ENVIRONMENTAL

Occupational Health and Safety (including Effluents and Waste)

FY2024 PERFORMANCE	
<ul style="list-style-type: none"><li>In FY2024, there were no fatalities or workplace injuries. The target of maintaining zero fatalities and workplace injuries was successfully achieved.</li></ul>	<ul style="list-style-type: none"><li>In FY2024, the target of conducting periodic safety audits and inspections to identify potential hazards and ensure compliance with safety standards was successfully achieved.</li></ul>
FY2025 TARGET	
<ul style="list-style-type: none"><li>Short-term target: Maintain zero fatalities and workplace injuries.</li></ul>	<ul style="list-style-type: none"><li>Medium-term target: Conduct periodic safety audits and inspections to identify potential hazards and ensure compliance with safety standards.</li></ul>

Occupational Health and Safety

The Group recognises that a workplace that fosters a safe and healthy environment is important in ensuring that employees are safe, healthy, satisfied and engaged at work. Committed employees are imperative for the Group to achieve its growth objectives; and hence, the Group engages with its workforce to continuously innovate and improve its technology.

Safety is of utmost importance to the Group. The Group's activities currently require the controlled use of potentially harmful biological materials and chemicals such as cancer cell lines and formaldehyde. There is a risk of accidental contamination or injury to employees or third parties from the handling, use and disposal of these materials and chemicals. Therefore, the Group has established the Maintenance of Work Environment and Laboratory Safety Manual to specify different types of potential hazards in the workplace and implement corresponding measures based on their seriousness, so as to minimise potential risks for all employees. The minimisation of safety-related issues will not only ensure a safe and conducive working environment, but also translate to a reduction in business disruption and protect the reputation of the Group.

Employees of the Group are provided the opportunity to participate and are consulted in the development, implementation, and evaluation of the occupational health and safety management system. The employees are allowed

to report work-related hazards, hazardous situations and incidents, however minor, to responsible personnel. Upon receiving a relevant report, an investigation will be carried out to identify the hazards and risks associated with the case reported, and corrective actions will be taken to ensure similar issues do not occur again.

Proper treatment and disposal of biological waste are also essential to the Group to prevent any potential contaminations or injuries to employees or third parties. Hence, the Group has implemented the occupational health and safety management system in accordance with the following policies and processes:

- Guidelines from Ministry of Health ("MOH"), Singapore;
- Workplace Safety and Health Act, Chapter 354A of Singapore and the regulations thereunder;
- Environmental Public Health Act, Chapter 95 of Singapore (the "Environmental Public Health Act (Toxic Industrial Waste) Regulations") and the regulations thereunder;
- Guidelines from MOH: Biosafety and Biosecurity Manual, Housekeeping and General Maintenance, Decontamination and Waste Management; and
- The Group's internal risk assessment management standards and health and safety guidelines.

## SUSTAINABILITY REPORT

The Group also provides regular training to educate its employees on the potential health and safety hazards in the work environment, and the proper precautions to prevent any accidents. In addition, the Group provides medical and dental benefits to its employees.

In FY2024, there were no cases of work-related injuries and fatalities for all employees. Therefore, the absenteeism rates for employees were at an average of zero days per annum.

### Effluents and Waste

The Group maintains its duty to dispose of its waste responsibly, especially toxic waste due to its potential for causing harm to the environment and endangering the health and safety of individuals.

The Group has implemented the Laboratory Safety Manual and adheres to the Environmental Public Health Act (Toxic Industrial Waste) Regulations, which require all its authorised waste collectors to be licensed. The license will be granted on the condition that:

- The toxic waste treatment, storage and disposal facility owned by the collector is in a suitable industrial area outside water catchment;
- The types and quantities of toxic waste are commensurate with the treatment processes and disposal facilities; and
- Adequate measures such as containment areas, leak detection and warning devices, proper emergency action plans, neutralising agents, handling gear, absorbent material, and other measures are provided to prevent and mitigate any accidental releases of toxic waste.

Due to the liquidation of the laboratory segment, there were no biohazard wastes or records generated in FY2024.

## SOCIAL

### Talent Retention (including Training and Education)

#### FY2024 PERFORMANCE

- In FY2024, permanent employees of the Group achieved an average of approximately 27 training hours. The target of achieving an average of at least 20 training hours for all permanent employees was successfully met.
- In FY2024, the target of establishing internal training programmes and enhancing employee skills and expertise was successfully achieved.

#### FY2025 TARGET

- Short-term target:  
Ensure that all permanent employees complete at least 20 hours of training per year to achieve an adequate level of training for their scope of work.
- Medium-term target:  
Establish and execute internal training programmes aimed at enhancing employee skills and expertise.

At Biolidics, the Group believes that technically skilled professionals are central to its business's relevance in today's changing landscape. To achieve this, the Group aims to develop and retain competent employees and provide an inclusive and nurturing work culture to ensure the quality of its business operations. The Group has regular town hall meetings for its leadership team to provide updates to its employees as well as to understand the employees' needs.



## SUSTAINABILITY REPORT

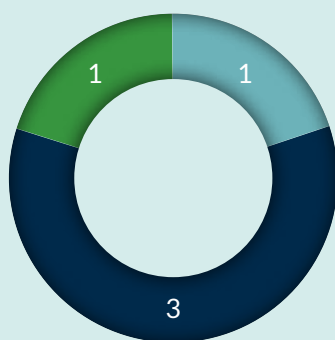
The Group also demonstrates care for its employees through comprehensive welfare and benefits schemes, including, but not limited to, healthcare, dental, disability and invalidity coverage as well as retirement provision for full-time employees. Full-time employees are also entitled to different leave types, such as annual leave, parental leave, childcare leave, medical and hospitalisation leave. In FY2024, no employees took parental leave. No employees who returned to work after their parental leave ended in FY2023 were still employed by the Group 12 months after their return to work.

Furthermore, the Group has the Biolidics Performance Share Plan (the “Plan”) where the primary objective of the Plan is to retain employees whose contributions are essential to the well-being and success of the Group, and to give recognition

to outstanding employees who have contributed to the growth of the Group. Eligible participants under the Plan will have the opportunity to participate in the equity of the Group, therefore inculcating a stronger sense of identity with its long-term success. This will help promote organisational commitment, dedication and loyalty of these employees to the Group.

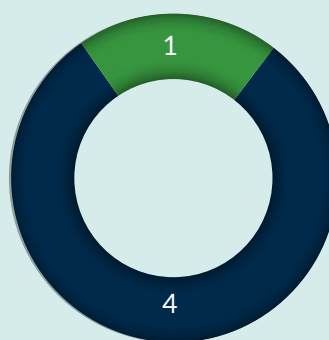
For FY2024, all employees of the Group are located in Singapore. The new employee hiring rate and the employee turnover rate were at approximately 45% and 118% respectively. The breakdown of the new employees hired and turnover of the Group by age group and gender in FY2024 is as follows:

New employee hire - by age group



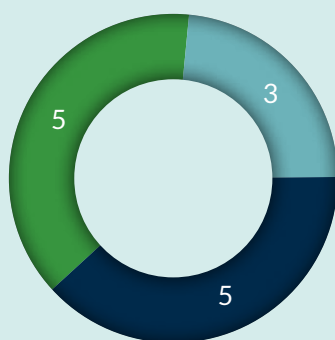
■ <30 years old ■ 30 - 50 years old ■ 50 years old

New employee hire - by gender



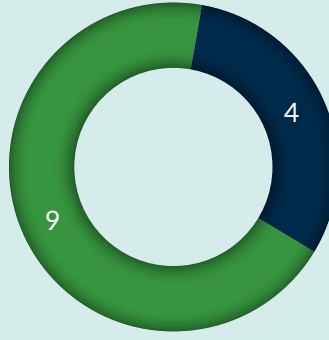
■ Male ■ Female

Turnover - by age group



■ <30 years old ■ 30 - 50 years old ■ 50 years old

Turnover - by gender



■ Male ■ Female

# SUSTAINABILITY REPORT

## Training and Education

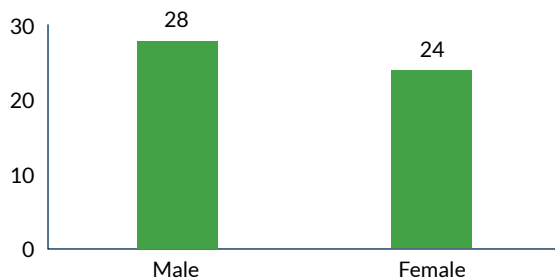
The Group believes in investing in and strengthening its employees' technical, functional and behavioural competencies in line with their job requirements and career aspirations. This is done by providing learning and development opportunities to employees. These opportunities can be in the form of on-the-job training, internal training and continuing education programmes.

Any additional training needs are identified and reviewed annually, and the Group encourages its employees to acquire new skills and keep abreast of developments in their

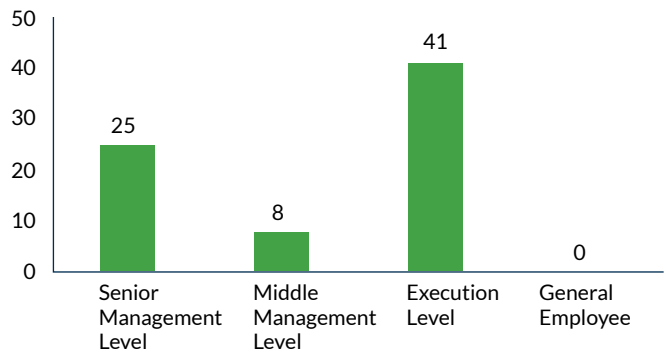
respective fields. Employees are given opportunities to attend external courses or training that are relevant or will assist in their scope of work. Employees are also encouraged to further their studies and funding support may be provided to them on a case-by-case basis. The Group monitors training progress by maintaining training records for all its employees.

In FY2024, all employees received a regular performance and career development review, and employees of the Group achieved an average of approximately 27 training hours. The details of the average training hours per employee in FY2024 are as follows:

Average training hours per employee - by gender



Average training hours per employee - by employee category



## Diversity, Equal Opportunity and Non-discrimination

### FY2024 PERFORMANCE

- In FY2024, no incidents of discrimination were reported. The target of achieving zero reported incidents of discrimination was successfully achieved.
- In FY2024, approximately 29% of employees were female. The target of maintaining at least 50% of employees to be female was not achieved.
- In FY2024, the target of continuing to implement fair employment practices in adherence to relevant laws and regulations was successfully achieved.

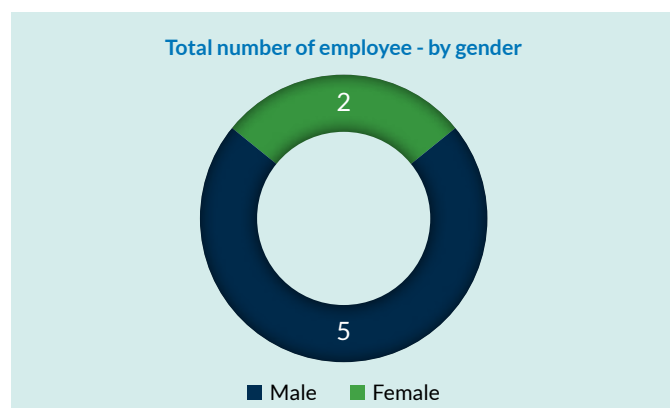
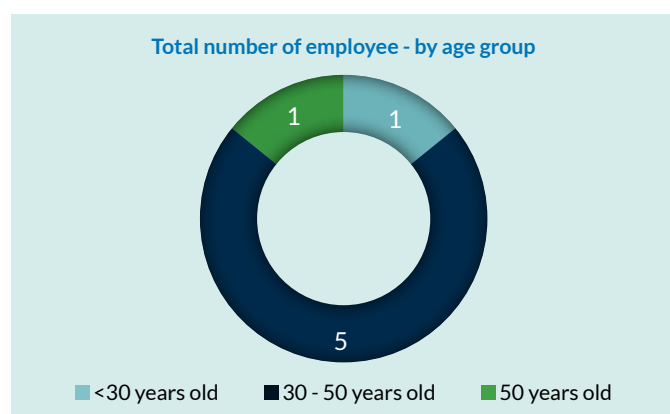
### FY2025 TARGET

- Short-term target: Achieve zero reported incidents of discrimination.
- Medium-term target: Ensure a balanced mix of age groups among employees.
- Long-term target: Continue to implement fair employment practices in adherence to relevant laws and regulations.

## SUSTAINABILITY REPORT

The Group recognises the value of a diverse and skilled workforce and endeavours to create an inclusive and collaborative workplace culture in which all can thrive. The Group is committed to promoting a discrimination-free work environment and to providing equal opportunity in all aspects of employment. The Group adheres to the principles of equal opportunities and anti-discrimination in every aspect of its employees' careers, including employment, selection, job assignment, compensation, discipline, termination, and access to benefits and training. The Group requires all employees to respect each other and does not tolerate any discrimination, such as sexual harassment, verbal attacks and assaults, regardless of age, gender, race, colour, social status, nationality, religious belief, disability, marital status, pregnancy, sexual orientation, union membership, political association, and other factors. Any employees violating the above principles will be subjected to disciplinary sanctions.

As at 31 December 2024, the Group's workforce totalled 7 employees, all of whom were permanent and full-time employees employed in Singapore. Male and female employees represented approximately 71% and 29% of the workforce respectively. The Board consists of 4 male directors and 1 female director, with 2 between the ages of 30 and 50 and 3 above the age of 50. The breakdown of employees by age group and by gender in FY2024 is as follows:



The breakdown of employees per employee category by gender and age group is as follows:

	Senior management level	Middle management level	Execution level	General employees
Male	4	–	1	–
Female	–	1	1	–
<30 years old	–	1	–	–
30–50 years old	3	–	2	–
>50 years old	1	–	–	–

### Research and Development/Innovation

The Group's ability to identify and develop innovative technology and products has contributed to the development and growth of the Group. The Group strives to utilise its novel, patented technology to create a platform technology in cancer diagnostics that may enable applications throughout various stages of a patient's cancer journey – from cancer screening and staging to personalised treatment, and post-cancer monitoring. At the same time, the Group seeks to identify and develop third-party technologies and know-how with a focus on developing a portfolio of innovative diagnostic solutions to lower healthcare costs and improve clinical outcomes.

The Group's policy on its innovation/invention and patent protection provides a foundation to exhibit the organic technological innovation capabilities of the Group and highlight the technical capabilities of the Group for joint technical development projects with its technology partners. The Group encourages members of its technical team to provide innovation/invention disclosures when an innovation/invention can be potentially patented. As part of its strategic direction, the Group is actively pursuing diversification into New Businesses and scaling down efforts in the research and innovation within the cancer diagnosis segment. For the upcoming years, our focus will be on adapting to emerging opportunities and aligning our efforts with the evolving business landscape.

# SUSTAINABILITY REPORT

## Customer Privacy

### FY2024 PERFORMANCE

- In FY2024, there were no known cases concerning breaches of customer privacy, identified leaks, thefts or losses of customer data. The target of maintaining zero known cases concerning breaches of customer privacy, identified leaks, thefts or losses of customer data was successfully achieved.
- In FY2024, there were no violations of relevant laws and regulations relating to customer privacy. The target of ensuring strict compliance with relevant laws and regulations relating to customer privacy was successfully achieved.

### FY2025 TARGET

- Short-term target:  
Maintain zero known cases concerning breaches of customer privacy, identified leaks, thefts or losses of customer data.
- Long-term target:  
Ensure strict compliance with relevant laws and regulations relating to customer privacy.

The Group is committed to safeguarding the privacy and confidentiality of all its customers' data. Keeping its customers' classified data safe is recognised as an essential factor for the Group's sustainable growth.

The Group adheres to and upholds the provisions of the Personal Data Protection Act 2012 as it seeks to use its patients' data to serve them responsibly. Within the laboratory, patients' consent is obtained via forms for collection of personal data prior to the collection. The use, disclosure and processing of personal data is limited to healthcare and related use only. Should a request for a transfer of patient data arise, the data is transferred to other

referral laboratories or other service providers via email in a password-protected zip file or via any encrypted programmes or links requested by the client. The Group collects the minimum amount of information absolutely needed in providing its services.

Entry to the Group's laboratories is restricted to access pass holders and the storage area for patient reports and data is restricted to authorised personnel. As a means of preventing the leakage of private and confidential information, a Non-Disclosure Agreement is in place and information and patient data are securely stored and encrypted.



# SUSTAINABILITY REPORT

## Product Quality and Safety

FY2024 PERFORMANCE	
<ul style="list-style-type: none"> <li>In FY2024, the target of achieving an average customer satisfaction rating of 80% with the ClearCell® FX1 System, based on at least 5 responses to the customer survey, was successfully achieved.</li> </ul>	<ul style="list-style-type: none"> <li>In FY2024, the targets of achieving a 100% pass rate for the ClearCell® FX1 System prior to release and maintaining the CTChip® FRI biochip failure rate due to leaky chips below 5% were successfully achieved.</li> </ul>
<ul style="list-style-type: none"> <li>In FY2024, the targets of completing all Corrective and Preventive Action ("CAPA") investigations and implementing proposed CAPA within 1 month and 3 months, respectively, were successfully achieved.</li> </ul>	<ul style="list-style-type: none"> <li>In FY2024, there were no product recalls. The target of maintaining zero product recalls was successfully achieved, hence resulting in cost savings that improve financial performance.</li> </ul>
FY2025 TARGET	
<ul style="list-style-type: none"> <li>Short-term target: Maintain zero product recall.</li> </ul>	<ul style="list-style-type: none"> <li>Medium-term target: Acknowledge 100% customer feedback or complaints within 7 days.</li> </ul>

Despite the decline in sales of cancer diagnosis products, the Group takes product quality and safety seriously. Providing products that meet the required quality and safety standards is one of the Group's top priorities. By maintaining a high product quality and safety standard, the Group also minimises the risk of injury to users, and thus reduces the risk of a product liability claim. A product liability lawsuit (which may result in the recall of products or termination of existing agreements by business partners) could damage the Group's reputation, operations and financial performance.

The Group is governed by the guidelines on procedures for the control of records and documents, resource management, product realisation and the monitoring of processes. The following processes are monitored by the Group:

- Annual internal audit;
- Annual audits of contract manufacturers;
- Supplier evaluations with annual re-assessment being done;
- Investigation of non-conforming products, and establishing relevant corrective and preventive actions;

- Quality report log used to track feedback/complaints for products; and
- Standardised design and development process to evaluate products' safety and performance.

The Group is committed to providing innovative high-quality biomedical products and services that meet or exceed the expectations of its customers. The Group aims to do so by:

- Maintaining a shared quality vision and a focus on continuous improvement to the products, processes and services (including delivery);
- Understanding the requirements and meeting the needs of the partners and customers;
- Training employees in the delivery of quality products and services; and
- Providing a competent, ethical and fiscally sound management team to ensure growth and long-term stability.

Constant quality reporting and CAPA are also used to monitor and address any non-conformances of the Group's products. Regular management meetings are also conducted to review quality objectives and outstanding non-conformance issues.

# SUSTAINABILITY REPORT

## SOCIAL AND GOVERNANCE

### Anti-corruption

#### FY2024 PERFORMANCE

- In FY2024, there were no confirmed incidents of corruption/public legal cases regarding corruption brought against the Group. The target of maintaining zero confirmed incidents of corruption/public legal cases brought against the Group was successfully achieved.
- In FY2024, regular anti-corruption training to employees was provided. The target of providing regular anti-corruption training to employees was successfully reached.

#### FY2025 TARGET

- Short-term target:  
Maintain zero confirmed incidents of corruption/public legal cases brought against the Group.
- Medium-term target:  
Keep employees informed about anti-corruption practices on a regular basis.

As a corporation that upholds its business integrity, the Group has zero tolerance for any forms of corruption, bribery, extortion, money laundering, and fraud, which not only violates laws and regulations but also jeopardises the Group's image and reputation. The Group has formulated and implemented the Whistle-blowing Policy and signed the Employment Agreement and the Employee Confidentiality Agreement with its employees regarding code of conduct and ethical issues. Such policies are communicated to all employees and Directors. All employees are expected to refrain from engaging in corrupt practices, graft, and acceptance of bribes, speculative practices, intentional omissions, and abuse of power to seek personal gain.

The Group conducted a risk assessment related to corruption in all its operations, and no significant risks related to corruption were identified through the risk assessment in FY2024.

The Group also regularly holds briefing sessions on anti-corruption and ethics for its Directors and relevant employees. All Directors have received anti-corruption training, while new Directors will attend mandatory courses that would be relevant to anti-corruption training provided by the Singapore Institute of Directors. Anti-corruption training aims at familiarising the Directors with their roles and responsibilities in ethics management, managerial staff with their roles in managing staff integrity, assessing the risks and preventing corruption in the workplace, and the general staff with the skills to handle ethical dilemmas at work.

In addition, the Whistle-blowing Policy has been put in place for employees and external parties, such as suppliers, customers, contractors and other stakeholders, to report their concerns or complaints regarding internal control, conflict of interest, collusion with competitors, serious breaches of the Group's policy, unsafe work practices or any other matters involving fraud, corruption and employee misconduct. Employees and external parties are allowed to report any suspicious practices or inappropriate activities and bring them immediately to the attention of the AC and/or the Board. The Group will address such reports by taking appropriate action, including, but not limited to, disciplining or terminating the employment and/or services of those responsible. It is also the Group's policy to protect genuine whistle-blowers from any unfair treatments as a result of their report.

# SUSTAINABILITY REPORT

## GOVERNANCE

Maintaining public trust is of the utmost priority to any company. The Group is committed to upholding high ethical standards and integrity in its operations, and to complying with all laws and regulations in its location of operations.

### Environmental and Socioeconomic Compliance

#### FY2024 PERFORMANCE

- In FY2024, there were no instances of non-compliance with laws and regulations in the environmental, social and economic areas. The target of maintaining zero non-compliance with laws and regulations in the environmental, social and economic areas was successfully achieved.
- In FY2024, the target of providing environmental, social and economic compliance training for all new hires was successfully achieved.

#### FY2025 TARGET

- Short-term target: Maintain zero non-compliance with laws and regulations in the environmental, social and economic areas.
- Medium-term target: Maintain the provision of environmental, social and economic compliance briefings for all new hires.

The Group's products and business activities are regulated by various laws and regulations governing medical devices in the countries it markets and sells its products in. The Group is subject to extensive supervision by governments and other agencies in various aspects of its operations, including licensing and certification requirements, product registration requirements, quality and safety standards, periodic renewal

and reassessment procedures. Any breaches of applicable laws and regulations may cause disruptions to operations and fines in any particular jurisdiction; hence it is important for the Group to comply with various laws and regulations in the environmental, social and economic areas. The Group has taken steps to ensure employees are informed about the regulatory requirements via regular employee training programmes.

## SGX CONTENT INDEX

Primary Component	Section Reference
Material ESG factors	Sustainability Report – MATERIALITY ASSESSMENT
Climate-related disclosures	Sustainability Report – Climate Change Mitigation and Adaptation
Policies, practices and performance	Sustainability Report – ECONOMIC, ENVIRONMENTAL, SOCIAL AND ENVIRONMENTAL, SOCIAL, SOCIAL AND GOVERNANCE, GOVERNANCE
Targets	Sustainability Report – ENVIRONMENTAL, SOCIAL AND ENVIRONMENTAL, SOCIAL, SOCIAL AND GOVERNANCE, GOVERNANCE
Sustainability reporting framework	Sustainability Report – ABOUT THIS REPORT
Board statement and associated governance structure for sustainability practices	Sustainability Report – BOARD STATEMENT



# SUSTAINABILITY REPORT

## SGX CONTENT INDEX

### GRI Content Index

<b>Statement of Use</b>	Biolidics Limited has reported the information cited in this GRI content index for the period from 1 January 2024 to 31 December 2024 with reference to the GRI Standards.
<b>GRI 1 Used</b>	GRI 1: Foundation 2021

GRI Indicator	Description	Session / Explanation
<b>GRI 2: General Disclosures 2021</b>		
2-1	Organisational details	<ul style="list-style-type: none"> <li>Legal name: Biolidics Limited</li> <li>Nature of ownership and legal form: listed company on Catalist of SGX-ST</li> <li>Location of headquarters and country of operation: Singapore</li> </ul>
2-2	Entities included in the organisation's sustainability reporting	Sustainability Report – ABOUT THIS REPORT
2-3	Reporting period, frequency and contact point	<ul style="list-style-type: none"> <li>Reporting period: 1 January 2024 to 31 December 2024</li> <li>Reporting frequency: annually</li> <li>Contact point: support@biolidics.com</li> </ul>
2-5	External assurance	Sustainability Report – ABOUT THIS REPORT
2-6	Activities, value chain and other business relationships	Corporate Profile; Corporate Information
2-7	Employees	Sustainability Report – SOCIAL: Diversity, Equal Opportunity and Non-discrimination
2-9	Governance structure and composition	Boards of Directors, Executive Officers, Sustainability Report – BOARD STATEMENT; Corporate Governance
2-10	Nomination and selection of the highest governance body	Corporate Governance
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Report – BOARD STATEMENT, MATERIALITY ASSESSMENT; Corporate Governance
2-13	Delegation of responsibility for managing impacts	Sustainability Report – BOARD STATEMENT
2-14	Role of the highest governance body in sustainability reporting	Sustainability Report – BOARD STATEMENT, MATERIALITY ASSESSMENT
2-15	Conflicts of interest	Corporate Governance
2-27	Compliance with laws and regulations	Sustainability Report – GOVERNANCE: Environmental and Socioeconomic Compliance
2-29	Approach to stakeholder engagement	Sustainability Report – STAKEHOLDER ENGAGEMENT
<b>GRI 3: Material Topics 2021</b>		
3-1	Process to determine material topics	Sustainability Report – MATERIALITY ASSESSMENT
3-2	List of material topics	Sustainability Report – MATERIALITY ASSESSMENT

# SUSTAINABILITY REPORT

GRI Indicator	Description	Session / Explanation
<b>GRI 201: Economic Performance 2016</b>		
3-3	Management of material issues	Operations & Financial Review; Sustainability Report – ENVIRONMENTAL: Climate Change Mitigation and Adaptation
201-1	Direct economic value generated and distributed	Financial Statements
201-2	Financial implications and other risks and opportunities due to climate change	Sustainability Report – ENVIRONMENTAL: Climate Change Mitigation and Adaptation
<b>GRI 205: Anti-corruption 2016</b>		
3-3	Management of material issues	Sustainability Report – SOCIAL AND GOVERNANCE: Anti-corruption
205-1	Operations assessed for risks related to corruption	Sustainability Report – SOCIAL AND GOVERNANCE: Anti-corruption
205-2	Communication and training about anti-corruption policies and procedures	Sustainability Report – SOCIAL AND GOVERNANCE: Anti-corruption
205-3	Confirmed incidents of corruption and actions taken	Sustainability Report – SOCIAL AND GOVERNANCE: Anti-corruption
<b>GRI 305: Emissions 2016</b>		
3-3	Management of material issues	Sustainability Report – ENVIRONMENTAL: Climate Change Mitigation and Adaptation
305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Report – ENVIRONMENTAL: Climate Change Mitigation and Adaptation
305-4	GHG emissions intensity	Sustainability Report – ENVIRONMENTAL: Climate Change Mitigation and Adaptation
<b>GRI 306: Waste 2020</b>		
3-3	Management of material issues	Sustainability Report – SOCIAL AND ENVIRONMENTAL: Occupational Health and Safety (including Effluents and Waste)
306-2	Management of significant waste-related impacts	Sustainability Report – SOCIAL AND ENVIRONMENTAL: Occupational Health and Safety (including Effluents and Waste)
<b>GRI 401: Employment 2016</b>		
3-3	Management of material issues	Sustainability Report – SOCIAL: Talent Retention (including Training and Education)
401-1	New employee hires and employee turnover	Sustainability Report – SOCIAL: Talent Retention (including Training and Education)
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report – SOCIAL: Talent Retention (including Training and Education)
401-3	Parental leave	Sustainability Report – SOCIAL: Talent Retention (including Training and Education)

# SUSTAINABILITY REPORT

GRI Indicator	Description	Session / Explanation
<b>GRI 403: Occupational Health and Safety 2018</b>		
3-3	Management of material issues	Sustainability Report – SOCIAL AND ENVIRONMENTAL: Occupational Health and Safety (including Effluents and Waste)
403-1	Occupational health and safety management system	Sustainability Report – SOCIAL AND ENVIRONMENTAL: Occupational Health and Safety (including Effluents and Waste)
403-2	Hazard identification, risk assessment, and incident investigation	Sustainability Report – SOCIAL AND ENVIRONMENTAL: Occupational Health and Safety (including Effluents and Waste)
403-4	Worker participation, consultation, and communication on occupational health and safety	Sustainability Report – SOCIAL AND ENVIRONMENTAL: Occupational Health and Safety (including Effluents and Waste)
403-5	Worker training on occupational health and safety	Sustainability Report – SOCIAL AND ENVIRONMENTAL: Occupational Health and Safety (including Effluents and Waste)
403-9	Work-related injuries	Sustainability Report – SOCIAL AND ENVIRONMENTAL: Occupational Health and Safety (including Effluents and Waste)
<b>GRI 404: Training and Education 2016</b>		
3-3	Management of material issues	Sustainability Report – SOCIAL: Talent Retention (including Training and Education)
404-1	Average hours of training per year per employee	Sustainability Report – SOCIAL: Talent Retention (including Training and Education)
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Report – SOCIAL: Talent Retention (including Training and Education)
<b>GRI 405: Diversity and Equal Opportunity 2016</b>		
3-3	Management of material issues	Sustainability Report – SOCIAL: Diversity, Equal Opportunity and Non-discrimination
405-1	Diversity of governance bodies and employees	Sustainability Report – SOCIAL: Diversity, Equal Opportunity and Non-discrimination
<b>GRI 406: Non-discrimination 2016</b>		
3-3	Management of material issues	Sustainability Report – SOCIAL: Diversity, Equal Opportunity and Non-discrimination
406-1	Incidents of discrimination and corrective actions taken	Sustainability Report – SOCIAL: Diversity, Equal Opportunity and Non-discrimination
<b>GRI 418: Customer Privacy 2016</b>		
3-3	Management of material issues	Sustainability Report – SOCIAL: Customer Privacy
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Report – SOCIAL: Customer Privacy



# CORPORATE GOVERNANCE REPORT

The Board is committed to achieving and maintaining high standards of corporate governance in managing its business and affairs, so as to improve the performance, accountability, and transparency of the Company and its subsidiaries (the “**Group**”).

For FY2024, the Board has reviewed its corporate governance practices and ensured compliance with the applicable provisions of the Code of Corporate Governance 2018 (the “**Code**”) issued by the Monetary Authority of Singapore and the disclosure guide developed by Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in January 2015.

This corporate governance report sets out how the Company has applied the principles of good corporate governance in a disclosure-based regime where the Board’s accountability to the Company’s shareholders (“**Shareholders**”) and the Company’s management’s (“**Management**”) accountability to the Board provides a framework for achieving a mutually beneficial tripartite relationship aimed at creating, enhancing and growing sustainable Shareholders’ value.

The Company has substantially complied with the principles and guidelines as set out in the Code. Appropriate explanation have been provided in the relevant sections below where there are deviations from the Code.

The Company also ensures that all applicable laws, rules and regulations including the Securities and Futures Act 2001 of Singapore and the SGX-ST Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) are duly complied with.

## BOARD MATTERS

### Principle 1 The Board’s Conduct of Affairs

*The Company is headed by an effective Board which is collectively responsible and works with the Management for the long-term success of the Company.*

As at the date of this annual report, the Board comprises the following directors (“**Directors**”):

Zhu Hua <sup>(1)</sup>	Executive Director and Chairman (“ <b>Chairman</b> ”)
Chen Lu <sup>(2)</sup>	Executive Director and President (“ <b>President</b> ”)
Ch’ng Li-Ling <sup>(3)</sup>	Lead Independent Director
Ian David Brown	Independent Director
Liew Yoke Pheng Joseph	Independent Director

(1) Mr Zhu Hua was re-designated from Non-Executive Non-Independent Director to Executive Director on 11 April 2024 and appointed as Chairman of the Board on 30 April 2024.

(2) Mr Chen Lu was appointed as an Executive Director and President of the Company on 30 April 2024.

(3) Ms Ch’ng Li-Ling was appointed as Lead Independent Director of the Company on 18 June 2024.

### Role of the Board

The Board is committed to achieving and maintaining high standards of corporate governance and the Company sets out principles and general guidelines for the Directors who are required to abide by any applicable laws or legislation, including the Catalist Rules and the Companies Act 1967 of Singapore (the “**Companies Act**”). This set of principles and guidelines covers aspects such as Board composition and balance, Board diversity, tenure, maximum number of directorships, Board member selection, code of conduct for the avoidance of conflicts of interest, and dealing in the shares of the Company.

# CORPORATE GOVERNANCE REPORT

The Board is entrusted to lead and oversee the Company, with the fundamental principle to objectively discharge their duties and responsibilities at all times as fiduciaries acting in the best interests of the Company. In addition to its statutory duties, the Board's principal functions are to:

- provide entrepreneurial leadership and set the corporate strategies of the Company. This includes setting the direction and goals for Management;
- ensure that the necessary resources are available for the Company to meet its strategic objectives;
- establish and maintain a framework of prudent and effective controls, which enables risks to be assessed and managed, including safeguarding of Shareholders' interest and the Group's assets;
- supervise, monitor and review Management's performance against the goals set to enhance Shareholders' value;
- identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation;
- instill an ethical corporate culture and ensure that the Group's values and standards (including ethical standards), policies and practices are consistent with the culture and ensure that obligations to Shareholders and other stakeholders are understood and met;
- consider sustainability issues, e.g. environmental and social factors, as part of its strategy formulation process; and
- oversee the overall corporate governance of the Company.

All Directors are required to objectively discharge their duties and responsibilities in the best interests and benefit of the Company. Directors and the Interim CEO who are in any way, directly or indirectly, interested in a transaction or proposed transaction, including those identified within the Code and provisions of the Companies Act shall declare the nature of their interests and recuse himself or herself from such discussions and decisions on the matter.

## Delegation by the Board

The Board has delegated certain responsibilities to the audit & risk committee (the "**ARC**"), the remuneration committee (the "**RC**") and the nominating committee (the "**NC**") of the Company (collectively, the "**Board Committees**"). The Board accepts that while these Board Committees have the authority to examine specific issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility for all matters lies with the Board.

# CORPORATE GOVERNANCE REPORT

## Composition of the Board Committees

As at the date of this annual report, the composition of the Board Committees are as follows:

Board Committee Designation	ARC	NC	RC
<b>Chairman</b>	Liew Yoke Pheng Joseph	Ch'ng Li-Ling	Ian David Brown
<b>Members</b>	Ch'ng Li-Ling <sup>(1)</sup>	Ian David Brown	Ch'ng Li-Ling
	Ian David Brown	Liew Yoke Pheng Joseph	Liew Yoke Pheng Joseph <sup>(1)</sup>

### Note:

- (1) Following Mr Gavin Mark McIntyre's cessation as a member of the ARC and RC on 18 June 2024, Ms Ch'ng Li-Ling was appointed as a member of the ARC and Mr Liew Yoke Pheng Joseph as a member of the RC, both appointments were effected on 18 June 2024. Ms Ch'ng Li-Ling and Mr Liew Yoke Pheng Joseph are the Independent Directors of the Company.

## Board Meetings and Attendance

The attendance of the Directors at the Board and Board Committee meetings for FY2024 are as follows:

Name	Board Number of meetings held: 4	ARC Number of meetings held: 4	NC Number of meeting held: 1	RC Number of meetings held: 1
	Number of meetings attended	Number of meetings attended	Number of meetings attended	Number of meetings attended
Gavin Mark McIntyre <sup>(1)</sup>	2	2	1*	1
Ch'ng Li-Ling <sup>(2)</sup>	3	3	1*	1*
Ian David Brown	4	4	1	1
Song Tang Yih <sup>(3)</sup>	2	2*	1*	1*
Liew Yoke Pheng Joseph <sup>(4)</sup>	4	4	1	1*
Zhu Hua <sup>(5)</sup>	4	4*	1*	1*
Chen Lu <sup>(6)</sup>	3	3*	NA	NA

\* - by invitation

NA - Not Applicable

# CORPORATE GOVERNANCE REPORT

## Notes:

- (1) Mr Gavin Mark McIntyre resigned as the Lead Independent Director of the Company on 18 June 2024 and consequently relinquished his position as a member of the ARC and RC of the Company on the same day.
- (2) On 18 June 2024, Ms Ch'ng Li-Ling was appointed as a member of the ARC, in place of Mr Gavin Mark McIntyre who ceased as a member of the ARC on the same day.
- (3) Mr Song Tang Yih resigned as an Executive Director and Chief Executive Officer ("CEO") on 30 June 2024, and following his resignation, Mr Zhu Hua took on the duty and responsibility of the CEO, and assumed the role as Interim CEO.
- (4) On 18 June 2024, Mr Liew Yoke Pheng Joseph was appointed as a member of the RC in place of Mr Gavin Mark McIntyre who has ceased as a member of the RC on the same day.
- (5) Mr Zhu Hua was re-designated from the position of Non-Executive Non-Independent Director to Executive Director on 11 April 2024 and was appointed as Chairman of the Board on 30 April 2024.
- (6) Mr Chen Lu was appointed as an Executive Director and President of the Company on 30 April 2024.

All Board and Board Committee meetings are scheduled well in advance of each year in consultation with the Directors. To ensure meetings are held regularly with Directors' participation, the Company's constitution (the "**Constitution**") allows for meetings to be held through telephone and video conference. The Company ensures that telephonic and screen sharing facilities are made available for Directors to attend the meetings.

Regular meetings are held by the Board to deliberate the strategic policies of the Company including significant acquisitions and disposals, review and approve annual budgets, review the performance of the business and approve the public release of periodic financial results. The Board will also convene additional meetings for particular matters as and when they are deemed necessary.

While the Board considers Directors' attendance at Board meetings to be important, it is not the only criterion which the Board uses to measure Directors' contributions. The Board also takes into account the contributions by Board members in other forms including periodical reviews, provision of guidance and advice on various matters relating to the Company.

The day-to-day operations of the Group are entrusted to the Executive Director and Interim CEO who are assisted by experienced and qualified key management personnel.

## **Material Transactions Requiring Board Approval**

The Company has in place policies for the approval of, among others, investments and divestments, interested persons transactions and cash management. Such material transactions are specifically reserved for the Board's consideration and approval. The Company has also set out clear directions to Management in relation to such material transactions that are subject to the Board's approval.

In this regard, matters that require the Board's approval include, among others, the following:

- overall Group business and budget strategies;
- capital expenditures exceeding certain material limits;
- investments or divestments;
- all capital-related matters including capital issuance;



## CORPORATE GOVERNANCE REPORT

- significant policies governing the operations of the Group;
- corporate strategic development and restructuring;
- interested person transactions exceeding S\$100,000; and
- risk management strategies.

### **Formal Appointment Letter to Each Director**

The Company has provided each Director and will provide each newly appointed Director with a formal letter of appointment setting out the Director's roles, duties, obligations, responsibilities, and expectations of the Company.

### **Board Induction and Training**

All newly appointed Directors will undergo an orientation programme where the Directors are briefed on the Group's strategic direction, governance practices, business and organisation structure as well as the expected duties of a director of a listed company. To get a better understanding of the Group's business, the Directors will also be given the opportunity to visit the Group's operational facilities and meet with Management, whenever required.

All first-time Directors who have no prior experience as a director of a company listed on the SGX-ST are required to attend the mandatory training as prescribed in the Catalist Rules.

Newly appointed Directors are briefed on the Group's businesses and governance practices by the Interim CEO and senior management. The orientation programme also includes a familiarisation tour of the office and warehouse within the Group. The programme allows new Directors to get acquainted with senior management, thereby facilitating Board interaction and independent access to Management. Where necessary, the Company will provide training for first-time Directors in areas such as accounting, legal and industry-specific knowledge and first-time Directors are required to attend training and courses organised by the Singapore Institute of Directors or relevant modules under the Listed Entity Directors Programme to meet the mandatory training requirements under Rule 406(3)(a) of the Catalist Rules at the Company's expense.

As at the date of this report, Mr Chen Lu, who was appointed as an Executive Director and President of the Company on 30 April 2024, has completed the relevant mandatory director training (i.e. Listed Entity Director Programme) conducted by the Singapore Institute of Directors.

Apart from Mr Chen Lu, there were no new directors appointed during FY2024.

The Board values on-going professional development and recognises that it is important that all Directors receive regular training so as to be able to serve effectively and contribute to the Board. To this end, the Company encourages continuous professional development for its directors and will fund such training.

Furthermore, Directors are regularly updated with the latest professional developments in relation to the Catalist Rules and other applicable regulatory updates or amendments to relevant laws, rules and regulations to ensure compliance.

# CORPORATE GOVERNANCE REPORT

## Access to Information

Management recognises that the flow of complete, adequate and timely information on an ongoing basis to the Board is essential to the Board's effective and efficient discharge of its duties. To allow Directors sufficient time to prepare for the meetings, all scheduled Board and Board Committees meeting materials are distributed to Directors at least 3 working days in advance of the meetings. This allows Directors to focus on questions or raise issues which they may have at the meetings. Any additional material or information requested by the Directors is promptly furnished. The Board has unrestricted access to the Company's records and information.

To facilitate direct and independent access to the key management personnel, Directors are also provided with their contact details.

## Role of the Company Secretary

Directors have separate and independent access to the Company Secretary, at the Company's expense, at all times. The Company Secretary is responsible for, among other things:

- advising the Board on all corporate and administrative matters;
- facilitating orientation and assisting with professional development as required;
- attending all board meetings; and
- ensuring that Board procedures are observed and that the Constitution, relevant rules and regulations, including requirements of the Companies Act and the Catalist Rules are complied with.

The appointment and removal of the Company Secretary is a decision of the Board as a whole.

## Independent Professional Advice

Directors, either individually or as a group, in the furtherance of their duties, may take independent professional advice, if necessary, at the Company's expense.

## Principle 2

### Board Composition and Guidance

*The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.*

### Independent Directors

As at the date of this annual report, the Board comprises 5 Directors, 3 of whom are independent, which complies with Rule 406(3)(c) of the Catalist Rules that requires Independent Directors to, among others, make up at least one-third of the Board.

# CORPORATE GOVERNANCE REPORT

## ***Review of Directors' Independence***

The Company has in place a policy for the Board, requiring Directors to refrain from having any conflicts of interest with the Company to ensure that their duty to act in the best interests of the Company is not compromised. Directors must immediately report any conflicts of interest that have occurred or may possibly occur as soon as the Director is aware of such potential or actual conflict of interest.

The NC reviews the independence of the Independent Directors annually. The Board and the NC take into account the conduct of relevant Directors, as well as the existence of relationships or circumstances, including those identified by the Code, that are relevant in its determination as to whether a Director is independent.

The NC has reviewed and confirmed the independence of the Independent Directors in accordance with the Code. The Independent Directors have no relationship with the Company, its related corporations, its substantial Shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgment in the best interests of the Company.

## ***Duration of Independent Directors' Tenure***

There is no Independent Director who has served beyond 9 years since the date of his/her first appointment.

## ***Board Diversity Policy***

As at the date of this annual report, the Board comprises 5 Directors, comprising 2 Executive Director and 3 Independent Directors, who have the appropriate mix of core competencies and diversity of experience, to direct and lead the Company.

The Company recognises the importance and benefits of diversity in all ways, including gender, age, background and other distinguishing factors/qualities. Diversity on the Board is an essential element to support the attainment of the Company's strategic objectives for sustainable and balanced development.

The Company has in place a Board Diversity Policy that addresses diversity in terms of experience, skills, gender, age, tenure, and qualities, as well as any other relevant aspects of diversity. The Board Diversity Policy also sets out the approach which the Company takes towards diversity on its Board. The Company believes in diversity and values the benefits diversity can bring to the Board in its deliberations and the Board's effectiveness – in particular, it believes that a balance and mix of skills, experiences and individual attributes of Board members which shape the composition and promote the effectiveness of the Board as a whole and that of the Board committees, will support the Company's achievement of strategic objectives and long-term sustainable development and success. The Board observes and applies the Board Diversity Policy to ensure that the Board will have an appropriate level of diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company. While it is important to promote boardroom diversity in terms of gender, ethnicity and age, the Board believes that the normal selection criteria based on independence, skills, knowledge and experience should remain a priority.

## CORPORATE GOVERNANCE REPORT

The composition of the Board will be reviewed on an annual basis by the NC to ensure compliance with the Code, and that the Board has the appropriate balance and diversity of skills, experience, gender, age, and knowledge. The Board collectively possesses the necessary core competencies for effective functioning and decision-making.

The Board's objective in identifying director nominees is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Company. As at the date of this annual report, the Board comprises 4 male Directors and 1 female Director. Female Director represents 20% of the Board. In addition, the Board comprises a good mix of Directors across the age group of 45's to a 69's. The Company has met its objectives in ensuring a diversity of age and gender on the Board. The Company continues to be receptive to achieving greater gender diversity and representation on the Board to complement the core competencies of the Board as a whole.

The Board is of the view that the current board size is appropriate to effectively facilitate decision making in relation to the operations of the Company, taking into account the nature and scope of the Group's operations. The Board believes that the current Board members possess diverse skills, experience and attributes that enable them to provide effective direction for the Company. The NC also holds the view that the current Board members have a broad range of expertise and experience in diverse areas including accounting, finance, legal, business and management, technology, strategic planning and business experience.

The Board has taken the following steps to maintain or enhance its balance and diversity:

- annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and
- annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.

The NC has assessed the current level of diversity on the Board to be satisfactory and given the current size of the Board and the nature of the business at present, the Board does not propose to set specific diversity targets or concrete timelines for achieving board diversity targets. Instead, the Company takes the approach that maintaining a satisfactory level of diversity is an ongoing process which may need to be updated as the business of the Group develops.

To meet the challenges of the changing landscapes in which the Company operates, such reviews and evaluations, which include considering factors such as the expertise, skills and perspectives which the Board needs against the existing competencies, are done on a periodic basis to ensure that the Board dynamics remain optimal.

The NC will consider the results of these exercises in its recommendation for the appointment of new Directors and/or the re-appointment of incumbent Directors.

### ***Non-Executive Director Meetings in Absence of Management***

Non-Executive Directors constructively challenge and help develop proposals on strategies and review the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance. In addition, the Non-Executive Directors meet on yearly basis in the absence of Management to discuss concerns or matters such as overall Group business strategies and investments. The chairman of such meetings provides feedback to the Board and/or the Chairman as appropriate.



# CORPORATE GOVERNANCE REPORT

## Principle 3 Chairman and Chief Executive Officer

*There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision making.*

### **Segregation of the Role of Chairman and the Interim CEO**

Currently, the roles of the Chairman and the CEO are held by the same individual. However, the Board remains committed to maintaining strong accountability and ensuring that it retains the capacity for independent decision making. Following the resignation of previous CEO, Mr. Zhu Hua, who serves as Chairman of the Board has assumed the role of Interim CEO with effect from 30 June 2024 to ensure stability and continuity in leadership. The Board considers Mr. Zhu Hua to be familiar with the culture and operations of the Company, and has extensive experience in the new businesses of Company. The Directors are of the view that the vesting of the 2 roles in the same individual will not impair the balance of power and authority between Directors and the management of the Group. Mr. Zhu Hua will act as the Interim CEO temporarily until the Company finds a good replacement.

The Chairman leads the Board discussions and ensures the effectiveness of the Board. He oversees the scheduling of Board meetings when necessary, establishes the Board's meeting agenda and ensures the quality, adequacy and timeliness of the flow of information between the Board and Management to facilitate efficient decision making. Additionally, he chairs the Board meetings and encourages the Board members to present their views on topics under discussion at the meetings, while also playing a role in upholding compliance with the Company's guidelines on corporate governance.

The Interim CEO is responsible for the overall management, operations, strategic planning and business development of the Group. He also ensures that the Directors are kept updated and informed of the Group's businesses.

### **Lead Independent Director**

The NC, RC and ARC are chaired by independent Directors. The Company is in compliance with the provision 3.3 of the code where Ms. Ch'ng Li-Ling, who is the Chairperson of the NC is also the Lead Independent Director of the Company. Where a situation arises that may involve conflict of interests between the roles of Executive Chairman and Interim CEO, it is the Lead Independent Non-Executive Director's responsibility, together with the other Independent Non-Executive Directors, to ensure that shareholders' rights are protected. The Board is of the view that there are sufficient safeguards and checks in place to ensure that there is good balance of power, accountability and capacity of the Board for independent decision-making without the Chairman and Interim CEO being able to exercise considerable concentration of power or influence.

As the Lead Independent Director of the Company, Ms. Ch'ng Li-Ling acts as the leader of the Independent Directors at Board Meetings to provide non-executive perspectives and contribute a balance of viewpoints on the Board. She is also available to Shareholders if they have concerns and for which contact through the normal channels of the Chairman, the Interim CEO and the Financial Controller ("FC") has failed to resolve their concerns or is inappropriate. The independent Directors, led by the Lead Independent Director, meet amongst themselves without the presence of the other Directors where necessary, and the Lead Independent Director will provide feedback to the Chairman after such meetings.

# CORPORATE GOVERNANCE REPORT

## ***Independent Directors Meetings in Absence of Other Directors***

To facilitate well-balanced viewpoints on the Board, the Independent Directors will, where necessary, conduct meetings without the involvement of other non-independent Directors.

## **Principle 4**

### **Board Membership**

*The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.*

### ***Nominating Committee***

As at the date of this annual report, the NC comprises 3 members, all of whom, including the chairman, are Independent Directors. The composition of the NC is as follows:

Ch'ng Li-Ling	Chairman
Liew Yoke Pheng Joseph	Member
Ian David Brown	Member

The NC is guided by written terms of reference, of which the key terms of reference are as follows:

- (a) review succession plans for Directors, in particular the appointment and/or replacement of the Chairman, the Interim CEO and key management personnel, and the appointment and re-appointment of Directors, in accordance with the Constitution, and taking into account, among others, the Directors' contribution and performance;
- (b) determine on an annual basis whether or not a Director is independent;
- (c) ensure that new Directors are aware of their duties and obligations;
- (d) review and decide whether or not a Director is able to and has been adequately carrying out his/her duties as Director, having regard to the competing time commitments that are faced by the Director when serving on multiple boards and/or discharging his/her duties towards other principal commitments outside the Group;
- (e) review the training and professional development programs for the Board;
- (f) review the Directors' mix of skills, experience, core competencies and knowledge of the Company that the Board requires to function competently and efficiently;
- (g) determine and recommend to the Board the maximum number of listed company board representations which any Director may hold and disclosing this in the annual report;
- (h) develop a process and criteria for evaluation of the performance of the Board as a whole and its committees, and assess the contribution of each Director to the effectiveness of the Board; and
- (i) such other responsibilities as may be required by statute and/or the Catalist Rules and/or as recommended by the Code, and by such amendments made thereto from time to time.

# CORPORATE GOVERNANCE REPORT

## **Board Representations**

The NC is of the view that the effectiveness of each of the Directors is best assessed by a qualitative assessment of the Director's contributions, after taking into account his/her directorships in other listed companies and other principal commitments. The NC also believes that it is for each Director to assess his/her own capacity and ability to undertake other obligations or commitments together with serving on the Board effectively, whilst taking into consideration the number of listed company board representations each Director may hold.

The considerations in assessing the capacity of Directors include the following:

- expected and/or competing time commitments of Directors;
- size and composition of the Board; and
- nature and scope of the Group's operations and size.

The NC takes into consideration the following measures and evaluation tools in its assessment of competing time commitments of Directors:

- declarations by each Director of their directorships in other listed companies and other principal commitments;
- annual confirmation by each Director on his/her ability to devote sufficient time and attention to the Group's affairs, having regard to his/her other commitments; and
- assessment of each Directors' performance based on the pre-determined criteria.

The NC has reviewed the devotion of time and resources by each of the Directors to the Group's affairs, taking into account the multiple directorships and other principal commitments of each of the Directors (if any), and is satisfied that the Directors have been able to devote sufficient time and resources to the matters of the Group.

The Board has deliberated and set the maximum number of listed company board representations which any Director may hold to be 5. This is to ensure the Directors have sufficient time and attention to adequately perform their role. As at the date of this annual report, none of the Directors holds more than 5 listed company board representations.

## **Board Nomination Process**

The Board has adopted the following nomination process for the Company for selecting and appointing new Directors and re-electing incumbent Directors:

### **Process for the selection and appointment of new Directors:**

1. Determination of selection criteria
  - The NC, in consultation with the Board, will identify the current needs of the Board in terms of skills, experience and knowledge to complement and strengthen the Board and increase its diversity.

# CORPORATE GOVERNANCE REPORT

- |   |  |
|---|--|
| 2. Search for suitable candidates       | <ul style="list-style-type: none"> <li>The NC will consider candidates drawn from the contacts and networks of existing Directors and may approach relevant institutions such as the Singapore Institute of Directors, professional organisations or business federations to source for a suitable candidate.</li> </ul> |
| 3. Assessment of shortlisted candidates | <ul style="list-style-type: none"> <li>The NC will meet and interview the shortlisted candidates to assess their suitability.</li> </ul>   |
| 4. Appointment of Director              | <ul style="list-style-type: none"> <li>The NC will recommend the selected candidate to the Board for consideration and approval.</li> </ul>  |

## Process for the re-election of incumbent Directors:

- |                               |   |
|-------------------------------|---|
| 1. Assessment of Director     | <ul style="list-style-type: none"> <li>The NC will assess the performance of the Director in accordance with the performance criteria set by the Board.</li> <li>The NC will also consider the current needs of the Board.</li> </ul> |
| 2. Re-appointment of Director | <ul style="list-style-type: none"> <li>Subject to the NC's satisfactory assessment, the NC will recommend the proposed re-appointment of the Director to the Board for consideration and approval.</li> </ul>                         |

Pursuant to Rule 720(4) of the Catalist Rules, all Directors must submit themselves for re-nomination and re-appointment at least once every three (3) years. Pursuant to the Constitution, at least one-third of the Board (or, if their number is not a multiple of 3, the number nearest to but not less than one-third) shall retire from office by rotation at each AGM and such retiring Director shall be eligible for re-election. In addition, new Directors appointed during the financial year, either to fill casual vacancy or as an additional Director, are required to submit themselves for re-election at the next AGM.

At the forthcoming AGM of the Company, the following Directors will be retiring pursuant to the Company's Constitution:

- (1) Ms Ch'ng Li-Ling and Mr Zhu Hua (Regulation 97)
- (2) Mr Chen Lu (Regulation 103)

(the "**Retiring Directors**").

The NC has recommended that Retiring Directors be nominated for re-election at the forthcoming AGM. The NC in making the recommendation, had considered the overall contributions and performance and competencies the Retiring Directors in fulfilling their responsibilities as Directors of the Company. The NC had considered their experiences, qualifications, skill sets and competencies and is of the view that their continual appointment would be beneficial to the Board and to the Company.

# CORPORATE GOVERNANCE REPORT

The Retiring Directors have consented to stand for re-election at the forthcoming AGM and the Board has accepted the NC's recommendation. Please refer to the Notice of AGM for the resolutions put forth in relation to the respective re-elections and details of the Retiring Directors including the information required under Appendix 7F of the Catalist Rules disclosed in pages 152 to 159 of this Annual Report.

## ***Continuous Review of Director's Independence***

The Independent Directors have declared their independence for FY2024 in accordance with the Code. Following its annual review, for FY2024, the NC considered Ms Ch'ng Li-Ling, Mr Ian David Brown and Mr Liew Yoke Pheng Joseph to be independent.

For FY2024, the Independent Directors have confirmed their independence and that they have no relationship with the Company, its related corporations, its substantial Shareholders or its officers.

## ***Directors' Time Commitment***

During FY2024, the NC is satisfied that sufficient time and attention have been given by the Directors to the affairs of the Group and is of the opinion that each of the Directors is able to and have been adequately carrying out his/her duties as a Director, notwithstanding that some of the Directors have multiple board representations. None of the Directors had appointed an alternate director in FY2024.

Each member of the NC has abstained from voting on any resolutions and making recommendations and/or participating in respect of matters in which he/she has an interest.

## ***Directors' Key Information***

Key information regarding the Directors such as their date of first appointment, directorship(s) held in other listed companies and principal commitments are set out on pages 6 to 8 of this annual report.

## **Principle 5**

### **Board Performance**

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors.

### ***Performance Criteria***

The Board has established processes to be carried out by the NC, for monitoring and evaluating the performance of the Board as a whole and that of each Board Committees and effectiveness and contribution of individual Directors. At the same time, the processes also identify areas where improvements can be made. This will then allow the Board and individual Directors to direct more effort in those areas for achieving better performance of the Board and better effectiveness of individual Directors.

The NC will evaluate the Board's performance covering areas that include, among others, size and composition of the Board, Board's access to information, Board processes, strategic planning and accountability.



## CORPORATE GOVERNANCE REPORT

The NC shall also review the overall performance of the Board Committees in terms of their roles and responsibilities and the conduct of their affairs as a whole.

The NC may also engage an external facilitator for the evaluation process where necessary.

The review of the performance of the Board will be conducted by the NC annually. The review of the performance of each Director is also conducted annually and when the individual Director is due for re-election.

The review process of the performance of the Board and the individual Directors is based on the following:

1. each Director will complete a board evaluation questionnaire on the effectiveness of the Board based on the Board's pre-determined criteria;
2. the Company Secretary will collate and submit the questionnaire results to the chairman of the NC in the form of a report;
3. each Director will send the duly completed confidential individual Director self-assessment checklist to the chairman of the NC for review; and
4. the NC will discuss the report and the chairman of the NC will present the results of the performance review during the NC meeting.

All NC members will abstain from the voting or review process of any matter in connection with the assessment of their individual performance. The assessment criteria for individual Director includes, among others, Director's attendance, commitment of time, candour, participation, knowledge and ability, teamwork, and overall effectiveness.

The NC will review the aforementioned criteria on a periodic basis to ensure that the criteria is able to provide an accurate and effective performance assessment taking into consideration industry standards and the economic climate with the objective to enhance long-term Shareholders' value. Where circumstances deem it necessary for any of the criteria to be changed, the NC will propose amendments to the Board for approval.

The NC, having reviewed the overall performance of the Board, the Board Committees and individual Directors, is of the view that the performance of the Board as a whole and the Board Committees has been satisfactory and met the performance objectives in FY2024. The evaluation process of the overall performance of the Board, the Board Committees and individual Directors was conducted without an external facilitator in FY2024.

# CORPORATE GOVERNANCE REPORT

## REMUNERATION MATTERS

### Principle 6 Procedures for Developing Remuneration Policies

*The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No Director is involved in deciding his or her own remuneration.*

#### **Remuneration Committee**

As at the date of this annual report, the RC comprises 3 members, all of whom, including the chairman, are Independent Directors:

The composition of the RC is as follows:

Ian David Brown	Chairman
Liew Yoke Pheng Joseph	Member
Ch'ng Li-Ling	Member

The RC recommends to the Board a framework of remuneration for the Directors and key management personnel, and determines the specific remuneration package for the Directors and key management personnel. The RC recommendations will be submitted for endorsement by the Board.

The RC is guided by written terms of reference, of which the key terms of reference as follows:

- (a) to recommend to the Board a framework of remuneration for the Directors and key management personnel;
- (b) to be responsible for the administration of the Company's performance share plan;
- (c) to be responsible for all aspects of remuneration, including, but not limited, to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and benefits-in-kind;
- (d) to review the remuneration of the key management personnel and employees related to the Directors, Interim CEO or substantial Shareholders, if any, to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;
- (e) to review and approve any bonuses, pay increments and/or promotions for the key management personnel and employees related to the Directors, Interim CEO or substantial Shareholders, if any;
- (f) to seek expert advice from external consultants on remuneration matters, if necessary;
- (g) to review the Company's obligations arising in the event of termination of the contracts of the Executive Directors and key management personnel, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous;

# CORPORATE GOVERNANCE REPORT

- (h) to be fair and avoid rewarding poor performance; and
- (i) to carry out such other responsibilities as may be required by statute and/or the Catalyst Rules, as recommended by the Code, and by such amendments made thereto from time to time.

Each RC member will abstain from participating in the deliberations of and voting on any resolution in respect of his/her remuneration package or that of employees related to him.

## **Remuneration Consultant**

The RC may from time to time, where necessary or required, seek advice from external consultants in framing the remuneration policy and determining the level and mix of remuneration for Directors and Management, so that the Company remains competitive in this regard. The Company did not engage any external remuneration consultant for FY2024.

## **Principle 7**

### **Level and Mix of Remuneration**

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

### **Remuneration Structure**

In setting remuneration packages, the RC will take into consideration the pay and employment conditions within the industry and in comparable companies. The RC also seeks to ensure that the structure of remuneration packages for the Interim CEO and key management personnel are appropriate in linking rewards to corporate and individual performance and that is aligned with the interests of Shareholders and promote the long-term success of the Company. The remuneration of the Directors is also reviewed by the RC to ensure that the remuneration is commensurate with the contribution and responsibilities of the Directors. It ensures that remuneration package is appropriate to attract, retain and motivate the Directors and key management personnel to provide good stewardship of the Company and successfully manage the Company for the long term.

Each Non-Executive Director receives a Director's fee that is appropriate to the level of contribution, and which takes into account factors such as effort, time spent and scope of responsibilities. The fees for the Directors are subject to Shareholders' approval at the forthcoming AGM.

### **Biolidics Performance Share Plan**

The Company has implemented the Biolidics Performance Share Plan (the "**Plan**"). The primary objective of the Plan is to retain employees whose contributions are essential to the well-being and prosperity of the Company and to give recognition to outstanding employees who have contributed to the growth of the Company.

# CORPORATE GOVERNANCE REPORT

Each eligible participant (the “**Participant**”) under the Plan will have the opportunity to participate in the equity of the Company, thereby:

- (a) inculcate a stronger sense of identity with the long-term prosperity of the Company;
- (b) promote organisational commitment, dedication and loyalty of Participants towards the Company; and
- (c) motivate Participants to strive towards performance excellence and to maintain a high level of contribution to the Company.

The Plan also gives recognition to contributions made or to be made by Participants by introducing a variable component into their remuneration package, and affords the Company greater flexibility in structuring compensation packages so that the Company is able to make employee remuneration sufficiently competitive to recruit new Participants and/or to retain existing Participants whose contributions are important to the long-term growth and profitability of the Company.

The Plan is administered by the RC.

The RC may decide the eligibility of Participants, the number of awards to be granted (the “**Awards**”) to the Participants and the vesting period of the Awards as the RC may determine, in its absolute discretion, taking into account factors including the Group’s financial performance and the rank, job performance, potential for future development and contribution to the success and development of the Company of the Participant.

The RC may grant Awards in relation to which a performance condition is specified (“**Performance-related Awards**”). In relation to each Performance-related Award, the RC must determine that the relevant performance condition has been satisfied during the relevant performance period before the shares comprised in the Award may be allotted or transferred to the relevant Participant. If the RC determines, in its sole discretion, that the relevant performance condition has not been satisfied during the relevant performance period, or if the relevant Participant (being an employee of the Company) has not continued to be an employee from the date of grant up to the end of the relevant performance period, the Performance-related Award will lapse. There is no Performance-related Award granted in FY2024.

## Principle 8

### Disclosure on Remuneration

*The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.*

#### **Directors’ Remuneration**

The Company’s remuneration policy is one that seeks to attract, retain and motivate talent to achieve the Company’s business vision and create sustainable value for its stakeholders. Total compensation is pegged to the achievement of organisational and individual performance objectives, and is benchmarked against relevant and comparative compensation in the market.

## CORPORATE GOVERNANCE REPORT

The remuneration (including salary, bonuses, contributions to the Central Provident Fund, allowances and benefits-in-kind) of each of the Directors and key management personnel are linked to the financial performance of the Group and the individual's performance so as to promote the long-term sustainability of the Group.

The remuneration of the Directors for FY2024 is as follows:

Name of Director	Salary S\$	Benefits S\$	Bonus S\$	Share-based payment (vested) S\$	Directors' fee S\$	Total S\$
Song Tang Yih <sup>(1)</sup>	122,400	–	–	–	–	122,400
Gavin Mark McIntyre <sup>(2)</sup>	–	–	–	–	28,571	28,571
Ch'ng Li-Ling	–	–	–	–	40,000	40,000
Ian David Brown	–	–	–	–	40,000	40,000
Liew Yoke Pheng Joseph	–	–	–	–	40,500	40,500
Zhu Hua <sup>(3)</sup>	172,727	–	–	–	–	172,727
Chen Lu <sup>(4)</sup>	136,773	–	–	836,000	–	972,773

**Notes:**

- (1) Mr Song Tang Yih resigned as Executive Director and CEO on 30 June 2024. The salary payable to him for FY2024 is from 1 January 2024 to 30 June 2024.
- (2) Mr Gavin Mark McIntyre resigned as the Lead Independent Director on 18 June 2024. The Director's fee payable to him for FY2024 was pro-rated from 1 January 2024 to 18 June 2024.
- (3) Mr Zhu Hua was re-designated from Non-Executive Non-Independent Director to Executive Director on 11 April 2024 and appointed as Chairman of the Board on 30 April 2024. The salary payable to him for FY2024 was from 11 April 2024 to 31 December 2024.
- (4) Mr Chen Lu was appointed as an Executive Director and President of the Company on 30 April 2024. The salary payable to him for FY2024 is from 30 April 2024 to 31 December 2024.

No compensation was paid in the form of share awards to the Directors in FY2024. There were no terminations, retirements and/or post-employment benefits granted to the Directors in FY2024.



# CORPORATE GOVERNANCE REPORT

## **Key Management Personnel's Remuneration**

The breakdown of the total remuneration of the Group's key management personnel (who are not Directors) for FY2024 is as follows:

Name of key management personnel <sup>(1)</sup>	Salary (%)	Benefits (%)	Share-based payment (vested) (%)	Bonus (%)	Total (%)
<b>Below S\$250,000</b>					
Siu Yeung Sau <sup>(1)</sup>	100	–	–	–	100
Lau Wei Kian <sup>(2)</sup>	100	–	–	–	100

### **Notes:**

- (1) Mr Siu Yeung Sau resigned as the Financial Controller of the Company on 1 June 2024. The salary payable to him for FY2024 is from 1 January 2024 to 1 June 2024.
- (2) Mr Lau Wei Kian was appointed as the Financial Controller of the Company on 1 July 2024. The salary payable to him for FY2024 is from 1 July 2024 to 31 December 2024.

No compensation was paid in the form of share awards to the key management personnel of the Group in FY2024. There were no terminations, retirements or post-employment benefits granted to the Group's key management personnel in FY2024.

The Group has only one key management personnel as of FY2024. The total remuneration paid to the key management personnel has not been disclosed in dollar terms due to the sensitivity of individual compensation details, competitive consideration and the need to maintain flexibility in future talent management and remuneration negotiations.

## **Employees who are Substantial Shareholders or Related to a Director, the Interim CEO or a Substantial Shareholder**

There is no employee of the Group who is a substantial Shareholder, or an immediate family member of a Director, the Interim CEO or a substantial Shareholder, whose remuneration exceeded S\$100,000 during FY2024.

## **Performance Criteria for Remuneration**

The remuneration received by the key management personnel takes into consideration his individual performance and contribution towards the overall performance of the Group. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary and annual wage supplement. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives.

The performance criteria to assess the remuneration of key management personnel includes, among others, the profitability of the Group, leadership skills, as well as the key management personnel's compliance with all audit matters. The short-term incentive scheme would be the performance-related variable component of remuneration while the long-term incentive scheme would be the Plan.

# CORPORATE GOVERNANCE REPORT

## ACCOUNTABILITY AND AUDIT

### Principle 9 Risk Management and Internal Controls

*The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.*

The Board, with the assistance from the ARC, is responsible for risk governance and ensuring that the Management maintains a sound system of risk management and internal controls to safeguard Shareholders' interests and the Group's assets and manage risk. The Board acknowledges that risk management is an on-going process in which the Management continuously participates to evaluate, monitor and report to the Board and the ARC on significant risks. The Board is cognisant, however, that internal controls and risk management systems are designed to manage identifiable risks and limit the Group's exposure to risk of errors and irregularities and can only provide reasonable mitigation and not absolute assurance against material misstatement or loss.

The Board will, at least annually, review the adequacy and effectiveness of the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems.

#### ***Adequacy and Effectiveness of Internal Controls***

The Management is responsible for the design and implementation of internal controls (including financial, operational, compliance and information technology controls) and risk management systems. The review of the adequacy and effectiveness of such internal controls and risk management systems is under the purview of the ARC. The ARC carries out the review at least annually with the assistance of the internal auditors, NLA Risk Consulting Pte Ltd ("**NLA**"). The ARC reviews the audit plans and the findings of the external auditors and the internal auditors and ensures that appropriate measures are implemented to address those issues and any weaknesses in the internal controls are highlighted.

The Board has obtained the following assurance from the Interim CEO and FC in respect of FY2024:

- (i) the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (ii) the Group's internal controls (including financial, operational, compliance and information technology controls) are adequate and effective; and
- (iii) the Group's risk management systems are currently under review to ensure alignment with evolving business operations and risks. As such, the Board has yet to confirm their adequacy and effectiveness at this stage.

Based on the internal control policies and procedures established and maintained by the Group, the work performed by internal and external auditors, assurances provided by the Interim CEO and key management personnel, and reviews conducted by the ARC and Management, the Board confirms that the Group's internal controls (including financial, operational, compliance, and information technology controls) were adequate and effective for FY2024. The ARC concurs with the Board's assessment. No material weaknesses were identified in the Company's internal controls during FY2024.

# CORPORATE GOVERNANCE REPORT

The Board acknowledges that, in light of changes to the Group's business, the risk management systems are undergoing a more rigorous review to ensure alignment with evolving operations and risks. Accordingly, the Board is in the process of assessing their adequacy and effectiveness. While internal controls and risk management frameworks are designed to provide reasonable assurance in mitigating risks, they cannot entirely eliminate the possibility of material errors, misjudgment, human error, losses, fraud, or other irregularities.

## Principle 10

### Audit & Risk Committee

The Board has an audit & risk committee which discharges its duties objectively.

As at the date of this annual report, the ARC comprises 3 members, all of whom, including the chairman, are Independent Directors:

The composition of the ARC is as follows:

Liew Yoke Pheng Joseph	Chairman
Ch'ng Li-Ling	Member
Ian David Brown	Member

The ARC will meet with the internal auditors and the external auditors without the presence of the Management at least once a year to, among others, ascertain if there are any material weaknesses or control deficiencies in the Company's financial reporting and operational systems.

The members of the ARC do not have any management and business relationships with the Company or any substantial Shareholder.

No former partner or director of the Company's existing auditing firm or auditing corporation has acted as a member of the ARC: (a) within a period of 2 years commencing on the date of his/her ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case (b) for as long as he/she has any financial interest in the auditing firm or auditing corporation.

The ARC is guided by written terms of reference, including:

- (a) assist the Board in the discharge of its responsibilities on financial and reporting matters;
- (b) to exercise all the functions, duties, powers and responsibilities described in Section 201B of the Companies Act, including, without limitation, to review with the auditor the audit plan, the evaluation of the system of internal accounting controls, the audit report, the assistance given by the Company's officers to the auditor, the scope and results of the internal audit procedures and the financial statements and consolidated financial statements of the Company;
- (c) review, with the internal and external auditors, the audit plans, scope of work, the internal auditors' evaluation of the system of internal accounting controls or the external auditors' management letter and the Management's response, and results of the audits compiled by the internal and external auditors, and will review at regular intervals with the Management the implementation by the Company of the internal controls recommendations made by the internal and external auditors;

## CORPORATE GOVERNANCE REPORT

- (d) review and report to the Board the periodic financial statements and any formal announcements relating to Company's financial performance before submission to Board for approval, focusing, in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audits, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other statutory or regulatory requirements, concerns and issues arising from the audits, including any matters which the auditors may wish to discuss in the absence of Management, where necessary, and to advise the Board if changes are needed to improve the quality of future Interim financial statements or financial updates;
- (e) review the cash management processes;
- (f) review and report to the Board, at least annually, the effectiveness and adequacy of the internal controls (including financial, operational, compliance and information technology controls) and risk management systems and discuss issues and concerns, if any, arising from the internal audits;
- (g) review and report to the Board the independence and objectivity of the internal and external auditors as well as consider the appointment or re-appointment of internal and external auditors, including approving the remuneration and terms of engagement of the internal and external auditors;
- (h) Make recommendations to the Board on establishing an adequate, effective and independent internal audit function (which can be in-house or outsourced to a reputable accounting/auditing firm or corporation), and to ensure that the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience and that the internal auditors comply with the standards set by nationally or internationally recognized professional bodies;
- (i) Ensure that the internal audit function has unfettered access to all the Group's documents, records, properties and personnel, including the ARC, and has appropriate standing within the Group;
- (j) commission and review the findings of internal investigations into, and discuss with the internal and external auditors, any suspected fraud or irregularity, or suspected infringement of any laws, rules or regulations which has or is likely to have a material impact on the Company's results of operations or financial position, and the Management's response, at an appropriate times, to report the matter to the Board and to the Sponsor;
- (k) review the financial risk areas, with a view to providing an independent oversight of the Company's financial reporting, the outcome of such review to be disclosed in the annual reports or, if the findings are material, to be immediately announced via SGXNET;
- (l) review the cooperation given by the Management to the internal and external auditors;
- (m) review and approve transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules (if any);

## CORPORATE GOVERNANCE REPORT

- (n) review any interested person transactions and monitor the procedures established to regulate interested person transactions, including to ensure compliance with our Company's internal control system and the relevant provisions of the Listing Rules, as well as all conflicts of interests to ensure that proper measures to mitigate such conflicts of interest have been put in place;
- (o) review any potential conflicts of interest and set out a framework to resolve or mitigate any potential conflict of interest;
- (p) review and approve all hedging policies and instruments (if any) to be implemented by the Company;
- (q) review and establish procedures for receipt, retention and treatment of complaints received by the Company concerning, among others, criminal offences involving the Company or the employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Company, and ensure that there are arrangements in place for independent investigation and follow-up action;
- (r) review the procedures by which the employees may, in confidence, safely raise concerns about possible improprieties in matters of financial reporting or other matters to the chairman of the ARC, and ensure that there are arrangements in place for independent investigation and follow-up action;
- (s) ensures that the Company publicly discloses and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns;
- (t) undertake such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising therefrom and which require the attention of the ARC;
- (u) monitor the implementation of a policy and procedures for sustainability reporting;
- (v) commission an annual internal controls audit until such time that the ARC is satisfied that the internal controls of the Group are sufficiently robust and effective in mitigating any key internal control weaknesses that the Group may have, systems for the ARC's assurance, where necessary or where the ARC is not satisfied with the Company's systems of internal controls and risk management;
- (w) In carrying out its duties, to take into consideration all factors as may be specified in the Code of Corporate Governance 2018 ("**Code**") and the accompanying Practice Guidance (as each may from time to time be amended, modified or supplemented).
- (x) review the ARC's terms of reference annually and recommend any proposed changes to the Board for approval.
- (y) assume such other duties (if any) that may be assigned to an audit & risk committee of a Singapore-listed company under the Companies Act, the Catalist Rules and/or the Code (as each may from time to time be amended, modified or supplemented).



# CORPORATE GOVERNANCE REPORT

## **Qualifications of ARC**

The Board is of the view that the ARC members are appropriately qualified, with the necessary accounting, financial advisory, business management, corporate and finance, investment expertise and experience to discharge the ARC's functions.

Mr Liew Yoke Pheng Joseph is a Certified Information Systems Auditor, a Certified Fraud Examiner, a Fellow of the Institute of Singapore Chartered Accountants and a Fellow of the Association of Chartered Certified Accountants (United Kingdom). Ms Ch'ng Li-Ling has extensive practices areas cover securities and financial services regulatory advice, capital markets, mergers and acquisitions, and ESG and climate-related legal and regulatory issues. Mr Ian David Brown has accumulated accounting and related financial management expertise and experience from their previous senior management roles.

## **Authority of ARC**

Apart from the duties listed above, the ARC has the power to conduct or authorise investigations into any matters within the ARC's terms of reference. The ARC has full access to and co-operation of the Management and has full discretion to invite any Director or key management personnel to attend its meetings, and has been given reasonable resources to enable it to discharge its functions.

The ARC is authorised to obtain independent professional advice as it deems necessary in the discharge of its responsibilities. Such expenses are to be borne by the Company.

## **Internal Audit**

The ARC reviews, approves and reports to the Board the internal audit plan on an annual basis to ensure the adequacy, effectiveness, and independence of the internal audit function. The ARC also ensures that the internal audit function is adequately resourced, staffed with persons with the relevant qualifications and experience, and has appropriate standing within the Company.

The internal audit plan complements that of the external auditors and together forms a robust risk-based audit approach to facilitate the ARC's review of the adequacy and effectiveness of the Group's internal controls and risk management systems.

The Group's internal audit function is outsourced to NLA and they report directly to the chairman of the ARC and administratively to the Interim CEO and the FC. NLA has unrestricted access to the ARC as well as the Group's documents, records, properties and personnel that are relevant to their work. The ARC is responsible for the hiring, removal, evaluation and compensation of the accounting or auditing firm or corporation which the internal audit function of the Company is outsourced to.

The internal auditors report their findings to the ARC and the Board. The Management is responsible for ensuring that appropriate measures are implemented to address the internal controls weaknesses highlighted by the internal auditors.

## CORPORATE GOVERNANCE REPORT

NLA is part of NLA DFK, a group of accounting and advisory firms with a history in Singapore since 1948. NLA DFK is a member firm of DFK International, a top 10 international association of independent accounting firms and business advisers. NLA is a suitably appointed qualified firm of risk consultants (including Certified Internal Auditors), with its processes guided by the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The firm currently maintains an outsourced internal audit portfolio of about 20 companies listed on the SGX-ST in various industries, including construction, property development, manufacturing, healthcare, logistics, engineering services and trading. The Engagement Team comprises a Director, a Manager and is supported by a team of trained internal auditors. The Director, Mr Gary Ng has over 21 years of relevant experience and is a Certified Internal Auditor whilst the Manager has more than 11 years of relevant experience and also a Certified Internal Auditor. With reference to the above, the ARC is satisfied that NLA has the adequate resources to perform its function effectively.

Based on the scope of work performed by the internal auditors for FY2024, there were no material weaknesses identified.

### ***Meeting between ARC and Auditors***

The ARC met with the internal auditors and the external auditors in the absence of Management in FY2024.

### ***Independence of External Auditors***

The Company confirms that it complies with Rule 712 and Rule 715 of the Catalist Rules on the appointment of auditing firm for the Group.

The external auditors provide regular updates and briefing to the ARC on changes to accounting standards to enable the members of the ARC to keep abreast of such changes and its corresponding impact on the financial statements, if any.

The ARC, having reviewed the Audit Quality Indicators Disclosure Framework, is also satisfied that the external auditors, PKF-CAP LLP are able to meet the audit obligations of the Company and is pleased to recommend to the Board, the nomination of PKF-CAP LLP for re-appointment as independent auditor of the Company at the forthcoming AGM.

The fees paid/payable to PKF-CAP LLP for audit services for FY2024 were S\$117,400. There was no non-audit fees paid/payable to PKF-CAP LLP for the FY2024.

### ***Whistle-blowing Policy***

The Group has put in place a whistle-blowing policy. It is intended to provide a framework to promote responsible and secure whistleblowing without fear of reprisal, discrimination or adverse consequences. The Group's employees and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters verbally or in writing to the FC. All matters reported will be reviewed within a reasonable timeframe, and after due consideration and inquiry, a decision will be taken on whether to proceed with a detailed investigation. Guidance/direction may be sought from the Interim CEO and other appropriate parties. While all complaints received by the FC will be reported to the Interim CEO, whistleblowing complaints alleging fraud and breaches of corporate governance will be escalated to the ARC and the Chairman.

# CORPORATE GOVERNANCE REPORT

The ARC will ensure that any disciplinary, civil and/or criminal action that is initiated following the completion of investigations is appropriate and impartial. All investigation reports will be properly documented. The anonymity of the whistle-blower will be maintained and the Company is committed to ensure protection of the whistle-blower against detrimental or unfair treatment.

The ARC is responsible for oversight and monitoring of the Group's whistleblowing policy and arrangements.

The Company publicly discloses through its website, and clearly communicates with employees, the existence of the whistleblowing policy which is in compliance with Rule 1204(18B) of the Catalist Rules.

For FY2024, there were no complaints, concerns or issues received by the ARC.

## SHAREHOLDER RIGHTS AND ENGAGEMENT

### Principle 11 Shareholder Rights and Conduct of General Meetings

*The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives Shareholders a balanced and understandable assessment of its performance, position and prospects.*

The Company treats all Shareholders fairly and equitably, and recognises, protects and facilitates the exercise of Shareholders' rights and continually reviews and updates such governance arrangements.

The Group is committed to making timely, full and accurate disclosures to Shareholders and the public. All information on the Company's new initiatives which would be likely to materially affect the price or value of the Company's shares will be promptly disseminated via SGXNET to ensure fair communication with Shareholders. The Company does not practice selective disclosure.

All Shareholders are informed of general meetings through notices contained in the Company's annual reports or circulars sent to them. Shareholders will be given the opportunity to participate effectively in and vote at the general meetings.

#### **Dividend Policy**

The Company currently does not have a fixed dividend policy as it has yet to be profitable. The form, frequency and amount of future dividends that the Directors may recommend or declare in respect of any particular financial year or period will be subject to the factors such as levels of cash and accumulated profits, actual and projected financial performance, projected levels of capital requirements and general financing conditions, restrictions on payment of dividends imposed on the Company by its financing arrangements (if any), general economic and business conditions in countries the Company operates and other relevant factors as the Board may deem appropriate.

No dividend was declared by the Company for FY2024 as the Group was not profitable.

# CORPORATE GOVERNANCE REPORT

## **Conduct of Shareholder Meetings**

Shareholders are encouraged to participate in the Group's general meetings to ensure a high level of accountability and to stay apprised of the Group's strategies and goals. Shareholders are given the opportunity to raise questions and clarify any issues that they may have relating to the resolutions to be passed. Notice of the general meetings will be advertised in a national newspaper and announced on SGXNET.

The Constitution allows members of the Company to appoint not more than 2 proxies to attend, speak and vote at the general meetings on their behalf. A relevant intermediary (as defined in Section 181 of the Companies Act) is entitled to appoint more than 2 proxies, but each proxy must be appointed to exercise the rights attached to as different share or shares held by such member.

Supplementary Retirement Scheme Investors ("**SRS Investors**") may attend and cast their vote(s) at the general meetings in person. SRS Investors who are unable to attend the general meetings but would like to vote, may inform their Supplementary Retirement Scheme approved nominees to appoint the chairman of the general meetings to act as their proxy.

The Board does not implement absentia-voting methods by mail, electronic mail or facsimile, until issues on security and integrity are satisfactorily resolved.

An independent polling agent will be appointed by the Company for general meetings who will explain the rules, including the voting procedures that govern the general meeting. The Company ensures that Shareholders are given the opportunity to participate effectively in and vote at general meetings.

The Company ensures that there are separate resolutions at general meetings on each distinct issue. Separate resolutions are proposed for substantially separate issues at Shareholders' meetings for approval. "Bundling" of resolutions is done only where the resolutions are interdependent and linked so as to form one significant proposal and only where there are reasons and material implications involved. In such cases of "bundling", the Company ensures that explanations as to the reasons and implications are given to Shareholders in the notice of meeting.

Directors (including the respective chairman of the Board Committees) will be present at general meetings, to address Shareholder's queries. The external auditors are also required to be present to address Shareholders' queries about the conduct of audit and the preparation and content of the independent auditor's report. At the Company's last AGM held on 29 April 2024, all the then Directors were present.

The Company publishes minutes of general meetings of Shareholders on the Company's website at <http://www.biolidics.com> and SGXNET as soon as practicable and within one month from the date of the general meetings. The minutes record substantial and relevant comments or queries from Shareholders relating to the agenda of the general meeting, responses from the Board and the Management.

The AGM of the Company is to be held within four months after the end of the financial year.

The Company will be holding its AGM for FY2024 on 29 April 2025, details of which are disclosed in the Notice of AGM. The Notice of AGM is also advertised in a daily newspaper in Singapore within the mandatory period.

# CORPORATE GOVERNANCE REPORT

In line with the Company's corporate social responsibility initiatives and environmental sustainability efforts, annual reports and circulars to Shareholders will be published on the Company's corporate website and at the SGXNET and available for viewing or downloading by the shareholders. Printed copies of the Annual Report and/or Circular will only be mailed to shareholders upon their request via a request form.

The Notice of AGM, proxy form and request form (to request for physical copy annual reports) for the FY2024 AGM will be sent to members via mail and the documents will also be published on the Company's website at the URL <http://www.biolidics.com> and made available on the SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

Shareholders can also access to the Company's financial information, corporate announcements, press releases, annual reports, circulars and profile of the Group on the Company's website at <http://www.biolidics.com>.

For the forthcoming AGM, shareholders may submit questions relating to resolutions to be tabled for approval at the AGM by no later than 21 April 2025. The Company shall only address relevant and substantial questions and any subsequent clarifications sought, or follow-up questions in respect of such questions and will publish its response to those questions on the SGXNET and the Company's website by 24 April 2025. The Company will address any subsequent clarifications sought, or substantial and relevant follow-up questions (which are related to the resolutions to be tabled for approval at the AGM) received after 21 April 2025 which have not already been addressed prior to the AGM, at the AGM itself.

Shareholders who are attending the AGM may also submit their substantial and relevant queries relating to the agenda of the meeting during the course of the meetings, which Management and the Board of Directors will address accordingly.

All resolutions are put to vote by poll in all the Company's general meetings and is integral in the enhancement of corporate governance. For cost effectiveness, the voting of the resolutions at the general meetings are conducted by manual polling and their detailed results are announced at the meeting. The voting results of each of the resolutions tabled are announced on the same day after the general meeting via SGXNET.

## Principle 12

### Engagement with Shareholders

*The Company communicates regularly with its Shareholders and facilitates the participation of Shareholders during general meetings and other dialogues to allow Shareholders to communicate their views on various matters affecting the Company.*

### Communication with Shareholders

The Company commits itself to disclose and convey pertinent information to all stakeholders in a timely manner.

General meetings are the principal forum for dialogue with Shareholders and Shareholders are encouraged to participate in such meetings. During these meetings, Shareholders are able to engage with the Board and the Management in discussions on the Group's business activities, financial performance and other business-related matters. This enables the Company to solicit feedback from the investment community on a range of strategic and topical issues which provide valuable insights to the Group on investors' views.

# CORPORATE GOVERNANCE REPORT

The Group's financial results and annual reports are announced or issued within the period specified under the Catalist Rules and are also made available to the public via the Company's website, <http://www.biolidics.com>. The website is also updated regularly with voluntary Interim updates on useful and relevant information to provide Shareholders a better understanding of the Company's performance in the context of the current business environment and various other investor-related information on the Group which serves as an important resource for investors.

Where necessary, the key management personnel will meet analysts and fund managers who wish to seek a better understanding of the Group's business and operation.

## **Principle 13 Managing Stakeholders Relationships**

*The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.*

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to secure the long term future of the Group. The Group's key efforts on sustainability are focused on creating sustainable value for its key stakeholders, which include communities, customers, staff, regulators, Shareholders and vendors.

The Company maintains a corporate website at <http://www.biolidics.com> to communicate and engage stakeholders. For more information on the stakeholders' engagements, refer to page 14 of this annual report.

### **Material Contracts**

Save as disclosed in the section below entitled "Interested Person Transactions" of this corporate governance report and the Service Agreement, there were no material contracts of the Group involving the interests of the Interim CEO, any Director or controlling Shareholder which are either still subsisting at the end of FY2024 or, if not then subsisting, entered into since the end of FY2023.

### **Interested Person Transactions ("IPTs")**

The Group has implemented an internal policy in respect of any transactions with an interested person (as defined in the Catalist Rules) and has established procedures for the review and approval of all IPTs entered into by the Group. In the event that a potential conflict of interest arises, the Director concerned will not participate in discussions, and shall abstain from decision making, and refrain from exercising any influence over other members of the Board.

The Group has also established procedures to ensure that all transactions with interested persons are reported in a timely manner to the ARC and the transactions will not be prejudicial to the interest of the Company and its minority Shareholders. To ensure compliance with Chapter 9 of the Catalist Rules, the Board and the ARC will review the IPTs entered into by the Group (if any), at least once every 6 months.

The Group has obtained a general mandate on IPT (the "IPT Mandate") from the shareholder in April 2021 and the IPT mandate was renewed and approved by shareholders at the AGM held on 28 April 2022. The Company did not seek the renewal of the IPT mandate at the AGM held on 28 April 2023 and the IPT mandate was lapsed since then.



# CORPORATE GOVERNANCE REPORT

On 3 October 2024, Mr Zhu Hua subscribed 407,000,000 new ordinary shares amounting to S\$1,628,000. The subscription was approved by shareholders at the EGM held on 19 September 2024.

## ***Dealing in Securities***

The Company has adopted an internal policy which prohibits all employees of the Group from dealing in the securities of the Company while in possession of price-sensitive information. All employees of the Group are expected to observe insider trading laws at all times.

All employees of the Group are discouraged from dealing in the Company's securities on short-term considerations and are prohibited from dealing in the Company's securities during the period commencing 1 month before the announcement of the Company's quarterly, half year and full year financial statements and ending on the date of the announcement of the relevant results.

## ***Non-sponsor Fees***

There were non-sponsor fees payable to Evolve Capital Advisory Private Limited for financial advisory services performed in FY2024 for a total amount of S\$80,000.

## ***Use of Placement Proceeds***

Pursuant to the issuance of 83,000,000 placement shares on 11 January 2024, the Company received net proceeds of approximately S\$0.93 million. As at the date of this annual report, the placement proceeds have been utilised as follows:

	Amount allocated (S\$ million)	Amount utilised as at the date of this annual report (S\$ million)	Balance (S\$ million)
Working capital requirements of the Group <sup>(1)</sup>	0.93	(0.93)	-
<b>Total</b>	<b>0.93</b>	<b>(0.93)</b>	<b>-</b>

- (1) The amount utilised for working capital requirements of the Group as at the date of this annual report was mainly for operating expenses of the Group.

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The directors present their statement to the members together with the audited consolidated financial statements of Biolidics Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) for the financial year ended 31 December 2024, and the statement of financial position of the Company as at 31 December 2024 and the statement of changes in equity of the Company for the financial year ended 31 December 2024.

## 1. Opinion of the directors

In the opinion of the directors,

- (i) the consolidated financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company are properly drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the financial year then ended; and
- (ii) at the date of this statement, after considering the measures taken by the Group and the Company with respect to their ability to continue as going concerns as described in Note 2.1 to the financial statements, there are reasonable grounds to believe that the Group and the Company will each be able to pay its respective debts as and when they fall due.

## 2. Directors

The directors of the Company in office at the date of this statement are:

Ian David Brown  
Ch'ng Li-Ling  
Liew Yoke Peng Joseph  
Zhu Hua  
Chen Lu (Appointed on 30 April 2024)

## 3. Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects were, or one of the objects was, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed in paragraphs 4 and 5 of this statement below.

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 4. Directors' interests in shares or debentures

The directors of the Company holding office at the end of the financial year had no interests in the shares and debentures of the Company and its related corporations as recorded in the Register of Directors' Shareholdings kept by the Company pursuant to Section 164 of the Singapore Companies Act 1967 (the "**Act**"), except as disclosed below:

Name of director	Shareholdings registered in the name of directors		Shareholdings in which directors are deemed to have an interest	
	At beginning of year/date of appointment	At end of year	At beginning of year/date of appointment	At end of year
<b>The Company</b>				
<i>(Ordinary shares)</i>				
Zhu Hua	98,500,000	505,500,000	-	-
Chen Lu	-	76,000,000	-	-

The directors' interests in the shares and options of the Company as at 21 January 2025 were the same as those as at 31 December 2024.

## 5. Share options

As at 31 December 2023, the Company had up to 21,079,800 new ordinary shares in the capital of the Company ("**Award Shares**") to be issued to certain employees and a director of the Company subject to the vesting of outstanding awards granted under the Biolidics Performance Share Plan ("**Plan**") upon the achievement of predetermined performance targets, which will vest within 2 months from 1 January 2025. The outstanding 21,079,800 Award Shares represent approximately 3.21% of the total number of issued Shares (excluding treasury shares) as at 31 December 2023.

As at 31 December 2024, the Award Shares is nil as the selected employees are no longer employed with Company.

Summarised information regarding the number of Award Shares as at 31 December 2024 is as follows:

Name of Participant	Date of grant	Number of share awards			Balance at 31 December 2024
		Balance at date of grant	Vested since date of grant	Forfeited since date of grant	
Song Tang Yih	28.02.2023	46,019,300	(23,725,700)	(22,293,600)	-
Other employees	28.02.2023	24,399,000	(4,533,000)	(19,866,000)	-
		70,418,300	(28,258,700)	(42,159,600)	-

There were no treasury shares and subsidiary holdings held by the Company as at 31 December 2023 and 31 December 2024.

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 6. Audit & Risk Committee

The Audit & Risk Committee of the Company comprises three non-executive directors and at the date of this statement, they are:

Liew Yoke Pheng Joseph (Chairman)  
Ch'ng Li Ling  
Ian David Brown

The Audit & Risk Committee has convened four meetings during the year with key management and the internal and external auditors of the Company.

The Audit & Risk Committee carried out its functions in accordance with Section 201B (5) of the Act, the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the Audit & Risk Committee:

- (i) reviewed the audit plan and results of the external audit, the independence and objectivity of the external auditors, including, where applicable, the review of the nature and extent of non-audit services provided by the external auditors to the Group;
- (ii) reviewed the audit plans of the internal auditors of the Group and their evaluation of the adequacy of the Group's system of internal accounting controls;
- (iii) reviewed the Group's annual financial statements and the external auditors' report on the annual financial statements of the Group and of the Company before their submission to the board of directors;
- (iv) reviewed the quarterly, half-yearly and annual announcements as well as the related press releases on the results of the Group and financial position of the Group and of the Company;
- (v) reviewed and assessed the adequacy of the Group's risk management processes;
- (vi) reviewed and checked the Group's compliance with legal requirements and regulations, including the related compliance policies and programmes and reports received from regulators, if any;
- (vii) reviewed interested person transactions in accordance with SGX listing rules;
- (viii) reviewed the nomination of external auditors and gave approval of their compensation; and
- (ix) submitted of report of actions and minutes of the audit & risk committee to the board of directors with any recommendations as the audit & risk committee deems appropriate.

The Audit & Risk Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit & Risk Committee.

The Audit & Risk Committee has recommended to the directors the nomination of PKF-CAP LLP for re-appointment as external auditors of the Group at the forthcoming AGM of the Company.

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 7. Auditors

The independent auditors, PKF-CAP LLP, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors,

Zhu Hua  
Director

Chen Lu  
Director

Date: 9 April 2025

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIOLIDICS LIMITED

## Report on the Audit of the Financial Statements

### *Opinion*

We have audited the financial statements of Biolidics Limited (the “Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group, and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS (I)s”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

### *Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIOLIDICS LIMITED

## Report on the Audit of the Financial Statements (Cont'd)

### Key Audit Matters (Cont'd)

#### Going concern assumption

(Refer to Note 2.1 to the financial statements)

During the financial year ended 31 December 2024, the Group reported a net loss of \$3.43 million (2023: \$2.49 million) and a net operating cash outflows of \$2.31 million (2023: \$1.97 million). As at 31 December 2024, the Group's current liabilities exceeded its current assets by \$1.24 million (2023: \$1.49 million). Nevertheless, the Group management is of the view that it is appropriate for the financial statements of the Group and of the Company to be prepared on a going concern basis after taking into consideration the following:

1. Mr. Zhu Hua, the shareholder and director of the Company, has given an undertaking that he will provide continuing financial support to the Group and the Company to enable them to continue their operations as going concerns and to meet their current liabilities as and when these are due for payments for the next 12 months from the date of approval of these financial statements by the board of directors for the financial year ended 31 December 2024.
2. The Group management has prepared a consolidated cash flow forecast for a 18-months period from 1 January 2025 to 30 June 2026 ("Cash Flow Forecast") and it showed that the Group will be able to generate sufficient cash flows in the next 18 months from 31 December 2024 to meet their financial obligations as and when they fall due, by taking into consideration the following assumptions:
  - The Group's operating and financing activities are expected to generate positive cash flows for the Group and the Company in the next 18 months from 31 December 2024, which includes the fund raising availability of a \$4 million loan facility from the Company's shareholder and director, Mr. Zhu Hua;
  - The Group's business in the E-Sports segment is expected to positively contribute to the Group's revenue and operating cash flows during the next 18 months from 31 December 2024;
  - The Group had performed a reset on its existing cancer, infectious diseases and laboratory services segments, considering the challenges and low customer demands for the Group's goods and services in these business segments. The Group is reshaping its strategic focus and direction to serve other new markets, in particularly MCN, E-Sports and Live-streaming;
  - Further to the Group's resetting strategy, the Group is also considering streamlining its current operations by consolidating its business units and/or business segments to improve cost-efficiency, which includes implement cost cutting measures to optimise administrative and operating costs; and
  - Subsequent to 31 December 2024, the Company has received additional loan disbursements from the Company's shareholder and director, Mr. Zhu Hua, amounting to \$2.11 million in total, which is sufficient to support the Group's and the Company's working capital and operational needs for the next 18 months from 31 December 2024. The loans are unsecured, interest-free, and repayable by three equal payment tranches on 2 October 2028, 2 October 2029 and 2 October 2030 respectively.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIOLIDICS LIMITED

## Report on the Audit of the Financial Statements (Cont'd)

### Key Audit Matters (Cont'd)

#### Going concern assumption (Cont'd)

(Refer to Note 2.1 to the financial statements)

3. To provide additional and recurrent revenue streams for the Group, with the approval of shareholders in the Extraordinary General Meeting ("EGM") held on 23 February 2024, the Group has diversified its business into Multi-Channel Networking ("MCN"), E-Sports and Live-streaming. This will allow the Group to reduce its reliance on the Group's existing business in cancer, infectious disease and laboratory services. In current year 2024, the Group has acquired Shenzhen Xiaozhao Network Technology Co., Ltd, a wholly owned subsidiary that based in China, to launch its business in the E-Sport segment by providing integrated marketing services in the gaming industry.
4. The management are actively evaluating and reviewing various corporate strategies, including fund raising, strategic acquisitions of suitable businesses as well as restructuring the Group's existing businesses or assets with a view towards enhancing and solidifying the earnings base of the Group. The Group will look for alternative sources of funding such as equity or debt fundraising through a placement of securities of the Company to investors or other fundraising opportunities to raise the requisite funding for the Group's working capital requirements.

After considering the abovementioned measures and mitigating actions, management is confident that the Group will be able to generate sufficient cash flows and have the necessary funds to meet the operating requirements of the Group's operations and to settle its liabilities as and when they fall due for at least another twelve months from the date of these financial statements are authorised for issuance and that the use of the going concern assumption in the preparation of the financial statements is appropriate.

We identified this as a key audit matter as the going concern assessment and consolidated cash flow forecast prepared by the management involved significant judgement, estimation and assumptions. Management made key assumptions in respect of future market and economic conditions such as revenue growth rates, availability of various funding options, forecast of operational and capital expenditures when performing the assessment.

Our audit procedures included, among others:

- Reviewed the 18-months Group's consolidated cash flow forecast for the period January 2025 to 30 June 2026 that was approved by the Board of Directors.
- Evaluated the assumptions and inputs used in the consolidated cash flow forecast on whether the assumptions are consistent with historical trends and industry norms while evaluating the impact of any significant changes.
- Tested the accuracy of consolidated cash flow forecast by reviewing the underlying data and comparing them to external sources of information and comparing budgeted results against actual post-year end results.
- Assessed the sensitivity of the consolidated cash flow forecast to changes in key assumptions such as revenue growth and availability of funding and considering the potential impact of these changes on the Group's cash flows position.
- Reviewed Management's plans to address any forecasted cash shortfalls and assess the feasibility and likelihood of the available financing plans being implemented successfully.
- Assessed the adequacy and appropriateness of the going concern disclosures made in the consolidated financial statements.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIOLIDICS LIMITED

## Report on the Audit of the Financial Statements (Cont'd)

### *Key Audit Matters (Cont'd)*

#### Recoverability assessment of amount due from subsidiaries

(Refer to Note 3 and Note 18 to the financial statements)

The Company has a gross amount due from subsidiaries of \$3,560,000 (2023: \$3,147,000) which accounted for approximately 93% of the Company's total assets as at 31 December 2024.

Management has performed an impairment review based on the expected credit loss ("ECL") model and based on the review, allowance for expected credit loss ("ECL") of \$12,000 (2023: \$3,147,000) was provided for by management.

The estimated credit loss allowance is based on the historical and forward-looking trends of the receivables from the subsidiaries, which includes analysis of the age of these receivables and the financial capability and financial position of the subsidiaries to repay these amounts.

We identified this as a key audit matter as the assessment of the determination of ECL requires management to exercise significant judgement and estimation. In determining the credit quality and whether any significant increase in credit risk occurs, requiring both forward-looking and historical information to be considered.

We have inspected the Company's subsidiaries to assess whether there were indicators and evidence of an impairment loss and whether it had been identified by management in a timely manner.

Where impairment had been identified, our work included:

- considering the latest developments in relation to repayment plans or arrangements between the Company and the subsidiaries, including subsequent receipts received post-year end.
- examining the latest financial ability and financial position of the subsidiaries.
- for subsidiary with significant amount owing to the Company, examining the forecasts of future cash flows of the subsidiary prepared by management, including key assumptions in relation to the amount and timing of recoveries.
- challenging management's assumptions used in their ECL calculations.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIOLIDICS LIMITED

## Report on the Audit of the Financial Statements (Cont'd)

### Key Audit Matters (Cont'd)

Impairment assessment of goodwill and intangible assets from acquisition of ShenZhen XiaoZhao Network Technology Co., Ltd  
(Refer to Note 3, Note 13 and Note 14 to the financial statements)

On 22 October 2024, the Company completed the acquisition of 100% equity interest in ShenZhen XiaoZhao Network Technology Co., Ltd (the "subsidiary") for a consideration of \$3.544 million by way of the allotment and issuance of 452 million new ordinary shares of the Company. As at 31 December 2024, the Group had goodwill of \$2.495 million and intangible assets on acquired customer relationships and customer contracts of \$1.441 million in total as a result of the acquisition of this subsidiary, which accounted for approximately 53% and 31% of the Group's total assets, respectively.

The acquired goodwill is tested for impairment annually whenever there is an indication that the acquired goodwill may be impaired. For the purpose of impairment testing of goodwill, goodwill is allocated to the Group's E-Sport business segment, where the subsidiary is categorised in.

We identified impairment assessment of goodwill and intangible assets as a key audit matter due to the degree of management's judgement and assumptions involved in the preparation of the discounted cash flow forecasts of the CGU, including estimated revenue growth rate, terminal growth rate, and discount rate, which are inherently uncertain. Changes in judgements and the related estimates could result in material adjustments to the estimated recoverable amount, hence, affect the carrying amount of goodwill and intangible assets.

We performed the following audit procedures, among others

- Evaluated the appropriateness of the valuation model used by management's valuation experts in their valuation of the intangible assets and goodwill.
- Assessed and challenge the reasonableness of the key assumptions used in the valuation model, such as forecasted operating performance of the CGU, discount rates and country specific risk rates used.
- Evaluating the competence and objectivity of management's valuation experts who assisted in the valuation of goodwill and intangible assets.
- Evaluated management's cash flow forecasts of the CGU for impairment purposes, including assessed the key assumptions used in the forecasts such as terminal growth rates and discount rate against the CGU's historical performance and available external industry and economic indicators.
- Performed sensitivity and stress analysis over the key assumptions to determine whether any reasonably possible change in these assumptions would result in an impairment.
- Assessed the appropriateness of the related disclosures included in the notes to the consolidated financial statements.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIOLIDICS LIMITED

## Report on the Audit of the Financial Statements (Cont'd)

### *Other Matter*

The financial statements of the Group for the financial year ended 31 December 2023 were audited by another firm of auditors who expressed a disclaimer opinion on those statements on 1 April 2024.

### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the Group's 2024 Annual Report, but does not include the financial statements and our auditor's report thereon. We have obtained all the other information prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of Management and Directors for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from authorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIOLIDICS LIMITED

## Report on the Audit of the Financial Statements (Cont'd)

### *Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)*

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIOLIDICS LIMITED

## Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Jonathan Lim Ryh Jye.

## PKF-CAP LLP

Public Accountants and  
Chartered Accountants

Singapore  
9 April 2025

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$'000	2023 \$'000 (Represented**)
<b>Revenue</b>	4	<b>784</b>	277
Other income	5	<b>190</b>	92
Changes in inventories		<b>(35)</b>	(3)
Purchase of inventories and other direct costs		<b>(562)</b>	(128)
Employee benefits expense	6	<b>(1,953)</b>	(1,021)
Depreciation expense	12	<b>(83)</b>	(115)
Amortisation expense	12	-	-
Research and development expense	8	<b>(1)</b>	(31)
Allowance for expected credit loss	17	*	(8)
Other expenses		<b>(1,488)</b>	(466)
Finance costs	7	<b>(39)</b>	(111)
<b>Loss before tax</b>	8	<b>(3,187)</b>	(1,514)
Income tax expense	9	<b>(5)</b>	-
<b>Loss for the year from continuing operations</b>		<b>(3,192)</b>	(1,514)
<b>Discontinued operations</b>			
Loss for the year from discontinued operations	11	<b>(242)</b>	(974)
<b>Loss for the year</b>		<b>(3,434)</b>	(2,488)
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Effect of translation of foreign operations		<b>66</b>	9
<b>Other comprehensive income for the year, net of tax</b>		<b>66</b>	9
<b>Total comprehensive loss for the year</b>		<b>(3,368)</b>	(2,479)
<b>Basic and diluted loss per share (cents)</b>			
- from continuing operations	10	<b>(0.33)</b>	(0.26)
- from discontinued operations	10	<b>(0.02)</b>	(0.16)
		<b>(0.35)</b>	(0.42)

\* Amount Less than \$1,000

\*\* Comparative information has been represented due to the discontinued operation as disclosed in Note 11.

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Group		Company	
	Note	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Plant and equipment	12	6	6	6	-
Right-of-use assets	24	59	246	59	114
Intangible assets	13	1,441	-	-	-
Goodwill	14	2,495	-	-	-
Investments in subsidiaries	15	-	-	*	-
		4,001	252	65	114
<b>Current assets</b>					
Cash and cash equivalents	16	295	183	112	127
Trade receivables	17	281	73	7	3
Prepayments		20	83	20	62
Other receivables	18	71	80	3,610	61
Inventories	19	-	11	-	-
		667	430	3,749	253
<b>Total assets</b>		4,668	682	3,814	367
<b>EQUITY AND LIABILITIES</b>					
<b>Current liabilities</b>					
Trade payables	20	190	19	21	8
Other payables	21	571	524	393	437
Loan due to shareholder	22	410	-	-	-
Contract liabilities	23	60	90	60	90
Lease liabilities	24	56	202	56	137
Borrowings	25	613	1,080	613	1,080
Provision for reinstatement cost		-	5	-	5
Deferred consideration	26	-	-	-	-
Income tax payable		5	-	-	-
		1,905	1,920	1,143	1,757
<b>Net current (liabilities)/asset</b>		(1,238)	(1,490)	2,606	(1,504)
<b>Non-current liabilities</b>					
Loan due to shareholder	22	666	-	666	-
Lease liabilities	24	5	128	5	61
Borrowings	25	-	613	-	613
Provision for reinstatement cost		-	10	-	-
Deferred tax liabilities	27	360	-	-	-
		1,031	751	671	674
<b>Total liabilities</b>		2,936	2,671	1,814	2,431
<b>Net asset/ (liability)</b>		1,732	(1,989)	2,000	(2,064)
<b>Equity attributable to owners of the Company</b>					
Share capital	28	72,612	66,536	72,612	66,536
Contingent consideration	15	1,013	-	1,013	-
Foreign currency translation reserve		88	22	-	-
Accumulated losses		(71,981)	(68,547)	(71,625)	(68,600)
<b>Total equity</b>		1,732	(1,989)	2,000	(2,064)
<b>Total equity and liabilities</b>		4,668	682	3,814	367

\* Amount less than \$1,000

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Share capital \$'000	Foreign currency translation reserve \$'000	Contingent consideration \$'000	Share-based payment reserve \$'000	Accumulated losses \$'000	Total equity \$'000
<b>Group</b>						
<b>Balance as at 1 January 2024</b>	<b>66,536</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>(68,547)</b>	<b>(1,989)</b>
<u>Total comprehensive loss for the year</u>						
Loss for the year	-	-	-	-	(3,434)	(3,434)
Other comprehensive income for the year	-	66	-	-	-	66
<b>Total</b>	<b>-</b>	<b>66</b>	<b>-</b>	<b>-</b>	<b>(3,434)</b>	<b>(3,368)</b>
<u>Transactions with owners, recognised directly in equity</u>						
Issue of new shares (Note 28)	6,148	-	-	-	-	6,148
Share issuance expenses (Note 28)	(72)	-	-	-	-	(72)
<b>Total</b>	<b>6,076</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,076</b>
Contingent consideration for acquisition of subsidiary (Note 15)	-	-	1,013	-	-	1,013
<b>Balance as at 31 December 2024</b>	<b>72,612</b>	<b>88</b>	<b>1,013</b>	<b>-</b>	<b>(71,981)</b>	<b>1,732</b>
<b>Balance as at 1 January 2023</b>	<b>64,358</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>(66,059)</b>	<b>(1,688)</b>
<u>Total comprehensive loss for the year</u>						
Loss for the year	-	-	-	-	(2,488)	(2,488)
Other comprehensive income for the year	-	9	-	-	-	9
<b>Total</b>	<b>-</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>(2,488)</b>	<b>(2,479)</b>
<u>Transactions with owners, recognised directly in equity</u>						
Issuance of new shares (Note 28)	1,784	-	-	-	-	1,784
Share issuance expenses (Note 28)	(58)	-	-	-	-	(58)
Employee share-based payment - equity settled	-	-	-	452	-	452
Reclassification upon issuance of shares	452	-	-	(452)	-	-
<b>Total</b>	<b>2,178</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,178</b>
<b>Balance as at 31 December 2023</b>	<b>66,536</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>(68,547)</b>	<b>(1,989)</b>

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Share capital \$'000	Contingent consideration \$'000	Share-based payment reserve \$'000	Accumulated losses \$'000	Total equity \$'000
<b>Company</b>					
<b>Balance as at 1 January 2024</b>	<b>66,536</b>	-	-	<b>(68,600)</b>	<b>(2,064)</b>
Loss for the year, representing total comprehensive loss for the year	-	-	-	<b>(3,025)</b>	<b>(3,025)</b>
<b>Total</b>	-	-	-	<b>(3,025)</b>	<b>(3,025)</b>
<u>Transactions with owners, recognised directly in equity</u>					
Issue of new shares (Note 28)	<b>6,148</b>	-	-	-	<b>6,148</b>
Share issuance expenses (Note 28)	<b>(72)</b>	-	-	-	<b>(72)</b>
	<b>6,076</b>	-	-	-	<b>6,076</b>
Contingent consideration for acquisition of subsidiary (Note 15)	-	<b>1,013</b>	-	-	<b>1,013</b>
<b>Balance as at 31 December 2024</b>	<b>72,612</b>	<b>1,013</b>	-	<b>(71,625)</b>	<b>2,000</b>
<b>Balance as at 1 January 2023</b>	64,358	-	-	(66,077)	(1,719)
Loss for the year, representing total comprehensive loss for the year	-	-	-	(2,523)	(2,523)
<b>Total</b>	-	-	-	(2,523)	(2,523)
<u>Transactions with owners, recognised directly in equity</u>					
Issue of new shares (Note 28)	1,784	-	-	-	1,784
Share issuance expenses (Note 28)	(58)	-	-	-	(58)
Employee share-based payment - equity settled	-	-	452	-	452
Reclassification upon issuance of shares	452	-	(452)	-	-
<b>Total</b>	2,178	-	-	-	2,178
<b>Balance as at 31 December 2023</b>	<b>66,536</b>	-	-	<b>(68,600)</b>	<b>(2,064)</b>

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group	
		2024 \$'000	2023 \$'000 (Represented*)
<b>Cash flows from operating activities</b>			
Loss before income tax			
From continuing operations		(3,187)	(1,514)
From discontinued operations		(242)	(974)
		(3,429)	(2,488)
<i>Adjustments for:</i>			
Depreciation of plant and equipment	12	4	55
Depreciation of right-of-use assets	24	116	186
Inventories written off	19	29	180
Writeback of allowance for inventories	19	(74)	(25)
(Reversal)/Allowance for expected credit loss	17	(2)	80
Loss from remeasurement of deferred consideration	26	-	14
Gain on liquidation of subsidiary	5	(20)	-
Employee share-based payment expense	6	836	-
Interest expense on lease liabilities	24	9	8
Interest expense on borrowings	25	33	63
Accretion of interest on deferred consideration	7	-	42
Interest income from fixed deposits	5	-	(47)
Professional fee settled by equity		149	-
<b>Operating cash flows before movement in working capital</b>		(2,349)	(1,932)
<i>Change in working capital:</i>			
Trade receivables		3	362
Prepayments		55	99
Other receivables		(2)	87
Inventories		52	(139)
Trade payables		16	(74)
Other payables		(16)	(235)
Contract liabilities		(30)	(110)
<b>Cash used in operations</b>		(2,271)	(1,942)
Interest received		-	47
Interest paid		(42)	(71)
<b>Net cash used in operating activities</b>		(2,313)	(1,966)

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.



# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group	
		2024 \$'000	2023 \$'000 (Represented*)
<b>Cash flows from investing activities</b>			
Additions to plant and equipment	12	(6)	-
Acquisition of subsidiary, net of cash	15	7	-
Net cash used in liquidation and strike off		(6)	-
Payment of deferred consideration		-	(2,689)
<b>Net cash used in investing activities</b>		<b>(5)</b>	<b>(2,689)</b>
<b>Cash flows from financing activities</b>			
Proceeds from share issuance		<b>2,632</b>	1,173
Share issuance expenses		<b>(72)</b>	(58)
Payment of principal portion of borrowings	25	<b>(1,080)</b>	(1,050)
Payment of principal portion of lease liabilities		<b>(192)</b>	(265)
Loan from shareholder		<b>1,076</b>	-
<b>Net cash generated from/ (used in) financing activities</b>		<b>2,364</b>	<b>(200)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>		<b>46</b>	<b>(4,855)</b>
Cash and cash equivalents at beginning of period		<b>183</b>	5,029
Effect of exchange rate changes on cash and cash equivalents		<b>66</b>	9
<b>Cash and cash equivalents as at 31 December</b>	16	<b>295</b>	<b>183</b>

\* Comparative information has been represented due to the discontinued operation as disclosed in Note 11.

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 1. Corporate information

Biolidics Limited (the “Company”) (Registration No. 200913076M) is listed on the Catalist of Singapore Exchange Securities Trading Limited (“SGX-ST”) and incorporated and domiciled in Singapore with its principal place of business and registered office at 18 Howard Road, #11-09, Novelty BizCentre, Singapore 369585.

The principal activities of the Company during the financial year are those of technology development, technology transfer, marketing, sale and distribution of biomedical technology, life and medicine science related products and services, integrated marketing services provider in the gaming industry (E-Sport), Multi-Channel Networking (“MCN”) and Live-streaming and investment holding. The principal activities of the subsidiaries are disclosed in Note 15 to the financial statements.

## 2. Material accounting policy information

### 2.1 Basis of preparation

The financial statements of the Group and the statement of financial position of the Company have been drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) including related Interpretations of SFRS(I)s (“SFRS(I) INTs”) and are prepared on the historical cost basis, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Group and the statement of financial position of the Company are presented in Singapore dollar (“\$”) which is also the functional currency of the Company, and all values presented are rounded to the nearest thousand (“\$’000”), unless otherwise indicated.

#### *Going concern assumption*

During the financial year ended 31 December 2024, the Group reported a net loss of \$3.43 million (2023: \$2.49 million) and a net operating cash outflows of \$2.31 million (2023: \$1.97 million). As at 31 December 2024, the Group’s current liabilities exceeded its current assets by \$1.24 million (2023: \$1.49 million). Nevertheless, the Group management is of the view that it is appropriate for the financial statements of the Group and of the Company to be prepared on a going concern basis after taking into consideration the following:

1. Mr. Zhu Hua, the shareholder and director of the Company, has given an undertaking that he will provide continuing financial support to the Group and the Company to enable them to continue their operations as going concerns and to meet their current liabilities as and when these are due for payments for the next 12 months from the date of approval of these financial statements by the board of directors for the financial year ended 31 December 2024.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.1 Basis of preparation (cont'd)

*Going concern assumption (cont'd)*

2. The Group management has prepared a consolidated cash flow forecast for a 18-months period from 1 January 2025 to 30 June 2026 ("Cash Flow Forecast") and it showed that the Group will be able to generate sufficient cash flows in the next 18 months from 31 December 2024 to meet their financial obligations as and when they fall due, by taking into consideration the following assumptions:
  - The Group's operating and financing activities are expected to generate positive cash flows for the Group and the Company in the next 18 months from 31 December 2024, which includes the fund raising availability of a \$4 million loan facility from the Company's shareholder and director, Mr. Zhu Hua;
  - The Group's business in the E-Sports segment is expected to positively contribute to the Group's revenue and operating cash flows during the next 18 months from 31 December 2024;
  - The Group had performed a reset on its existing cancer, infectious diseases and laboratory services segments, considering the challenges and low customer demands for the Group's goods and services in these business segments. The Group is reshaping its strategic focus and direction to serve other new markets, in particularly MCN, E-Sports and Live-streaming;
  - Further to the Group's resetting strategy, the Group is also considering streamlining its current operations by consolidating its business units and/or business segments to improve cost-efficiency, which includes implement cost cutting measures to optimise administrative and operating costs; and
  - Subsequent to 31 December 2024, the Company has received additional loan disbursements from the Company's shareholder and director, Mr. Zhu Hua, amounting to \$2.11 million in total, which is sufficient to support the Group's and the Company's working capital and operational needs for the next 18 months from 31 December 2024. The loans are unsecured, interest-free, and repayable by three equal payment tranches on 2 October 2028, 2 October 2029 and 2 October 2030 respectively.
3. To provide additional and recurrent revenue streams for the Group, with the approval of shareholders in the Extraordinary General Meeting ("EGM") held on 23 February 2024, the Group has diversified its business into Multi-Channel Networking ("MCN"), E-Sports and Live-streaming. This will allow the Group to reduce its reliance on the Group's existing business in cancer, infectious disease and laboratory services. In current year 2024, the Group has acquired Shenzhen Xiaozhao Network Technology Co., Ltd, a wholly owned subsidiary that based in China, to launch its business in the E-Sport segment by providing integrated marketing services in the gaming industry.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.1 Basis of preparation (cont'd)

#### *Going concern assumption (cont'd)*

4. The management are actively evaluating and reviewing various corporate strategies, including fund raising, strategic acquisitions of suitable businesses as well as restructuring the Group's existing businesses or assets with a view towards enhancing and solidifying the earnings base of the Group. The Group will look for alternative sources of funding such as equity or debt fundraising through a placement of securities of the Company to investors or other fundraising opportunities to raise the requisite funding for the Group's working capital requirements.

After considering the abovementioned measures and mitigating actions, management is confident that the Group will be able to generate sufficient cash flows and have the necessary funds to meet the operating requirements of the Group's operations and to settle its liabilities as and when they fall due for at least another twelve months from the date of these financial statements are authorised for issuance and that the use of the going concern assumption in the preparation of the financial statements is appropriate.

These financial statements did not include any adjustments that may result in the event that the Group and the Company are unable to continue as going concerns. In the event that the Group and the Company are unable to continue as going concerns, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the amounts at which they are currently recorded in the statements of financial position. In addition, the Group and the Company may have to provide for further liabilities that might arise and to reclassify non-current assets and liabilities as current assets and current liabilities.

#### *New and revised standards that are adopted*

On 1 January 2024, the Group and the Company adopted all the new and revised SFRS(I)s pronouncements that are mandatorily effective and are relevant to its operations. The adoption of these new/revised SFRS(I) pronouncements does not result in substantial changes to the Group's and the Company's accounting policies and had no material effect on the disclosures or on the amounts reported for the current or prior financial years.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.1 Basis of preparation (cont'd)

*SFRS(I) and SFRS(I) INT issued but not yet effective*

At the date of authorisation of these statements, the Group and Company have not applied the following SFRS(I) pronouncements that have been issued but are not yet effective:

	<b>Title</b>	<b>Effective date (annual periods beginning on or after)</b>
SFRS(I) 1-21	Amendments to SFRS(I) 1-21: Lack of Exchangeability	1 January 2025
SFRS(I) 9 and SFRS(I) 7	Amendments to SFRS(I) 9 Financial Instruments and SFRS(I) 7 Financial Instruments: Disclosure: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Various	Annual improvements to SFRS(I)s – Volume 11	1 January 2026
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 1-19	Subsidiaries without public accountability: Disclosures	1 January 2027
SFRS(I) 10 and SFRS(I) 1-28	Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The new or amended accounting Standards and Interpretations listed above are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. Management anticipates that the adoption of the above SFRS(I)s, SFRS(I) INTs and amendments to SFRS(I) in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption, except for the following:

SFRS(I) 18 - Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027)

SFRS(I) 18 replaces SFRS(I) 1-1 *Presentation of Financial Statements*, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though SFRS(I) 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance (comprising of the statement of profit or loss and other comprehensive income) and providing management-defined performance measures within the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.1 Basis of preparation (cont'd)

*SFRS(I) and SFRS(I) INT issued but not yet effective (cont'd)*

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of SFRS(I) 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:
  - Foreign exchange differences currently aggregated in the line item 'other income and other expenses' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.
- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
  - management-defined performance measures;
  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
  - for the first annual period of application of SFRS(I) 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying SFRS(I) 18 and the amounts previously presented applying SFRS(I) 1-1.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with SFRS(I) 18.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.2 Basic of consolidation

The financial statements of the Group comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities (including structured entities) (i) over which the Group has power and the Group is (ii) able to use such power to (iii) affect its exposure, or rights, to variable returns from then through its involvement with them.

The Group reassesses whether it controls the subsidiaries if facts and circumstance indicate that there are changes to the one or more of the three elements of control.

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient, after considering all relevant facts and circumstances, to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers, among others, the extent of its voting rights relative to the size and dispersion of holdings of the other vote holders, currently exercisable substantive potential voting rights held by all parties, rights arising from contractual arrangements and voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intra-group assets and liabilities, equity, income, expenses and cashflows relating to intragroup transactions are eliminated on consolidation.

The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests are identified separately from the Group's equity therein. On an acquisition-by-acquisition basis, non-controlling interests may be initially measured either at fair value or at their proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Losses in the subsidiary are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any differences between the amount by which the non-controlling interests are adjusted to reflect the changes in the relative interests in the subsidiary and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control over a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to accumulated profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.2 Basic of consolidation (Cont'd)

Investments in subsidiaries are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

### 2.3 Business combination

The acquisition of subsidiaries is accounted for using the acquisition method when the acquired set of activities and assets constitute a business. When determining the acquired set of activities and assets constitute a business, the Group assesses whether the acquired set of activities and assets includes, at a minimum, an input and substantive process, which together contribute to the creation of outputs.

The Group has the option to apply a "concentration test" as a simplified assessment to determine whether an acquired set of activities and assets is not a business. The Group makes the election separately for each transaction or other event. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. For each business combination, the Group determines whether to measure the non-controlling interests in the acquiree at fair value or at proportionate share in the recognised amounts of the acquiree's identifiable net assets. Acquisition-related costs are recognised in profit or loss as incurred and included in administrative expenses.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 Business Combinations are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held-for-sale in accordance with SFRS(I) 5 Non-Current Assets Held for Sale and Discontinued Operations, which are recognised and measured at the lower of cost and fair value less costs to sell.

The Group recognises any contingent consideration to be transferred for the acquiree at the fair value on the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement shall be accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS(I) 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SFRS(I) 9. Other contingent consideration that is not within the scope of SFRS(I) 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.3 Business combination (Cont'd)

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 Income Taxes and SFRS(I) 1-19 Employee Benefits respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with SFRS(I) 2 Share-based Payment; and
- assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and is initially measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is initially measured at cost and is subsequently measured at cost less any accumulated impairment losses. The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit (including the goodwill), the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.4 Financial instruments

#### **Financial assets**

##### Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

##### Subsequent measurement

##### *Debt instruments*

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

##### *Equity instruments*

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss.

Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income.

For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.4 Financial instruments (Cont'd)

#### **Financial assets (Cont'd)**

##### Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

#### **Financial liabilities**

##### Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, net of directly attributable transaction costs.

##### Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

##### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

### 2.5 Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.5 Impairment of financial assets (Cont'd)

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### 2.6 Foreign currency translation

Foreign currency transactions are translated into the individual entities' respective functional currencies at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity through other comprehensive income.

Exchange differences arising from foreign currency borrowings relating to assets under construction for future productive use, are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.7 Intangible assets

#### Acquired intangible assets

Acquired intangible assets are initially measured at cost. The cost of intangible assets acquired in a business combination is initially measured at their fair value at the acquisition date. Subsequent to initial recognition, the intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

Acquired intangible assets have either finite or indefinite useful life.

The estimated useful lives of the Group's intangible assets with finite useful life as follows:

Customer relationships	19 years
Customer contracts	2 years
Accreditation	10 years
Patent rights	10 years
Trademark	10 years

The amortisation charge is recognised in profit or loss and is assessed for impairment when there is an indication that the intangible asset may be impaired. The estimated amortisation period and amortisation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

Intangible assets with indefinite useful life are not amortised, but tested for impairment annually, and whenever there is an indication that the intangible asset may be impaired. The indefinite useful life of an intangible asset is reviewed at the end of each financial year and where events and circumstances do not continue to support the indefinite useful life assessment for that asset, a change from indefinite to finite useful life is accounted for as a change in accounting estimate and adjusted prospectively.

The intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal, with any gain or loss arising from the derecognition of an intangible asset, being the difference between the net disposal proceeds and the carrying amount of the asset, recognised in profit or loss.

### 2.8 Plant and equipment

Plant and equipment are initially recorded at cost and subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.8 Plant and equipment (Cont'd)

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised.

On disposal of a plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

Depreciation is calculated on a straight-line basis to write off the cost of all plant and equipment over their expected useful lives. The estimated useful lives are as follows:

Computer and office equipment	3 to 5 years
Laboratory equipment	3 years
Testing and trial equipment	3 years
Production, tooling and mould equipment	3 years
Renovation and furniture and fittings	Shorter of lease term and 3 years

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at the end of each financial year. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

### 2.9 Impairment of non-financial assets

At the end of the reporting date, the Group assesses the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.9 Impairment of non-financial assets (Cont'd)

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A previously recognised impairment for an asset other than goodwill is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### 2.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is determined using a first-in first-out basis for general stock and specific cost basis for unique stock. Net realisable value represents the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

When necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

### 2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

### 2.12 Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and

- (i) represents a separate major line of business or geographical area of operations;
- (ii) is part of a single co-ordinated plan to dispose of a separate major line or geographical area of operations; or
- (iii) is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations is disclosed separately from continuing operations as a single amount comprising the post-tax profit or loss of discontinued operations and the post-tax gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets or disposal groups constituting the discontinued operation.

The comparative consolidated statement of profit or loss and other comprehensive income is represented to show the discontinued operation separately from continuing operations.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the end of the financial year, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

### 2.14 Provision for liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Provisions are reviewed at end of each financial year and adjusted to reflect the current best estimates. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). If it is no longer likely than not that an outflow of resources will be required to settle the obligation, the provisions will be reversed.

### 2.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### 2.16 Share capital

Proceeds from issuance of ordinary shares of the Company are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares of the Company are deducted against share capital.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.17 Employee Benefit

#### (a) Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

The Group participates in the national pension schemes as defined by the laws of PRC. Subsidiaries incorporated in the PRC are required to provide staff pension benefits to their employees under existing PRC legislation. These subsidiaries are required to contribute a certain percentage of their payroll costs to the pension scheme to fund the benefits. The pension funds are managed by government agencies, which are responsible for paying pensions to the retired employees. Contributions under the pension scheme are charged to the profit or loss as they become payable in accordance with the rules of the pension scheme.

#### (b) Share-based compensation

Employees of the Group receive remuneration in the form of share awards as consideration for services rendered under the Group's Performance Share Plan. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the share awards granted on the date of the grant. This cost is recognised in profit or loss, with a corresponding increase in the share-based payment reserve, over the vesting period. Non-market vesting conditions are included in the estimation of the number of shares under share awards that are expected to become exercisable on the vesting date. At the end of each annual reporting period, the Group revises its estimates of the number of shares under share awards that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share-based payment reserve over the remaining vesting period.

When the share awards are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share-based payment reserve are credited to share capital account if new ordinary shares are issued. Upon expiry of the share awards, the balance in the share-based payment reserve is transferred to retained earnings.

#### (c) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.18 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **As lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

#### *Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows.

- Office and warehouse premises and laboratory space      - 2 year or less

#### *Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### *Short-term leases*

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.19 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

#### *Rendering of laboratory services*

Revenue generated from the rendering of laboratory services are recognised when the services to be provided are completed at a point in time and the amount of revenue is based on contractual price. A contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract liability is recognised as revenue when services are rendered.

#### *Sale of devices*

Revenue generated from sale of devices is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (delivery), installed and the training on the use of the machine is provided to the customer. Following the delivery, installation and training, the customer has full discretion over the manner of use of the device. A receivable is recognised by the Group when the device is delivered, installed and knowledge is being transferred to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Included in the transaction price for the sale of devices is a one-year sales-related warranty which is provided by the Group with every device being sold. The Group accounts for such assurance-type warranties in accordance with SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets. The Group also provides sale of extended warranty services beyond the one-year sales-related warranty. Provisions related to these warranties are recognised based on historical experience and the estimates of warranty-related costs are reviewed annually.

#### *Sale of consumables*

Revenue generated from sale of consumables is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (delivery). Following delivery, the customer has full discretion over the manner of utilisation of the goods and bears risk of obsolescences and loss in relation to the goods. A receivable is recognised by the Group when the consumable is delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Under the Group's standard contract terms, customers do not have a right of return.

#### *Sale of extended warranty services*

Included in the transaction price for the sale of devices policy is a one-year sales-related warranty. This period can then be extended, if the customer so requires additional years of warranty services. The additional years of warranty services will be for the price at which these are sold by the Group to all of its customers as at the date of renewal regardless of the existence of a renewal option. Consequently, the option to extend the renewal period does not provide customers with any advantage when they enter into the initial contract and therefore no revenue has been deferred relating to this renewal option.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.19 Revenue recognition (Cont'd)

#### *Sale of extended warranty services (Cont'd)*

The extended warranty service is considered to be a distinct service as it is regularly supplied by the Group to the customers on a stand-alone basis. Revenue relating to the extended warranty service is recognised over time. The transaction price allocated to these services is recognised as a contract liability at the time of the initial sales transaction and is recognised as revenue over the period of the warranty services are provided.

#### *Rendering of E-Sport services*

Revenue generated from the rendering of E-sport services are recognised when the services to be provided are completed at a point in time and the amount of revenue is based on contractual price. A contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract liability is recognised as revenue when services are rendered.

### 2.20 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Material accounting policy information (Cont'd)

### 2.20 Income taxes (Cont'd)

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovation credit) similar to accounting for other tax credits where a deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised.

### 2.21 Related parties

A related party is an entity or person that directly or indirectly through one or more intermediary controls, is controlled by, or is under common or joint control with, the entity in governing the financial and operating policies, or that has an interest in the entity that gives it significant influence over the entity in financial and operating decisions. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. The transactions are entered on terms agreed by the parties concerned.

### 2.22 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with other components of the Group. Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker for making decisions about allocating resources and assessing performance of the operating segments.

## 3. Significant accounting judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the financial year. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

### *Judgements made in applying accounting policies*

#### *Identification of a cash-generating unit ("CGU")*

Management identified the Group's MCN business and E-sports business as the two CGUs in the Group, having considered the products and services being offered and the inter-dependency of the cash flows generated within each CGU. This assessment reflects the Group's strategic shift following the ongoing liquidation of the laboratory services business and the inactive status of the cancer business.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 3. Significant accounting judgements and estimates (Cont'd)

### ***Key sources of estimation uncertainty***

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the financial year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### *Impairment assessment on goodwill*

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

The Group's carrying amount and details of the key assumptions applied in the impairment assessment of goodwill are disclosed in Note 14.

#### *Impairment on investments in subsidiaries*

The recoverable amount of the investment is reviewed at the end of each reporting period to determine whether there is any indication that the investment has suffered an impairment loss. If any such indication exists, the carrying amount of the investment is determined on the basis of the net recoverable amount to determine the extent of the impairment loss.

The Company's carrying amount and details of the key assumptions applied in the impairment assessment of investments in subsidiaries are disclosed in Note 15.

#### *Impairment on non-financial assets*

An assessment is made for the reporting year whether there is any indication that the non-financial assets may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the assets. The recoverable amounts of cash-generating units if applicable is measured based on the fair value less costs of disposal or value in use calculations. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The details of the key assumptions applied in the impairment assessment of plant and equipment, right-of use assets and intangible assets are disclosed in Note 12, Note 24 and Note 13, respectively.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 3. Significant accounting judgements and estimates (Cont'd)

### **Key sources of estimation uncertainty (Cont'd)**

#### *Calculation of expected credit losses ("ECLs") allowance for trade receivables*

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will adjust historical credit loss experience with forward-looking information, where applicable. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs measurement and carrying amount of the Group's trade receivables is disclosed in Note 17 and Note 31(a).

#### *Calculation of expected credit losses ("ECLs") allowance for amount due from subsidiaries*

The Company has carried out expected credit losses assessment for amount due from subsidiaries. Loss given default constitutes a key input in measuring ECLs. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows and those that the Company would expect to receive. The information about the ECLs measurement and carrying amount of the Company's amount due from subsidiaries is disclosed in in Note 18 and Note 31(a).

#### *Estimating the incremental borrowing rate for leases*

The Group cannot readily determine the interest rate implicit in the lease, therefore it uses incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 4. Revenue

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following major revenue streams. This is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8 (see Note 33 to the financial statements).

### (a) Disaggregation of revenue

	Group	
	2024	2023
	\$'000	\$'000
	(Represented*)	
<b><u>Continued Operations</u></b>		
Sale of devices and consumables	68	265
Sale of extended warranty services	12	12
Sale of services related to E-Sport	704	-
Total from continuing operations	784	277
<b><u>Discontinued Operations</u></b>		
Rendering of laboratory services	5	1,038
Total from discontinued operations	5	1,038
	789	1,315
<b>Timing of transfer of goods or services</b>		
<b><u>Continued Operations:</u></b>		
At point in time	772	265
Over time	12	12
Total from continuing operations	784	277
<b><u>Discontinued Operations:</u></b>		
At point in time	5	1,038
Total from discontinued operations	5	1,038
	789	1,315

\* Comparative information has been represented due to the discontinued operation as disclosed in Note 11.

Information about contract liabilities from contracts with customers is disclosed as follows:

	Group		
	2024	2023	1 Jan 2023
	\$'000	\$'000	\$'000
Contract liabilities	60	90	200

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 4. Revenue (Cont'd)

### (a) Disaggregation of revenue (Cont'd)

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for sale of devices and consumables, extended warranty services and preventive maintenance services. Contract liabilities are recognised as revenue as the Group fulfil the performance obligations within the contracts.

The Group expects to recognise \$60,000 (2023: \$90,000) as revenue relating to the transaction price allocated to the unsatisfied performance obligations as at year-end in the financial year 2025 (2023: 2024).

Refer to Note 23 to the financial statements for further information on contract liabilities.

## 5. Other income

	Group	
	2024	2023
	\$'000	\$'000
	(Represented*)	
<b><u>Continued Operations:</u></b>		
Government grants	74	33
Interest income from fixed deposit	-	47
Gain on liquidation of subsidiary (Note 11)	20	-
Reversal of provision of inventory obsolescence	74	-
Loss on lease termination	-	(14)
Reversal of overprovision unutilised leave	5	1
Others	17	25
Total from continuing operations	190	92
<b><u>Discontinued Operations:</u></b>		
Government grants	6	13
Other interest income	16	35
Reversal of overprovision unutilised leave	11	-
Total from discontinued operations	33	48
	<b>223</b>	<b>140</b>

Included in government grant income is an amount of \$Nil (2023: \$8,000) recognised during the financial year under the Jobs Growth Incentive ("JGI"). The JGI are temporary schemes introduced by the Singapore government to help enterprises retain local employees. Under the JGI, employers received cash grants in relation to the gross monthly wages of eligible employees.

\* Comparative information has been represented due to the discontinued operation as disclosed in Note 11.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 6. Employee benefits expense

	Group	
	2024	2023
	\$'000	\$'000
	(Represented*)	
<b><u>Continued Operations:</u></b>		
Directors' remuneration	149	160
Salaries and bonuses	907	840
Employer's contribution to defined contribution plans	61	89
Share-based payment expense	836	28
Reversal of provision for performance bonus	-	(96)
Total from continuing operations	1,953	1,021
<b><u>Discontinued Operations:</u></b>		
Salaries and bonuses	120	555
Employer's contribution to defined contribution plans	14	75
Total from discontinued operations	134	630
	2,087	1,651

\* Comparative information has been represented due to the discontinued operation as disclosed in Note 11.

### Performance Share Plan

The Performance Share Plan (the "PPS") was approved by the shareholders of the Company on 20 November 2018.

Summarised information regarding the share-based payment activity and amounts for the director and employees of the Company for the years ended 31 December 2024 and 31 December 2023 are as follows:

	2024					
	As at beginning of financial year	Granted during financial year	Vested during financial year	Forfeited/ lapsed during financial year	As at end of financial year	Fair value per share on grant date
	Number of share awards	Number of share awards	Number of share awards	Number of share awards	Number of share awards	\$
PPS 2023	21,079,800	-	-	(21,079,800)	-	-



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 6. Employee benefits expense (Cont'd)

### Performance Share Plan (Cont'd)

	2023				
	As at beginning of financial year	Granted during financial year	Vested during financial year	Forfeited/ lapsed during financial year	As at end of financial year
	Number of share awards	Number of share awards	Number of share awards	Number of share awards	Number of share awards
					Fair value per share on grant date \$
<b>PPS 2023</b>	–	70,418,300	28,258,700	21,079,800	21,079,800
					0.016

#### (a) PPS 2023

On 28 February 2023, the Company granted share awards (the "Awards"), comprising up to 70,418,300 ordinary shares, to a director and certain employees pursuant to the Biolidics Performance Share Plan. The Awards comprise of two components: (a) Award based on their past contributions to the Company (the "Past Contribution Award"), and (b) a contingent Performance-related Award, for their ongoing role in supporting the success of the Company.

For past contributions, the Company on 28 February 2023 allotted and issued an aggregate of 28,258,700 new ordinary shares to a director and certain employees of the Company. The shares were granted at the fair value of \$0.016 per share, which was based on the market price of the shares on the grant date, amounting to \$452,140.

The details of contingent portion of the PPS (FY2023) are described below:

Number of shares granted	(i) Up to 21,079,800 Shares ("Tranche 1") (ii) Up to 21,079,800 Shares ("Tranche 2")
Performance conditions	Group Financial and operating achievements
Vesting condition	Vesting of each tranche based on meeting specified performance conditions over each of the following performance period: (i) Tranche 1: Financial year ended 31 December 2023 (ii) Tranche 2: Financial year ended 31 December 2024
Payout	0% - 150% depending on the achievement of specified performance targets over the respective performance period and requisite service period: (i) Tranche 1: Within 2 months from 1 January 2024 (ii) Tranche 2: Within 2 months from 1 January 2025

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 6. Employee benefits expense (Cont'd)

### Performance Share Plan (Cont'd)

#### (a) PPS 2023 (Cont'd)

As at 31 December 2023, the Group assessed that the performance conditions for Tranche 1 have not been met. These Awards are considered lapsed and accordingly, no share-based payment reserve has been recorded as at year end with respect to the contingent performance-related awards.

As at 31 December 2024, the Group assessed that the performance conditions for Tranche 2 have not been met. These Awards are considered lapsed and accordingly, no share-based payment reserve has been recorded as at year end with respect to the contingent performance-related awards.

## 7. Finance costs

	Group	
	2024	2023
	\$'000	\$'000
	(Represented*)	
<b><u>Continued Operations:</u></b>		
Interest expense on borrowings	33	63
Interest expense on lease liabilities	6	6
Accretion of interest on deferred consideration	-	42
Total from continuing operations	39	111
<b><u>Discontinued Operations:</u></b>		
Interest expense on lease liabilities	3	2
Total from discontinued operations	3	2
	42	113

\* Comparative information has been represented due to the discontinued operation as disclosed in Note 11.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 8. Loss before tax

The following items have been charged/(credited) in arriving at loss before tax:

### Continuing Operations:

	Group	
	2024	2023
	\$'000	\$'000
	(Represented*)	
Audit fees paid to auditors:		
Auditors of the Company and their network firms		
- Current year	100	120
- Underprovision for previous year	-	14
Depreciation of right-of-use assets	83	114
Inventories written off	29	-
Allowance for inventories	-	65
Allowance of doubtful debt	-	8
Rental expenses	9	2
Travelling expenses	16	17
Marketing fees	400	-
Professional fees (cash-settled)	488	180
Professional fees (equity-settled)	149	-
Sales and marketing expenses	47	50
Repairs and maintenance	21	21
Staff training	8	3
Delivery charges	2	-

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 8. Loss before tax (Cont'd)

### Research and development expense

Research and development expense amounting to \$1,000 (2023: \$31,000) is incurred for product and service development, research collaboration and testing purposes.

### **Discontinued Operations:**

	Group	
	2024	2023
	\$'000	\$'000
	(Represented*)	
Depreciation of plant and equipment	4	54
Depreciation of right-of-use assets	33	72
Inventories written off	-	180
Writeback of allowance for inventories	-	(90)
Reversal of provision of doubtful debts	(1)	72
Rental expenses	1	2
Travelling expenses	1	2
Professional fees (cash-settled)	65	253
Sales and marketing expenses	-	4
Repairs and maintenance	2	-

\* Comparative information has been represented due to the discontinued operation as disclosed in Note 11.

## 9. Income tax expense

The major components of income tax expense for the financial years ended 31 December 2024 and 31 December 2023 are:

	Group	
	2024	2023
	\$'000	\$'000
<b><u>Current income tax</u></b>		
- Continuing operations	5	-
- Discontinued operations	-	-
Income tax expense recognised in profit or loss	5	-

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 9. Income tax expense (Cont'd)

A reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the years ended 31 December 2024 and 2023 is as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
	<b>(Represented*)</b>	
Loss before tax from		
- Continuing operations	<b>(3,187)</b>	(1,514)
- Discontinued operations (Note 11)	<b>(242)</b>	(974)
	<b>(3,429)</b>	(2,488)
Tax at the domestic rates applicable to profits in the countries where the Group operates	<b>(583)</b>	(427)
Non-deductible expenses	<b>335</b>	39
Income not subject to taxation	-	(7)
Deferred tax assets not recognised	<b>272</b>	395
Others	<b>(19)</b>	-
Income tax expense recognised in profit or loss	<b>5</b>	-

\* Comparative information has been represented due to the discontinued operation as disclosed in Note 11.

At financial year end, the Company has potential tax benefits arising from unutilised losses and accelerated accounting depreciation that are available for carry-forward to offset against future taxable income, subject to the agreement of tax authority and compliance with the relevant provisions of the Income Tax Act.

The potential deferred tax assets on the following temporary differences have not been recognised in the financial statements at the end of the financial year:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Unutilised losses	<b>53,815</b>	54,624	<b>53,815</b>	51,771
Unabsorbed capital allowances	<b>723</b>	752	<b>723</b>	725
Accelerated accounting depreciation	<b>4,772</b>	5,731	<b>4,772</b>	5,240
Provisions	<b>4,585</b>	448	<b>4,585</b>	343
	<b>63,895</b>	61,555	<b>63,895</b>	58,079

The potential deferred tax assets have not been recognised in the financial statements as it is not probable that the future taxable income will be available and sufficient to allow these temporary differences to be realised in the foreseeable future. The use of these capital allowances and tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. The tax losses and capital allowances have no expiry date.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 10. Loss per share

Basic loss per share is calculated by dividing loss for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted loss per share is calculated by dividing loss for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the loss and share data used in the computation for basic and diluted loss per share for the financial years ended 31 December:

	Group	
	2024	2023
	(Represented*)	
<b>Continuing Operations:</b>		
Loss for the year, net of tax, attributable to owners of the Company used in the computations of basic and diluted loss per share (\$'000)	<b>(3,192)</b>	(1,514)
Weighted average number of shares for (basic and diluted) loss per share computation (\$'000)	<b>981,259</b>	593,128
Basic loss per share (cents)	<b>(0.33)</b>	(0.26)
Diluted loss per share (cents)	<b>(0.33)</b>	(0.26)
<b>Discontinued Operations:</b>		
Loss for the year, net of tax, attributable to owners of the Company used in the computations of basic and diluted loss per share (\$'000)	<b>(242)</b>	(974)
Weighted average number of shares for (basic and diluted) loss per share computation (\$'000)	<b>981,259</b>	593,128
Basic loss per share (cents)	<b>(0.02)</b>	(0.16)
Diluted loss per share (cents)	<b>(0.02)</b>	(0.16)

\* Comparative information has been represented due to the discontinued operation as disclosed in Note 11

## 11. Discontinued operations

On 4 July 2024, the Company's wholly owned subsidiary, Biomedics Laboratory Pte Ltd ("BML") has been placed under provisional liquidation. The voluntary liquidation of BML and appointment of a liquidator was approved and the creditors meeting held on 4 July 2024, whereupon the subsidiary was reclassified as discontinued operations and its assets and liabilities being held under liquidation were deconsolidated and the entire results and cash flows from BML were presented separately on the Group's consolidated statement of profit or loss and comprehensive income and consolidated statement of cash flows as "Discontinued operations" for the financial year ended 31 December 2024.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 11. Discontinued operations (Cont'd)

Consequently, in accordance with the requirements of SFRS(I) 5 *Non-Current Assets Held for Sale and Discontinued Operations*, the Group has represented the consolidated statement of profit or loss and comprehensive income and consolidated statement of cash flows for the discontinued operations for prior period presented in these financial statements. The consolidated statement of financial position information of the discontinued operations for the prior year is not represented.

The loss attributable to the owner of the Company from discontinued operations is analysed as follows:

	Group	
	2024	2023
	\$'000	\$'000
	(Represented)	
Loss from Laboratory services	(242)	(974)

The financial results of the discontinued operations for the period from 1 January 2024 to 31 December 2024 is set out below. The comparative figures in the consolidated statement of comprehensive income have been represented to show BML as discontinued operations.

	Group	
	2024	2023
	\$'000	\$'000
	(Represented)	
Revenue	5	1,038
Other income	33	48
Changes in inventories	(7)	(16)
Purchases	(5)	(447)
Employee benefits expense	(134)	(630)
Depreciation expense	(37)	(126)
Amortisation expense	-	-
Research and development expense	-	-
Other expenses	(94)	(839)
Finance costs	(3)	(2)
<b>Loss before tax</b>	<b>(242)</b>	<b>(974)</b>
Income tax	-	-
<b>Loss for the year from discontinued operations</b>	<b>(242)</b>	<b>(974)</b>



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 11. Discontinued operations (Cont'd)

The impact of the discontinued operations on the cash flows of the Group was as follows:

	Group	
	2024	2023
	\$'000	\$'000
	(Represented)	
Operating activities	5	(121)
Investing activities	-	-
Financing activities	(26)	107
Net cash (outflows)/inflows	(21)	(14)

Effects of liquidation of BML are as follow:

	As at 4 July 2024 \$'000
<b>Non-current assets</b>	
Plant and equipment	2
Right-of-use assets	99
Total non-current assets	101
<b>Current assets</b>	
Cash and cash equivalents	5
Trade receivables	42
Prepayments	8
Other receivables	19
Inventories	4
Total current assets	78
Total assets	179
<b>Current liabilities</b>	
Trade payables	7
Other payables	76
Lease liabilities	106
Provision for reinstatement costs	10
Total current liabilities	199
Net liabilities derecognised	(20)
Consideration received	-
Net liabilities derecognised	20
Gain on liquidation of subsidiary (Note 5)	20

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 12. Plant and equipment

	Computer and office equipment \$'000	Laboratory equipment \$'000	Testing and trial equipment \$'000	Production, tooling and mould equipment \$'000	Renovation and furniture and fittings \$'000	Total \$'000
<b>Group</b>						
<b>Cost:</b>						
At 1 January 2023 and 31 December 2023	328	769	1,026	843	588	3,554
Addition	2	-	-	-	4	6
Write off due to liquidation of a subsidiary (Note 11)	(58)	(68)	-	-	(316)	(442)
At 31 December 2024	<b>272</b>	<b>701</b>	<b>1,026</b>	<b>843</b>	<b>276</b>	<b>3,118</b>
<b>Accumulated depreciation and impairment:</b>						
At 1 January 2023	308	760	1,026	843	556	3,493
Charge for the year						
- Depreciation	14	9	-	-	32	55
At 31 December 2023	322	769	1,026	843	588	3,548
Charge for the year						
- Depreciation	4	-	-	-	-	4
Write off due to liquidation of a subsidiary (Note 11)	(56)	(68)	-	-	(316)	(440)
At 31 December 2024	<b>270</b>	<b>701</b>	<b>1,026</b>	<b>843</b>	<b>272</b>	<b>3,112</b>
<b>Carrying amount:</b>						
At 31 December 2023	6	-	-	-	-	6
At 31 December 2024	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>6</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 12. Plant and equipment (Cont'd)

	Computer and office equipment \$'000	Laboratory equipment \$'000	Testing and trial equipment \$'000	Production, tooling and mould equipment \$'000	Renovation and furniture and fittings \$'000	Total \$'000
<b>Company</b>						
<b>Cost:</b>						
At 1 January 2023 and 31 December 2023	270	704	1,026	843	272	3,115
Addition	2	-	-	-	4	6
At 31 December 2024	<b>272</b>	<b>704</b>	<b>1,026</b>	<b>843</b>	<b>276</b>	<b>3,121</b>
<b>Accumulated depreciation and impairment:</b>						
At 1 January 2023	269	704	1,026	843	272	3,114
Charge for the year						
- Depreciation	1	-	-	-	-	1
At 31 December 2023 and 31 December 2024	<b>270</b>	<b>704</b>	<b>1,026</b>	<b>843</b>	<b>272</b>	<b>3,115</b>
<b>Carrying amount:</b>						
At 31 December 2023	-	-	-	-	-	-
At 31 December 2024	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>6</b>

### Impairment assessment of plant and equipment and right of use assets (Note 24)

Based on an impairment assessment carried out by the Group in the previous financial year 2022, due to recurring losses and negative operating cash flows faced by the Group, an impairment loss of \$255,000 has been recorded for plant and equipment in the financial year ended 31 December 2022. This is made up of impairment loss of \$145,000 and \$110,000 relating to the Group's Cancer CGU and Laboratory Services CGU, respectively.

The Group had determined the recoverable amount of the assets of the Cancer and Laboratory Services CGUs, comprising plant and equipment, rights-of-use assets (Note 24) and intangible assets (Note 13), based on their fair value less cost of disposal at 31 December 2022.

The fair value less cost of disposal of the CGUs' assets as at 31 December 2022 have been estimated by management, with the assistance of external valuers and were categorised in Level 3 of the fair value hierarchy. The valuation techniques, key assumptions and inputs are provided in the table below and the sources of information include the financial forecasts prepared by management, historical information and external data. Significant judgement had been applied by management in determining the adjustment for economic obsolescence.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 12. Plant and equipment (Cont'd)

Impairment assessment of plant and equipment and right of use assets (Note 24) (Cont'd)

Assets	Valuation techniques	Key assumptions and inputs
Plant and equipment and Right-of-use assets (Note 24)	Depreciated replacement cost method	Cost of recent purchases and rent, and adjustments for effects of inflation, the age of assets, functional and economic obsolescence.

In the financial year ended 31 December 2023 and 31 December 2024, due to the continued loss making, limited negative operating cash flows generated by the Group's Cancer CGU and Laboratory Services CGU, the Group has assessed the existing provision for impairment loss for the plant and equipment remains appropriate.

## 13. Intangible assets

	Customer relationships \$'000	Customer contracts \$'000	Accreditation \$'000	Patent rights \$'000	Trademark \$'000	Total \$'000
<b>Group</b>						
<b>Cost:</b>						
At 1 January 2023 and 31 December 2023	-	-	3,329	913	92	4,334
Acquisition of subsidiary (Note 15)	1,268	173	-	-	-	1,441
Less: Write off due to liquidation of a subsidiary (Note 11)	-	-	(3,329)	-	-	(3,329)
As at 31 December 2024	<b>1,268</b>	<b>173</b>	<b>-</b>	<b>913</b>	<b>92</b>	<b>2,446</b>
<b>Accumulated amortisation and impairment:</b>						
At 1 January 2023 and 31 December 2023	-	-	3,329	913	92	4,334
Less: Write off due to liquidation of a subsidiary (Note 11)	-	-	(3,329)	-	-	(3,329)
As at 31 December 2024	<b>-</b>	<b>-</b>	<b>-</b>	<b>913</b>	<b>92</b>	<b>1,005</b>
<b>Carrying amount:</b>						
At 31 December 2023	-	-	-	-	-	-
At 31 December 2024	<b>1,268</b>	<b>173</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,441</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 13. Intangible assets (Cont'd)

	Patent rights \$'000	Trademark \$'000	Total \$'000
<b>Company</b>			
<b>Cost:</b>			
At 31 December 2023 and 31 December 2024	913	92	1,005
<b>Accumulated amortisation and impairment:</b>			
At 31 December 2023 and 31 December 2024	913	92	1,005
<b>Carrying amount:</b>			
At 31 December 2023 and 31 December 2024	-	-	-

### Acquired customer relationships and contracts, accreditation, patent rights and trademark

Acquired customer relationships and contracts relate to the established customer relationships and existing customer contracts of the Company's subsidiary, Shenzhen Xiaozhao Network Technology Co., Ltd.

Accreditation relates to College of American Pathologists accredited clinical laboratory.

Patent rights and trademark relate to ClearCell® FX1 System and CTChip® FR1 biochip.

### Impairment assessment of intangible assets

#### *Accreditation, patent and trademark*

In the previous financial year ended 31 December 2022 due to recurring losses and negative operating cash flows faced by the Group, the Group carried out impairment assessment for intangible assets by estimating the recoverable amounts of the Cancer and Laboratory Services CGUs of the Group as disclosed in Note 12 to the financial statements. Based on the impairment assessment, the Group had recorded \$3,133,000 of impairment loss on accreditation, patent rights and trademark intangible assets in the financial year ended 31 December 2022. This is made up of impairment loss of \$664,000 and \$2,469,000 relating to the Group's Cancer CGU and Laboratory Services CGU, respectively.

The Group had determined the recoverable amount of the assets of the Cancer and Laboratory Services CGUs based on their fair value less cost of disposal at 31 December 2022.

The fair value less cost of disposal of the CGUs' assets as at 31 December 2022 have been estimated by management, with the assistance of external valuers and were categorised in Level 3 of the fair value hierarchy. The valuation techniques, key assumptions and inputs are provided in the table below and the sources of information include the financial forecasts prepared by management, historical information and external data. Significant judgement had been applied by management in determining the adjustment for economic obsolescence.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 13. Intangible assets (Cont'd)

### Impairment assessment of intangible assets (Cont'd)

#### *Accreditation, patent and trademark (Cont'd)*

Assets	Valuation techniques	Key assumptions and inputs
Intangible asset: Accreditation	Depreciated replacement cost method	Estimated costs and time required to attain accredited status specified by relevant professional body, and adjustment for economic obsolescence.
Intangible asset: Patent rights	Excess earnings method	Forecasted revenue and earnings for a ten-year period, and discount rate of 11.8%.

In the financial years ended 31 December 2023 and 31 December 2024, due to the continued loss making, limited negative operating cash flows generated by the Group's Cancer CGU and Laboratory Services CGU, the Group has assessed the existing provision for impairment loss for the accreditation, patent rights and trademark intangible assets remains appropriate.

#### *Acquired customer relationships and contracts*

Acquired customer relationships and contracts was allocated to E-Sport CGU. In the financial year ended 31 December 2024, the Group carried out impairment assessment on these intangible assets by estimating the recoverable amount of the E-Sport CGU of the Group as disclosed in Note 14 to the financial statements. Based on the impairment assessment, no provision for impairment is necessary as at 31 December 2024 as the recoverable amount of the intangible assets which is based on value in use is assessed to be higher than the carrying amount.

## 14. Goodwill

Goodwill arising from the acquisition of Shenzhen Xiaozhao Network Technology Co., Ltd represents the excess over fair value of assets and liabilities acquired.

	2024 \$'000	2023 \$'000
<b>Carrying amount:</b>		
At 1 January	-	-
Arising from acquisition of a subsidiary (Note 15)	2,495	-
At 31 December	2,495	-

### Impairment assessment of goodwill

Goodwill was tested for impairment on an annual basis by comparing the carrying amount of the goodwill against the recoverable amount of the E Sport CGU, which is computed based on value in use. The value in use of the CGU was determined based on the most recent five-year financial forecasts for E-Sport business segment approved by management, which is the best estimate of the CGU's future performance. Based on the assessment, no provision for impairment is necessary as at 31 December 2024 as the recoverable amount of the E-Sport CGU is assessed to be higher than the carrying amount of the goodwill.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 14. Goodwill (Cont'd)

### Impairment assessment of goodwill (Cont'd)

The calculation of the value-in-use for the CGU is most sensitive to the following key assumptions:

#### i. Revenue Growth Rates

Forecasted revenue growth rates of between 2.1% to 8.4% per annum had been used. The forecasted revenue growth rates are based on the future market and economic conditions and management future plans.

#### ii. Discount Rate

The discount rate applied to the future cash flow projections is 19%. This reflects the current market assessments of the risks specific to the CGU and time value of money.

#### iii. Terminal Growth Rate

The terminal growth rate applied to the future cash flow projections is 2%. This steady growth rate beyond the initial 5-year period is estimated based on the long-term economic growth rate of the market in which the CGU operates in.

Management believes that any reasonably possible change in the key assumptions on which its recoverable amount is based would not cause the carrying amount to exceed its recoverable amount.

## 15. Investments in subsidiaries

	2024 \$'000	2023 \$'000
<b>Unquoted equity shares, at cost</b>		
At 1 January	3,972	3,931
Additions <sup>(1)</sup>	16	41
Written Off <sup>(2)</sup>	(3,946)	-
	42	3,972
Less: allowance for impairment loss	(42)	(3,972)
At 31 December	*	-

\* Amount less than \$1,000

<sup>(1)</sup> During the financial year 2024, the Company injected additional capital of \$16,000 (2023: \$41,000) into Biolidics (Shanghai) Co., Ltd.

On 31 July 2024, the Company incorporated two new wholly-owned subsidiaries, Embracing Future E-Sports Pte. Ltd. and Embracing Future MCN Technology Pte. Ltd., with cost of investment of \$1, respectively.

<sup>(2)</sup> On 4 July 2024, Biomedics Laboratory Pte. Ltd., a wholly-owned subsidiary of the Company has been placed under Creditors' Voluntary Liquidation (Note 11). This has resulted the full write off of the underlying investment in the subsidiary of \$3,569,000 during the financial year 31 December 2024.

On 8 October 2024, the Company's wholly-owned subsidiary, Biolidics (Shanghai) Co., Ltd. has struck its name off the Register of the Companies pursuant to Section 344A of the Companies Act 1967 of Singapore and received approval from the Accounting and Corporate Regulatory Authority of Singapore. This has resulted the full write off of the underlying investment in the subsidiary of \$377,000 during the financial year 31 December 2024.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 15. Investments in subsidiaries (Cont'd)

### Impairment assessment of investments in subsidiaries

During the prior financial year 2023, the Company performed an impairment test for the investment in Biolidics (Shanghai) Co., Ltd. as the cost of investment in this subsidiary exceeded the Company's share of net assets in this subsidiary as at 31 December 2023. Impairment loss of \$41,000 was recognised to write down this subsidiary to its recoverable amount of \$Nil.

In the current financial year ended 31 December 2024, the Company carried out a review and determined that there were no indicators of impairment of the Company's investments in Embracing Future E-Sports Pte. Ltd. and Embracing Future MCN Technology Pte. Ltd. The existing provision for impairment loss of \$42,000 in relation to the investment in Biolidics Pty Ltd remains appropriate due to the subsidiary's recurring loss making and dormant status.

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation and principal place of business	Principal activities	Effective equity held by the Company	
			2024	2023
			%	%
<b><u>Held directly by the Company</u></b>				
Biomedics Laboratory Pte. Ltd. <sup>(4)</sup>	Singapore	Dormant	–	100
Biolidics (Shanghai) Co., Ltd. (明测生物医药（上海）有限公司) <sup>(3)</sup>	People’s Republic of China	Dormant	–	100
Biolidics Pty Ltd <sup>(2)</sup>	Australia	Dormant	<b>100</b>	100
Embracing Future E-Sports Pte. Ltd. <sup>(2)(5)</sup>	Singapore	Dormant	<b>100</b>	–
Embracing Future MCN Technology Pte. Ltd. <sup>(2)(5)</sup>	Singapore	Dormant	<b>100</b>	–
<b><u>Held by Embracing Future E-Sport Pte. Ltd.</u></b>				
Shenzhen Xiaozhao Network Technology Co., Ltd (深圳市小钊网络科技有限责任公司) <sup>(1)(6)</sup>	People’s Republic of China	Integrated marketing services in the gaming industry (E-Sport)	<b>100</b>	–

<sup>(1)</sup> Audited by overseas member firms of PKF-CAP LLP.

<sup>(2)</sup> Not required to be audited under the law in the country of incorporation.

<sup>(3)</sup> The subsidiary was strike off/deregistered on 8 October 2024.

<sup>(4)</sup> The subsidiary commenced voluntary liquidation on 4 July 2024.

<sup>(5)</sup> The subsidiaries were newly incorporated on 31 July 2024.

<sup>(6)</sup> The subsidiary was acquired on 22 October 2024.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 15. Investments in subsidiaries (Cont'd)

### Acquisition of subsidiary

On 24 July 2024, Biolidics Limited entered into a Sale and Purchase Agreement with a third party in relation to the acquisition of 100% equity interest in Shenzhen Xiaozhao Network Technology Co., Ltd (深圳市小钊网络科技有限公司) ("SXNT") with non-cash consideration transferred of 452,000,000 new ordinary shares of Biolidics Limited. SXNT was incorporated in People's Republic of China. It is principally engaged in the business of providing integrated marketing services in the gaming industry. The Company seek to pursue the acquisition of SXNT as its first foray into the E-sport business sector in the market of China.

On 8 October 2024, Biolidics Limited nominated its wholly-owned subsidiary, Embracing Future E-Sport Pte Ltd to receive the 100% equity interest in SXNT. On 22 October 2024 (the "acquisition date"), the acquisition of SXNT was completed and the equity interests was transferred to Biolidics Limited.

Details of the consideration paid, the assets acquired and liabilities assumed and the effects on the cash flows of the Group, at the acquisition date, are as follows:

#### a) Purchase consideration

	No. of shares	\$'000
Fair value of shares consideration at acquisition date through issuance of ordinary shares (valued at market trading price of shares at \$0.008 per share)	316,400,000	2,531
Fair value of contingent shares consideration at acquisition date (Note (d) below)	135,600,000	1,013
Consideration transferred for the business at acquisition date	452,000,000	3,544

#### b) Effect on cash flows of the Group

As there is no cash consideration paid for the acquisition of subsidiary, the impact to the Group's cash flow as a result of the acquisition will be net cash inflow of \$7,000 from the cash and cash equivalents in subsidiary acquired.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 15. Investments in subsidiaries (Cont'd)

### Acquisition of subsidiary (Cont'd)

#### c) Fair values of the identifiable assets acquired and liabilities assumed as at acquisition date

	<b>\$'000</b>
<b>Current assets</b>	
Cash and cash equivalents	7
Trade receivables	251
Other receivables	7
Intangible assets (Note 13)	1,441
Total assets	1,706
<b>Current liabilities</b>	
Trade payables	(162)
Other payables	(135)
Deferred tax liabilities (Note 27)	(360)
Total liabilities	(657)
<b>Total identifiable net assets</b>	<b>1,049</b>
Consideration transferred for the business	3,544
Less: Fair value of identifiable net assets	(1,049)
Goodwill (Note 14 and Note (e) below)	2,495

#### d) Contingent consideration

The Company is required to pay the former owners of SXNT in 135,600,000 new ordinary shares of the Company if SXNT achieves a net profit after tax of RMB 0.75 million for the 12-month period starting from 22 October 2024 to 21 October 2025.

The fair value of the contingent consideration as at the acquisition date was estimated to amount to \$1,013,000 based on the discounted value of the market price of the ordinary shares at acquisition date, with 100% weighted average probability on achieving the net profit after tax target for the relevant period and discounted at 5.25% per annum. This is a Level 3 fair value measurement.

#### e) Goodwill

The goodwill of \$2,495,000 arising from the acquisition is attributable to the E-Sport business segment of the Group. It is not deductible for tax purposes.

#### f) Revenue and profit contribution

SXNT has contributed revenue of \$555,000 and net loss after tax of \$32,000 to the Group for the period from 22 October 2024 to 31 December 2024. Had SXNT been acquired at the beginning of the current financial year, the Group's consolidated revenue and consolidated net loss after tax would have been approximately \$1,339,000 and \$3,466,000.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 15. Investments in subsidiaries (Cont'd)

### Strike off subsidiary

On 8 October 2024, the Company's wholly-owned subsidiary, Biolidics (Shanghai) Co., Ltd. has struck its name off the Register of the Companies pursuant to Section 344A of the Companies Act 1967 of Singapore and received approval from the Accounting and Corporate Regulatory Authority of Singapore.

Carrying amount of the assets and liabilities as at the date of strike off are as follows:

	Carrying amount \$'000
Cash and cash equivalents	*
Net assets and net cash outflow on strike off of Biolidics (Shanghai) Co., Ltd	*
Loss on strike off	
Net asset derecognized	*

\* Amount less than \$1,000

The loss on strike off is recognised in "Other expenses" in the Group's statement of profit or loss and other comprehensive income.

## 16. Cash and cash equivalents

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Cash at banks	295	183	112	127

Cash and cash equivalents denominated in foreign currencies, other than functional currencies of the Company or subsidiaries, are as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
United States Dollar	2	50	2	50
Euro	1	1	1	1
Pound Sterling	2	2	2	2
Australian Dollar	21	22	-	-
Chinese Yuan	157	7	-	-

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 17. Trade receivables

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade receivables:				
- third parties	337	234	63	59
- subsidiary	-	-	-	209
	337	234	63	268
Less: Allowance for expected credit losses	(56)	(161)	(56)	(265)
	281	73	7	3

### *Trade receivables - third parties*

Trade receivables due from third parties are non-interest bearing (except for late payment interest) and are generally on 30 days' (2023: 30 days') terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

### *Trade receivables - subsidiary*

Trade receivables due from a subsidiary are unsecured, non-interest bearing and repayable on demand. Full allowance of expected credit losses has been recorded for trade receivable from the subsidiary as the recovery is uncertain.

Trade receivables denominated in foreign currencies, other than functional currencies of the Company or subsidiary, are as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Pound Sterling	3	3	3	3
Chinese Yuan	274	-	-	-

### Expected credit losses ("ECL")

Loss allowance for trade receivables is measured at an amount equal to lifetime ECL. The ECL on trade receivables are estimated by reference to past default experience and ECL of the debtor, Nil% (2023: 4.6%) for receivables that are current to less than 12 months past due, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 17. Trade receivables (Cont'd)

### Expected credit losses ("ECL") (Cont'd)

The movement in credit loss allowance for trade receivables are as follows:

	Group \$'000	Company \$'000
Balance at 1 January 2024	161	265
Loss allowance measured:		
Lifetime ECL - simplified approach	-	-
Reversal	(2)	-
Derecognised due to liquidation	(103)	(209)
Balance at 31 December 2024	<b>56</b>	<b>56</b>
Balance at 1 January 2023	81	258
Loss allowance measured:		
Lifetime ECL - simplified approach	80	7
Balance at 31 December 2023	<b>161</b>	<b>265</b>

## 18. Other receivables

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Refundable deposits	45	52	38	34
Goods and Services Tax receivable	19	18	19	18
Advance billing from suppliers	7	10	5	9
	<b>71</b>	<b>80</b>	<b>62</b>	<b>61</b>
Amount due from subsidiaries	-	-	3,560	3,147
Less: Allowance for expected credit losses	-	-	(12)	(3,147)
	-	-	<b>3,548</b>	-
<b>Total other receivables</b>	<b>71</b>	<b>80</b>	<b>3,610</b>	<b>61</b>
Add: Cash and cash equivalents	295	183	112	127
Add: Trade receivables	281	73	7	3
Less: Goods and Services Tax receivable	(19)	(18)	(19)	(18)
Less: Advance billing from supplier	(7)	(10)	(5)	(9)
<b>Total financial assets carried at amortised cost</b>	<b>621</b>	<b>308</b>	<b>3,705</b>	<b>164</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 18. Other receivables (Cont'd)

### Deposits

Deposits relate to deposits paid for utilities, office lease and warehouse.

### Amount due from subsidiaries

Amount due from subsidiaries is unsecured, non-interest bearing and repayable on demand.

### Expected credit losses ("ECL")

As at 31 December 2024, the Company has amount due from subsidiaries of \$3,560,000 (2023: \$3,147,000) in total, comprising of \$3,545,000 due from Embracing Future E-Sport Pte. Ltd., \$3,000 due from Embracing Future MCN Technology Pte. Ltd and \$12,000 due from Biolidics Pty Ltd (2023: \$3,139,000 due from Biomedics Laboratory Pte. Ltd. and \$8,000 due from Biolidics Pty Ltd).

In the financial year ended 31 December 2023, the Company recorded \$3,147,000 of allowance for expected credit losses on amount due from subsidiaries, which includes allowance of \$3,139,000 for Biomedics Laboratory Pte. Ltd and allowance of \$8,000 for Biolidics Pty Ltd, as the subsidiaries are making recurring losses and net liabilities position.

In the financial year ended 31 December 2024, the Company has assessed that there is no impairment loss on the amounts due from Embracing Future E-Sport Pte. Ltd and Embracing Future MCN Technology Pte. Ltd. as the subsidiaries were newly incorporated during the year.

## 19. Inventories

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Statement of Financial Position:</b>				
Finished goods	-	11	-	-
<b>Statement of Comprehensive Income:</b>				
Inventories recognised as an expense in raw materials and consumables used	42	594	(36)	(131)
Inclusive of the following charge:				
- Writeback of allowance for inventories	(74)	(25)	(74)	(25)
Inventories recognised as an expense in other expenses				
- Inventories written off	29	180	-	-

The Group and the Company have recognised a writeback of allowance of \$74,000 (2023: \$25,000) for inventories in the current year 2024 as the inventories were sold subsequently above their carrying amounts.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 20. Trade payables

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade payables:				
- third parties	190	19	21	8

*Trade payables - third parties*

These amounts are non-interest bearing and are normally settled on 30 days' (2023: 30 days') terms in cash.

Trade payables denominated in foreign currencies, other than functional currencies of the Company or subsidiaries, as at 31 December are as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
United States Dollar	15	2	15	2
Chinese Yuan	169	4	-	-

## 21. Other payables

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Accruals	370	305	290	243
Other payables	201	219	103	194
<b>Total other payables</b>	<b>571</b>	<b>524</b>	<b>393</b>	<b>437</b>
Add: Trade payables	190	19	21	8
Add: Lease liabilities	61	330	61	198
Add: Borrowings	613	1,693	613	1,693
<b>Total financial liabilities carried at amortised cost</b>	<b>1,435</b>	<b>2,566</b>	<b>1,088</b>	<b>2,336</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 21. Other payables (Cont'd)

### Accruals

Accruals are made in relation to royalty fees, professional fees and employee benefits expense.

Other payables denominated in foreign currencies, other than functional currencies of the Company or subsidiaries, as at 31 December are as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Chinese Yuan	170	–	–	–

## 22. Loan due to shareholder

The Group's loan due to a shareholder comprised of \$666,000 which is non-trade in nature, unsecured, interest-free, repayable by three equal payment tranches on 2 October 2028, 2 October 2029 and 2 October 2030 respectively, and denominated in Singapore Dollar. The remaining balance of \$410,000 is non-trade in nature, unsecured, interest-free, repayable on demand, and denominated in Singapore Dollar.

The fair value of the non-current loan due to shareholder as at 31 December 2024 is \$523,000, which are determined from the cash flow analyses, discounted at market borrowing rate of 5.25% at the reporting date.

## 23. Contract liabilities

	Group and Company	
	2024	2023
	\$'000	\$'000
Sale of extended warranty services <sup>(1)</sup>	–	14
Amount received in advance of delivery of goods <sup>(2)</sup>	60	76
	60	90

<sup>(1)</sup> Revenue from sale of extended warranty services is recognised over time although the customer pays up-front in full for these services. A contract liability is recognised for revenue relating to the warranty services at the time of the initial sales transaction and is recognised as revenue over the period the warranty services are provided.

<sup>(2)</sup> When the Group receives the transaction price from the customer in advance, the transaction price received at that point by the Group is recognised as contract liability until the goods have been delivered to the customer.

	Group and Company	
	2024	2023
	\$'000	\$'000
Analysed as:		
Current <sup>(1)</sup>	60	90

<sup>(1)</sup> Included in the current portion is the full amount of \$60,000 (2023: \$76,000) for amount received in advance of delivery of goods. The delivery of goods is determined by the customer, and the Group has no control over the point in time that these contracts will be satisfied. Accordingly, management has classified the full amount as a current liability. The remaining amount of \$Nil (2023: \$14,000) relates to warranty and preventive maintenance services for periods due within 1 year from the date of financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 23. Contract liabilities (Cont'd)

Significant changes in contract liabilities are explained as follows:

	<b>Group and Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue recognised that was included in the contract liability balance at the beginning of the year:		
- Sale of extended warranty services	<b>12</b>	12
- Amount received in advance of delivery of goods	<b>18</b>	106
- Sale of preventive maintenance services	-	6
	<b>30</b>	124

## 24. Leases

### *Group as a lessee*

The Group has lease contracts for office and warehouse premises, laboratory space, and office and laboratory equipment used in its operations. Leases of office and warehouse premises and laboratory space generally have lease terms of 2 year or less, while office and laboratory equipment generally have lease terms of 3 to 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. The lease agreements for office space and warehouse have renewal options of 6 months to 2 years.

There were additions to right-of-use assets of \$28,000 (2023: \$325,000) during the financial year.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	<b>Office, warehouse premises and laboratory space \$'000</b>	<b>Office and laboratory equipment \$'000</b>	<b>Total \$'000</b>
<b>Group</b>			
At 1 January 2023	90	17	107
Additions	325	-	325
Depreciation expense	(169)	(17)	(186)
At 31 December 2023 and 1 January 2024	246	-	246
Additions	28	-	28
Depreciation expense	(116)	-	(116)
Reversal on liquidation	(99)	-	(99)
<b>At 31 December 2024</b>	<b>59</b>	<b>-</b>	<b>59</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 24. Leases (Cont'd)

### Group as a lessee (Cont'd)

The carrying amounts of lease liabilities and the movements during the year are set out below:

	Group	
	2024	2023
	\$'000	\$'000
At 1 January	330	270
Additions	28	325
Accretion of interest	9	8
Payments - principal portion	(177)	(265)
- interest	(9)	(8)
Write off - due to early termination	(15)	-
due to liquidation	(105)	-
At 31 December	61	330
Analysed as:		
Current	56	202
Non-current	5	128
	61	330

A maturity analysis of lease liabilities is as follows:

Group	Interest rate	Maturity	2024	2023
	%		\$'000	\$'000
Current portion of lease liabilities	2.08 - 5.25	2025 (2023: 2024)	56	202
Non-current portion of lease liabilities	2.08 - 5.25	2026 (2023: 2025)	5	128
			61	330

The following are the amounts recognised in profit or loss:

	Group	
	2024	2023
	\$'000	\$'000
Depreciation of right-of-use assets	116	186
Interest expense on lease liabilities	9	8
Expense relating to short-term leases (included in other expenses)	-	4
Total amount recognised in profit or loss	125	198

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 24. Leases (Cont'd)

### *Group as a lessee (Cont'd)*

The Group had total cash outflows for leases of \$192,000 (2023: \$273,000). The Group also had non-cash additions to right-of-use assets and lease liabilities of \$28,000 in 2024 (2023: \$325,000). The future cash outflows relating to leases that had not yet commenced are disclosed in Note 31 to the financial statements.

### Impairment assessment of right-of-use assets

In the previous financial year ended 31 December 2022, the Group carried out impairment assessment for right-of-use assets by estimating the recoverable amounts of the respective CGUs of the Group as disclosed in Note 12 to the financial statements. Based on the impairment assessment, the Group has recorded \$28,000 of impairment loss in the financial year ended 31 December 2022.

As at 31 December 2024, there was no impairment indicator noted by the Group on the right-of-use assets of office and warehouse.

### *Company as a lessee*

The Company has lease contracts for office and warehouse premises, and office and laboratory equipment used in its operations. Leases of office and warehouse premises generally have lease terms of 2 year or less, while office and laboratory equipment generally have lease terms of 3 to 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. The lease agreements for office space and warehouse have renewal options of 6 months to 2 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Office, warehouse premises and laboratory space \$'000	Office and laboratory equipment \$'000	Total \$'000
<b>Company</b>			
At 1 January 2023	35	–	35
Additions	193	–	193
Depreciation expense	(114)	–	(114)
At 31 December 2023 and 1 January 2024	114	–	114
Additions	28	–	28
Depreciation expense	(83)	–	(83)
<b>At 31 December 2024</b>	<b>59</b>	<b>–</b>	<b>59</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 24. Leases (Cont'd)

### *Company as a lessee (Cont'd)*

The carrying amounts of lease liabilities and the movements during the year are set out below:

	Company	
	2024 \$'000	2023 \$'000
At 1 January	198	177
Additions	28	193
Accretion of interest	6	6
Payments - principal portion	(150)	(172)
- interest	(6)	(6)
Write off	(15)	-
At 31 December	61	198
Analysed as:		
Current	56	137
Non-current	5	61
	61	198

A maturity analysis of lease liabilities is as follows:

Company	Interest rate %	Maturity	2024 \$'000	2023 \$'000
Current portion of lease liabilities	2.08 - 5.25	2025 (2023: 2024)	56	137
Non-current portion of lease liabilities	2.08 - 5.25	2026 (2023: 2025)	5	61
			61	198

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 25. Borrowings

The carrying amounts of borrowings and the movements during the year are set out below:

	Company	
	2024 \$'000	2023 \$'000
At 1 January	1,693	2,743
Accretion of interest	33	63
Payments - principal portion	(1,080)	(1,050)
- interest	(33)	(63)
At 31 December	613	1,693
Analysed as:		
Current	613	1,080
Non-current	-	613
	613	1,693

A maturity analysis of borrowings is as follows:

Group and Company	Effective interest rate %	Maturity	2024 \$'000	2023 \$'000
Current portion of bank loans	2.50 - 3.00	2025 (2023: 2024)	613	1,080
Non-current portion of bank loans	2.50 - 3.00	2026 (2023: 2025)	-	613
			613	1,693

## 26. Deferred consideration

On 26 May 2020, the Group completed the acquisition of the entire issued and paid-up share capital of Biomedics Laboratory Pte. Ltd. ("BML") ("Acquisition") from a subsidiary of the Company's shareholder for an aggregate consideration of \$3,500,000 payable if it is settled within 12 months from acquisition date. The consideration is increased to \$3,700,000 if it is settled after twelve months but no later than 24 months. The Group had the option to satisfy the deferred consideration at any time within 24 months from acquisition date. The Group granted a charge in respect of all the shares of BML as security for the payment of the consideration. Following the completion of acquisition, BML became a subsidiary of the Group.

On 24 December 2021, the Group and the seller of BML, SAM Laboratory Pte Ltd ("SAM"), entered into a deed of amendment ("Deed of Amendment") to modify, amend and vary the terms of the sale and purchase agreement entered into between the Company and SAM in connection with the acquisition of Biomedics Lab.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 26. Deferred consideration (Cont'd)

Pursuant to the Deed of Amendment, the Company made a payment of \$300,000 of the deferred consideration to SAM upon the execution of the Deed of Amendment; and Remaining Deferred Consideration of \$3,300,000 shall be payable no later than 25 May 2023, being 36 months from the date of completion of the Acquisition.

On 24 June 2022, the Company and SAM entered into a deed of amendment ("Second Amendment Deed") to modify, amend and vary the terms of the sales and purchase agreement entered into between the Company and SAM in connection with the Acquisition.

Pursuant to the Second Amendment Deed, the Remaining Deferred Consideration of \$3,300,000 shall be payable no later than 25 August 2023, being 39 months from the date of completion of the Acquisition.

On 23 September 2022, the Company and SAM entered into a deed of amendment ("Third Amendment Deed") to modify, amend and vary the terms of the sales and purchase agreement entered into between the Company and SAM in connection with the Acquisition.

Pursuant to the Third Amendment Deed, the Remaining Deferred Consideration of \$3,300,000 shall be payable no later than 25 November 2023, being 42 months from the date of completion of the Acquisition.

On 28 September 2022, the Company, SAM and "Clearbridge BSA Pte. Ltd." ("CBSA") entered into a deed of assignment ("Assignment Deed") pursuant to which SAM assigns absolutely and without recourse to CBSA, inter alia, the right to receive the Remaining Deferred Consideration, with the acknowledgement and consent of the Company.

On 28 February 2023, the Company entered into a partial settlement deed with CBSA. Pursuant to the partial settlement deed, the Company and CBSA agreed, inter alia:

- (a) to settle \$1,161,250 of the deferred consideration, of which \$550,000 will be settled by way of cash, while the remaining \$611,250 will be satisfied by way of issuance of new ordinary shares of the Company;
- (b) that the Company shall pay to CBSA the Cash Settlement Sum within two (2) weeks from the date of execution of the Partial Settlement Deed;
- (c) that CBSA agrees to receive, and the Company agrees to issue, 37,500,000 Consideration Shares at an issue price of \$0.0163 for each Consideration Share, which was based on the volume weighted average price of the issued ordinary shares of the Company traded on the SGX-ST on 28 February 2023 of \$0.0163 per Share;
- (d) that the issuance of the Consideration Shares will be subject to the receipt of the listing and quotation notice from the SGX-ST for the dealing in, listing of and quotation for the Consideration Shares on the Catalist Board of the SGX-ST ("LQN"). In the event that the LQN is not granted by the SGX-ST, the Parties agree without reservation that CBSA shall be entitled to:
  - i. retain the full sum of the Cash Settlement Sum free and clear of all claims and conditions and other encumbrances whatsoever; and
  - ii. receive the balance amount of the Deferred Consideration less the Cash Settlement Sum, being \$2,750,000, by no later than 25 November 2023, by way of bank transfer of immediately available funds to an account designated by CBSA, and

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 26. Deferred consideration (Cont'd)

- (e) that the Share Charge shall continue to be in effect and all the Charged Shares shall remain charged in favour of CBSA in accordance with the terms and conditions of the Share Charge until the balance amount of the Deferred Consideration has been paid in full, whether 42 months from the Completion Date or otherwise.

Following the completion of the payment of the Partial Settlement Sum by way of the Cash Settlement Sum and the issuance of the Consideration Shares to CBSA, the balance sum of the Deferred Consideration, being \$2,138,750, shall be payable by the Company to CBSA no later than 25 November 2023 by way of bank transfer of immediately available funds to an account designated by CBSA.

On 20 March 2023, the Company completed the allotment and issuance of 37,500,000 consideration shares mentioned in Note (c) above. The total number of shares has increased to 559,126,605 Shares.

The Deferred Consideration was fully repaid on 30 November 2023.

The movement of the Remaining Deferred Consideration during the year is as follows:

	<b>Group and Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance as at 1 January	-	3,244
Loss/(gain) from remeasurement	-	14
Accretion of interest	-	42
Repayment of Partial Settlement Sum - cash payment	-	(550)
- by issuance of shares	-	(611)
Final Payment	-	(2,139)
Balance as at 31 December	-	-

## 27. Deferred tax liabilities

Deferred tax liabilities of the Group arose from fair value adjustment on acquisition of subsidiary:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
At 1 January	-	-
Acquisition of subsidiary (Note 15)	360	-
Balance as at 31 December	360	-

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 28. Share capital

	Group and Company			
	2024		2023	
	No. of shares	\$'000	No. of shares	\$'000
<b>Issued and fully paid ordinary shares:</b>				
At the beginning of the year	<b>657,626,605</b>	<b>66,536</b>	493,367,905	64,358
Share issuance during the year	<b>1,033,132,231</b>	<b>7,161</b>	164,258,700	2,236
Share issuance expense	-	(72)	-	(58)
	<b>1,690,758,836</b>	<b>73,625</b>	657,626,605	66,536
Less: Contingent consideration (Note 15(d))	<b>(135,600,000)</b>	<b>(1,013)</b>	-	-
At the end of the year	<b>1,555,158,836</b>	<b>72,612</b>	657,626,605	66,536

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

On 1 March 2023, the Company issued and allotted 28,258,700 new ordinary shares to a director and certain employees of the Company pursuant to the Biolidics Performance Share Plan (Note 6) based on their past contributions to the Company. The total number of shares in the Company increased from 493,367,905 shares to 521,626,605 Shares.

On 20 March 2023, the Company issued and allotted 37,500,000 consideration shares as mentioned in Note 26. The total number of shares has increased to 559,126,605 shares.

On 21 November 2023, the Company issued and allotted 98,500,000 new ordinary shares for total cash consideration of \$1,173,000. The total number of shares has increased to 657,626,605 shares.

On 15 November 2024, the Company issued and allotted 83,000,000 and 4,132,231 new ordinary shares for cash consideration of \$932,000 and for equity settlement of professional fee amounting to \$50,000 respectively. The total number of shares has increased to 744,758,836.

On 3 October 2024, the Company issued and allotted (i) 407,000,000 new ordinary shares to a director for total cash consideration \$1,628,000, (ii) 76,000,000 new ordinary shares to a director as sign-on shares amounting to \$836,000, (iii) 11,000,000 new ordinary shares for equity settlement of professional fee amounting to \$99,000 and (iv) 452,000,000 consideration shares amounting to \$3,544,000 (Note 15(a)) based on the discounted value of the market price of the ordinary shares at acquisition date of SXNT. The total number of shares has increased to 1,690,758,836.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 29. Related party transactions

- (a) In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place on terms agreed between the parties during the financial year:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<i>Director and Shareholder of the Company</i>				
Loan disbursement from	<b>1,076</b>	–	<b>666</b>	–

- (b) Compensation of directors and key management personnel

Directors and key management personnel compensation included in employee benefits expense comprise:

	Group and Company	
	2024	2023
	\$'000	\$'000
Short-term benefits	<b>149</b>	403
Employer's contribution to defined contribution plans	–	28
	<b>149</b>	431

The compensation of directors and key management is determined by the board of directors having regard to the performance of individuals. Performance bonus for key management personnel and a director has been approved by the Remuneration Committee.

## 30. Financial risk management objectives and policies

The Group and Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and foreign currency risk.

The Group has documented policies and procedures for the management of these risks. The Audit & Risk Committee provides independent oversight to the effectiveness of the risk management process.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 30. Financial risk management objectives and policies (Cont'd)

### (a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of financial instruments presented on the balance sheets.

In order to minimise credit risk, the Group has a policy that requests first-time customers to make advance payment prior to the delivery of the goods. Subsequently, the Group uses the customers' payment history and any publicly available information to assess its customers and other debtors. The Group's exposure and the payment history of its customers are continuously monitored and any new orders from customers with long overdue payment will be put on hold until they settle their payments.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments within 12 months when they fall due, which are derived based on the Group's historical information.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition.

The Group considers available reasonable and supportable forward-looking information which includes actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is past due for more than 30 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the borrower
- A breach of contract, such as a default or past due event
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 30. Financial risk management objectives and policies (Cont'd)

### (a) Credit risk (Cont'd)

The Group categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 12 months past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery, such as a debtor failing to engage in a repayment plan with the Group. None of the trade receivables that have been written-off is subject to enforcement activities.

The Group uses three categories of internal credit risk ratings for debt instruments which reflect their credit risk and how the loss provision is determined for each of those categories. In determining the expected credit loss ("ECL"), the Group considers the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

#### *Amount due from subsidiaries*

The Company assessed the latest performance and financial position of the subsidiaries, adjusted for the future outlook of the industry in which the subsidiaries operate in, and concluded that there has been significant increase in the credit risk since the initial recognition of the amounts due from certain subsidiaries that were suffered with recurring losses and declining revenue. Accordingly, the Company measured the impairment loss allowance using lifetime ECL and determined that the ECL is significant. As disclosed in Note 18 to the financial statements, the Company recorded an allowance for ECL of \$12,000 (2023: \$3,147,000) as at 31 December 2024.

#### *Trade receivables*

The Group applies a simplified approach in calculating ECLs for trade receivables. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The assessment of the credit quality and exposure to credit risk of the Group's trade receivables has been disclosed in Note 17 to the financial statements.

As disclosed in Note 17, the Group recorded \$56,000 (2023: \$161,000) of ECL as at 31 December 2024. The Company recorded \$56,000 (2023: \$265,000) of ECL as at 31 December 2024.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for trade receivables and other receivables.

#### *Excessive risk concentration*

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 30. Financial risk management objectives and policies (Cont'd)

### (a) Credit risk (Cont'd)

#### *Credit risk concentration profile*

The Group determines concentrations of credit risk by monitoring the country of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:

	Group			
	2024		2023	
	\$'000	% of	\$'000	% of
<i>By country:</i>				
Singapore	-	-	157	67
France	3	1	3	1
Indonesia	46	14	46	20
Philippines	-	-	18	8
China	285	84	-	-
Other countries	3	1	10	4
Total	337	100	234	100

The Group is dependent on a relatively small group of customers for a substantial portion of its business. As at the end of the reporting period, approximately 84% (2023: 65%) of the Group's trade receivables was due from 1 (2023: 1) customer, which amounted to \$285,000 (2023: \$69,000).

Apart from the above, the Group does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. The Company has no significant concentration of credit risk except for the receivable from the subsidiary as disclosed in Note 17 and 18.

### (b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

As at 31 December 2024, the Group's net current liabilities amounted to \$1,238,000 (2023: \$1,490,000) with a cash position of \$295,000 (2023: \$183,000). Management is of the opinion that the Group and Company will have sufficient cash flows to be able to meet its liabilities and other obligations as and when they fall due for the next twelve months based on consideration of the factors as disclosed in Note 2.1.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 30. Financial risk management objectives and policies (Cont'd)

### (b) Liquidity risk (Cont'd)

*Analysis of financial instruments by remaining contractual maturities*

The table below summarises the maturity profile of the Group's and the Company's financial assets used for managing liquidity risk and financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	One year or less \$'000	One to five years \$'000	Total \$'000
<b>Group</b>			
<b>2024</b>			
<i>Financial liabilities</i>			
Trade payables	190	-	190
Other payables	571	-	571
Lease liabilities	62	5	67
Borrowings	619	-	619
Total undiscounted financial liabilities	1,442	5	1,447
<b>2023</b>			
<i>Financial liabilities</i>			
Trade payables	19	-	19
Other payables	524	-	524
Lease liabilities	212	132	344
Borrowings	1,113	619	1,732
Total undiscounted financial liabilities	1,868	751	2,619
<b>Company</b>			
<b>2024</b>			
<i>Financial liabilities</i>			
Trade payables	21	-	21
Other payables	393	-	393
Lease liabilities	62	5	67
Borrowings	619	-	619
Total undiscounted financial liabilities	1,095	5	1,100
<b>2023</b>			
<i>Financial liabilities</i>			
Trade payables	8	-	8
Other payables	437	-	437
Lease liabilities	143	62	205
Borrowings	1,113	619	1,732
Total undiscounted financial liabilities	1,701	681	2,382



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 30. Financial risk management objectives and policies (Cont'd)

### (c) Foreign currency risk

The Group transacts its business in various foreign currencies, including the United States Dollar, Euro, Pound Sterling, Australian Dollar and Chinese Yuan and is therefore exposed to foreign exchange risk.

At the end of the reporting period, the net currency exposure of the net financial assets/(liabilities) denominated in currencies other than the respective group entities' functional currencies are as follows:

	Group			
	Liabilities		Assets	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
United States Dollar	15	2	2	50
Euro	-	-	1	3
Pound Sterling	-	-	5	2
Australian Dollar	-	-	21	-
Chinese Yuan	339	4	431	-

	Company			
	Liabilities		Assets	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
United States Dollar	15	2	2	50
Euro	-	-	1	3
Pound Sterling	-	-	5	2
Chinese Yuan	-	-	-	-
Indonesian Rupiah	-	-	-	-

The Group ensures that the net exposure is kept to an acceptable level by buying and selling foreign currencies at spot rates where necessary to address short-term imbalances.

#### Foreign currency sensitivity

A 5% fluctuation in the relevant foreign currencies against functional currency of each group entity, with all other variables held constant, will not have a significant impact on the Group's profit for the current and previous financial years.

## 31. Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the equity balance. The capital structure of the Group consists of equity attributable to owners of the parent, comprising share capital and reserves.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 31. Capital management (Cont'd)

The Group's capital management objectives are to safeguard its ability to continue as a going concern and to maximise shareholder value. Management monitors the gross and net gearing of the Group and its implication on weighted average cost of capital in deciding the optimal capital structure. These objectives determine the Group's decisions on the amount of dividends to be paid to shareholders and the sources of capital to be raised, be it equity or debt.

The Group's overall strategy remains unchanged from the prior year.

The Group's ability to continue to operate as a going concern is based on the factors and measures as disclosed in Note 2.1.

## 32. Segment information

For management purposes and resource allocation, the Group is organised into business operating units based on reports reviewed by the management team that are used to make strategic decisions.

The following are the identified business segments of the Group:

### (a) **Cancer**

The cancer segment involves the identifying and assessing potential collaboration partners, technology, products and services, product development, innovation and improvement and the management of global distributorship network and direct customers in the cancer field.

### (b) **Infectious diseases**

The infectious diseases segment involves the identifying and assessing potential collaboration partners, technology, products and services, product development, innovation and improvement and the management of global distributorship network and direct customers in the infectious diseases field.

### (c) **Laboratory services**

The laboratory services segment involves the business, operation and provision of laboratory services to customers.

### (d) **Corporate segment**

The corporate segment involves the corporate functions in supporting the operations of the entire Group. The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2 to the financial statements. Segment profit represents the profit earned by each segment without allocation of other gains and losses, distribution and selling expenses, administrative expenses, finance income and finance cost. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

### (e) **E-Sport**

The E-Sports segment will involve identifying and assessing potential collaboration partners, technology, digital platforms, products, and services related to E-Sports. It will also include business development, innovation, and improvement, as well as the management of global partnerships, tournament organization, talent development, and community engagement in the E-Sports industry.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 32. Segment information (Cont'd)

### Segment revenue and results

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

FY2024	← Continuing Operations →				Discontinued Operations	Total \$'000
	Cancer \$'000	Infectious diseases \$'000	E-Sport \$'000	Corporate segment \$'000	Laboratory services \$'000	
<b>Revenue:</b>						
External customers	80	-	704	-	5	789
Total revenue	80	-	704	-	5	789
<b>Segment results:</b>						
Other income	-	-	-	190	33	223
Employee benefits expense	(18)	-	(45)	(1,890)	(134)	(2,087)
Depreciation expense	(28)	-	-	(55)	(37)	(120)
Research and development expense	(1)	-	-	-	-	(1)
Other expenses	(45)	-	(413)	(1,030)	(94)	(1,582)
Finance costs	-	-	-	(39)	(3)	(42)
Segment profit/(loss) before tax	628	(4)	(987)	(2,824)	(242)	(3,429)
Income tax expense	-	-	(5)	-	-	(5)
Segment profit/(loss) after tax	628	(4)	(992)	(2,824)	(242)	(3,434)
<b>Segment assets</b>	266	-	4,381	21	-	4,668
<b>Segment liabilities</b>	1,813	-	1,123	-	-	2,936
<b>Assets:</b>						
Additions to non-current assets	-	-	-	35	-	35

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 32. Segment information (Cont'd)

### Segment revenue and results (Cont'd)

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

FY2023	Continuing Operations				Discontinued Operations	Total
	Cancer	Infectious diseases	Corporate segment	E-Sport	Laboratory services	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	(Represented)	(Represented)	(Represented)	(Represented)	(Represented)	(Represented)
<b>Revenue:</b>						
External customers	277	-	-	-	1,038	1,315
Total revenue	277	-	-	-	1,038	1,315
<b>Segment results:</b>						
Other income	-	-	92	-	48	140
Employee benefits expense	(45)	(19)	(957)	-	(630)	(1,651)
Depreciation expense	(22)	-	(94)	-	(125)	(241)
Research and development expense	(31)	-	-	-	-	(31)
Other expenses	32	-	(506)	-	(839)	(1,313)
Finance costs	-	-	(111)	-	(2)	(113)
Segment profit/(loss) before tax	90	(28)	(1,576)	-	(974)	(2,488)
Income tax expense	-	-	-	-	-	-
Segment profit/(loss) after tax	90	(28)	(1,576)	-	(974)	(2,488)
<b>Segment assets</b>	374	-	22	-	286	682
<b>Segment liabilities</b>	2,433	-	8	-	230	2,671
<b>Assets:</b>						
Additions to non-current assets	193	-	-	-	132	325

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 32. Segment information (Cont'd)

### Geographical information

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

	Continuing Operations						Discontinued Operations	
	Cancer		Infectious diseases		E-Sport		Laboratory services	
	FY2024	FY2023	FY2024	FY2023	FY2024	FY2023	FY2024	FY2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	(Represented)		(Represented)		(Represented)		(Represented)	
<b>Segment revenue</b>								
Singapore	-	-	-	-	-	-	5	1,036
Japan	3	66	-	-	-	-	-	-
China	-	-	-	-	704	-	-	-
Europe	15	7	-	-	-	-	-	-
Hong Kong	34	38	-	-	-	-	-	-
Taiwan	-	-	-	-	-	-	-	-
Philippines	-	-	-	-	-	-	-	2
Indonesia	-	-	-	-	-	-	-	-
Thailand	27	88	-	-	-	-	-	-
Malaysia	1	64	-	-	-	-	-	-
United States	-	14	-	-	-	-	-	-
	<b>80</b>	<b>277</b>	<b>-</b>	<b>-</b>	<b>704</b>	<b>-</b>	<b>5</b>	<b>1,038</b>

All of the non-current assets of the Group were located in Singapore as at 31 December 2024 and 31 December 2023. Accordingly, no geographical segment analysis is presented.

### Information about major customers

Revenue is derived from 3 (2023: 2) external customers who individually contributed 10% or more of the Group's revenue and are attributable to the segments as detailed below:

		2024	2023
Attributable segments		\$'000	\$'000
Customer 1	Laboratory services	-	667
Customer 2	Laboratory services	-	158
Customer 3	E-Sport Services	112	-
Customer 4	E-Sport Services	178	-
Customer 5	E-Sport Services	341	-
		<b>631</b>	<b>825</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 33. Fair value of assets and liabilities

### a) Fair value hierarchy

The Group and the Company classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- I. Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- II. Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- III. Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### b) Assets and liabilities not carried at fair value but which fair values are disclosed

The carrying amounts of non-current financial liabilities and borrowings approximate their fair values at the end of the respective financial year, as the market lending rate at the end of the respective financial year was not significantly different from either its interest rate of the agreement or market lending rate at the initial measurement date.

The above does not include financial assets and financial liabilities whose carrying amounts measured on the amortised cost basis approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.

## 34. Events occurring after the reporting period

Subsequent to financial year 31 December 2024, the Company's shareholder and director, Mr. Zhu Hua, has disbursed loans in different tranches to the Company amounting to \$2.11 million in total. The loans are unsecured, interest-free, and repayable by three equal payment tranches on 2 October 2028, 2 October 2029 and 2 October 2030 respectively.

Management has assessed and determined that this is a non-adjusting event and these financial statements do not reflect these loans, which will be accounted for in the financial year ending 31 December 2025.

## 35. Authorisation of financial statements

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 9 April 2025.

# STATISTICS OF SHAREHOLDINGS

AS AT 28 MARCH 2025

ISSUED AND PAID-UP SHARE CAPITAL	:	\$62,846,343
NUMBER OF ISSUED SHARES	:	1,690,758,836
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS ON A POLL	:	ONE VOTE PER SHARE
NUMBER AND PERCENTAGE OF TREASURY SHARES	:	Nil
NUMBER AND PERCENTAGE OF SUBSIDIARY HOLDINGS	:	Nil

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	22	1.03	1,350	0.00
100 - 1,000	115	5.36	73,296	0.00
1,001 - 10,000	618	28.82	3,941,576	0.23
10,001 - 1,000,000	1,328	61.94	159,034,102	9.41
1,000,001 & above	61	2.85	1,527,708,512	90.36
<b>TOTAL</b>	<b>2,144</b>	<b>100.00</b>	<b>1,690,758,836</b>	<b>100.00</b>

## TOP TWENTY SHAREHOLDERS

	NAME OF SHAREHOLDERS	NO. OF SHARES	% OF SHARES
1	OCBC SECURITIES PRIVATE LTD	623,751,500	36.89
2	WU KUN WEI	240,012,000	14.20
3	YUAN ZHI JUN	211,988,000	12.54
4	ZHOU CHAO	83,000,000	4.91
5	CHEN LU	76,000,000	4.50
6	CGS INTERNATIONAL SECURITIES SINGAPORE PTE LTD	38,617,600	2.28
7	DBS NOMINEES PTE LTD	26,300,736	1.56
8	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	19,320,900	1.14
9	TRAUWIN PTE. LIMITED	19,044,600	1.13
10	PHILLIP SECURITIES PTE LTD	18,948,815	1.12
11	LIM CHAP HUAT	14,144,900	0.84
12	SOH CHUN BIN (SU CHUNBIN)	10,000,200	0.59
13	RAFFLES NOMINEES (PTE) LIMITED	9,389,800	0.56
14	TIGER BROKERS (SINGAPORE) PTE. LTD.	9,079,400	0.54
15	KGI SECURITIES (SINGAPORE) PTE. LTD	7,841,931	0.46
16	TNG BENG CHOON	7,650,000	0.45
17	LIM CHWEE TECK	7,330,600	0.43
18	ABN AMRO CLEARING BANK N.V.	6,959,100	0.41
19	HE MEIHUA	6,000,000	0.35
20	IFAST FINANCIAL PTE LTD	5,223,430	0.31
	<b>TOTAL:</b>	<b>1,440,603,512</b>	<b>85.21</b>

# STATISTICS OF SHAREHOLDINGS

AS AT 28 MARCH 2025

## SUBSTANTIAL SHAREHOLDERS

(as shown in the Company's register of Substantial Shareholders)

	NAME OF SHAREHOLDER	DIRECT INTEREST	NO. OF SHARES		
			%	DEEMED INTEREST	%
1.	Zhu Hua	–	–	505,500,000	29.90
2.	Wu Kun Wei	240,012,000	14.20	–	–
3.	Yuan Zhi Jun	211,988,000	12.54	–	–

## PUBLIC SHAREHOLDINGS

Based on the information available to the Company as at 28 March 2025, approximately 38.86% of the Company's issued ordinary shares are held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual Section B : Rules of Catalist issued by SGX-ST.



# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “**AGM**”) of Biolidics Limited (the “**Company**”) will be held at 18 Howard Road, #02-07 Novelty BizCentre, Singapore 369585 on Tuesday, 29 April 2025 at 2.00 p.m. for the following purposes:

## Ordinary Business

1. To receive and adopt the audited financial statements of the Company for the financial year ended 31 December 2024 together with the directors' statement and the auditor's report thereon. **(Resolution 1)**
2. To approve the payment of Directors' fees of up to S\$230,000 for the financial year ending 31 December 2025, payable quarterly in arrears. [FY 2024: S\$230,000] **(Resolution 2)**
3. To re-elect Ms Ch'ng Li-Ling, a Director retiring pursuant to Regulation 97 of the Company's Constitution. [See Explanatory Note 1] **(Resolution 3)**
4. To re-elect Mr Zhu Hua, a Director retiring pursuant to Regulation 97 of the Company's Constitution. [See Explanatory Note 2] **(Resolution 4)**
5. To re-elect Mr Chen Lu, a Director retiring pursuant to Regulation 103 of the Company's Constitution. [See Explanatory Note 3] **(Resolution 5)**
6. To re-appoint PKF-CAP LLP as the Auditor of the Company and to authorize the Directors to fix its remuneration. **(Resolution 6)**
7. To transact any other ordinary business which may be properly transacted at the AGM.

## Special Business

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions, with or without any modifications:

### 8. Authority to allot and issue shares in the capital of the Company (“Shares”)

“THAT pursuant to Section 161 of the Companies Act 1967 of Singapore (the “**Act**”) and Rule 806 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rule of Catalist (“**Catalist Rules**”) and the Constitution, the Directors be and hereby authorised to:

- I. (a) allot and issue shares whether by way of rights, bonus or otherwise; and/or
- (b) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures, or other instruments convertible into shares;

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- II. (notwithstanding that the authority conferred by this resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this resolution was in force,

provided that:

- (a) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments, made or granted pursuant to this resolution), shall not exceed 100% of the total issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to the existing shareholders of the Company shall not exceed 50% of the total issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below);

# NOTICE OF ANNUAL GENERAL MEETING

- (b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this resolution) that may be issued under sub-paragraph (a) above, the percentage of the issued shares shall be based on the total issued shares (excluding treasury shares and subsidiary holdings) at the time this resolution is passed, after adjusting for:
- (i) new shares arising from the conversion or exercise of any convertible securities;
  - (ii) new shares arising from exercising of share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
  - (iii) any subsequent bonus issue, consolidation or subdivision of shares;

Adjustments in accordance with Rule 806(3)(a) or Rule 806(3)(b) of the Catalist Rules are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate;

- (c) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), and all applicable legal requirements under the Act and the Constitution for the time being; and
- (d) the authority conferred by this resolution shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier."

[See Explanatory Note 4]

**(Resolution 7)**

## 9. Authority to grant awards and to allot and issue shares pursuant to the Biolidics Performance Share Plan

"THAT pursuant to Section 161 of the Act, authority be and is hereby given to the Directors to:

- (i) offer and grant awards ("**Awards**") from time to time in accordance with the provisions of the Biolidics Performance Share Plan (the "**PSP**"); and
- (ii) allot and issue from time to time such number of new shares as may be required to be issued pursuant to the vesting of Awards granted under the PSP,

provide always that the aggregate number of shares issued and issuable pursuant to the Awards granted under the PSP, when added to (i) the number of shares issued and issuable and/or transferred or transferable in respect of all Awards granted thereunder; and (ii) all other shares issued and issuable and/or transferred or transferable in respect of all share options granted or share awards granted under any other share incentive schemes or share plans adopted by the Company, shall not exceed 15% of the total issued shares (excluding treasury shares and subsidiary holdings) from time to time; and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier."

[See Explanatory Note 5]

**(Resolution 8)**

## By Order of the Board

Nor Hafiza Alwi  
Company Secretary  
Singapore

14 April 2025

# NOTICE OF ANNUAL GENERAL MEETING

## EXPLANATORY NOTES:

- (1) Ms Ch'ng Li-Ling ("**Ms Ch'ng**") will, upon re-election as a Director, continue to serve as a Lead Independent Director, Chairman of the Nominating Committee and a member of the Audit and Remuneration Committees of the Company. Ms Ch'ng is considered by the Board to be independent for the purpose of Rule 704(7) of the Catalyst Rules. Detailed information on Ms Ch'ng can be found under the sections entitled "Board of Directors" and "Additional Information on Director Seeking Re-election" of the Company's Annual Report 2024. There are no relationships (including immediate family relationships) between Ms Ch'ng and any of the Directors, the Company or its substantial shareholders.
- (2) Mr Zhu Hua ("**Mr Zhu**") will, upon re-election as a Director, continue to serve as an Executive Director of and Chairman of the Board. Detailed information on Mr Zhu can be found under the sections entitled "Board of Directors" and "Additional Information on Director Seeking Re-election" of the Company's Annual Report 2024. There are no relationships (including immediate family relationships) between Mr Zhu and any of the Directors, the Company or its substantial shareholders.
- (3) Mr Chen Lu ("**Mr Chen**") will, upon re-election as a Director, continue to serve as an Executive Director and President of the Company. Detailed information on Mr Chen can be found under the sections entitled "Board of Directors" and "Additional Information on Director Seeking Re-election" of the Company's Annual Report 2024. There are no relationships (including immediate family relationships) between Mr Chen and any of the Directors, the Company or its substantial shareholders.
- (4) Resolution 7 if passed, will empower the Directors, from the date of the AGM until the conclusion of the next AGM, or the date by which the next AGM is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is earlier, to allot and issue shares, make or grant Instruments and to issue shares pursuant to such Instruments, without seeking any further approval from shareholders in a general meeting but within the limitation imposed by this resolution, for such purposes as the Directors may consider would be in the best interests of the Company. The aggregate number of shares (including shares to be made in pursuance of Instruments made or granted pursuant to this resolution) to be allotted and issued would not exceed 100% of the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) at the time of passing of this resolution. For issue of shares (including shares to be made in pursuance of instruments made or granted pursuant to this resolution) other than on a pro-rata basis to all shareholders shall not exceed 50% of the total number of issued share capital of the Company (excluding treasury shares and subsidiary holdings) at the time of the passing of this resolution.
- (5) Resolution 8 if passed, will empower the Directors to offer and grant Awards under the PSP, and to allot and issue shares pursuant to the vesting of Awards granted under the PSP, provided that the aggregate number of shares issued and issuable pursuant to the PSP, when added to (i) the number of shares issued and issuable and/or transferred or transferable in respect of all awards granted thereunder; and (ii) all other shares issued and issuable and/or transferred or transferable in respect of all share options granted or share awards granted under any other share incentive schemes or share plans adopted by the Company, shall not exceed 15% of the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) of the Company from time to time.

## NOTES:

1. The AGM is being convened and will be held, in a wholly physical format, at 18 Howard Road, #02-07 Novelty BizCentre, Singapore 369585 on Tuesday, 29 April 2025 at 2.00 p.m. Members, including CPF and SRS investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the AGM by attending the AGM in person. There will be no option for members to participate virtually.

Printed copies of Notice of AGM, Proxy Form and the Request Form (to request for a printed copy of the Annual Report (the "**Documents**") have been despatched to the members. These documents will also be published on the Company's website at the URL <http://www.biolidics.com> and on the website of the SGX-ST at the URL <http://www.sgx.com/securities/company-announcements>.

2. The Annual Report 2024 have been published and available for download or online viewing at the Company's website at the URL <http://www.biolidics.com> and on the website of the SGX-ST at the URL <http://www.sgx.com/securities/company-announcements>. Shareholders who wish to receive a printed copy of the Annual Report 2024 are required to complete the Request Form and to return it to the Company by post or by email by 21 April 2025.
3. Members of the Company may participate in the AGM by:
  - (a) attending the AGM in person;
  - (b) raising questions at the AGM or submitting questions in advance of the AGM; and/or
  - (c) voting at the AGM (i) themselves personally; or (ii) through their duly appointed proxy(ies).

Please bring along your NRIC/Passport to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process and are advised not to attend the AGM if they are feeling unwell.

4. A member who is unable to attend the AGM and wishes to appoint proxy(ies) to attend, speak and vote at the AGM on his/her/its behalf should complete, sign and return the instrument of proxy in accordance with the instructions printed thereon.

# NOTICE OF ANNUAL GENERAL MEETING

5. A proxy need not be a member of the Company. A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.
6. In relation to the appointment of proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy(ies) should give specific instructions as to his/her/its manner of voting, in respect of a resolution in the instrument of proxy. If no specific instructions as to voting are given, or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain from voting at his/her/their discretion.
7. Investors who hold shares through relevant intermediaries, including Central Provident Fund Investment Schemes ("**CPF Investors**") and/or Supplementary Retirement Scheme ("**SRS Investors**") should approach their CPF Agent Banks or SRS Operators to submit their votes at least 7 working days before the AGM (by 2.00 p.m. on 17 April 2025) in order to allow sufficient time for their respective CPF Agent Banks or SRS Operators to in turn submit the Proxy Forms, to appoint the Chairman of the AGM to vote on their behalf, no later than the Proxy Deadline.
8. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. Where such member appoints two (2) proxies, the proportion of the shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.
9. A member of the Company, which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. The instrument appointing the proxy shall be either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter of power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM.

"**Relevant intermediary**" has the same meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
10. The instrument appointing a proxy or proxies, duly executed, must be submitted to the Company in the following manner:
    - (a) If sent personally or by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, located at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
    - (b) If submitted by email, be received by the Company's Share Registrar, B.A.C.S. Private Limited at [main@zicoholdings.com](mailto:main@zicoholdings.com),

in either case, by 2.00 p.m. on 26 April 2025 being seventy-two (72) hours before the time appointed for the holding of the AGM.

**Members are strongly encouraged to submit completed proxy forms electronically via email.**

11. Shareholders, including CPF and SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM within 7 calendar days from the date of this Notice of AGM, i.e., no later than 21 April 2025 ("**Cut-Off Time**"):
- (a) post to the Company's registered office at 18 Howard Road, #11-09 Novelty BizCentre, Singapore 369585; or
  - (b) by email to [circular@biolidics.com](mailto:circular@biolidics.com).

When submitting questions by post or via email, shareholders should also provide the Company with the following details for verification purposes: (a) full name of shareholder; (b) address of shareholder; and (c) the manner in which the shareholder holds shares in the Company (e.g., via CDP, CPF, SRS and/or scrip).

# NOTICE OF ANNUAL GENERAL MEETING

12. The Company will address all substantial and relevant questions received from shareholders by the Cut-Off Time by publishing its responses to such questions on the Company's website at the URL <http://www.biolidics.com> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements> at least 48 hours prior to the closing date and time for the submission of instruments appointing a proxy(ies). The Company will respond to questions or follow-up questions (which are related to the resolutions to be tabled for approval at the AGM) received after the Cut-Off Time either within a reasonable timeframe before the AGM, or at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.
13. For questions addressed during the AGM, the responses to such questions will be included in the minutes of the AGM which will be published on the Company's corporate website and on SGXNet within one (1) month after the AGM.

## PERSONAL DATA PRIVACY

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consent to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Key information regarding the Retiring Directors who have been nominated for re-election as Directors of the Company are set out below:

Name of Director	Ms Ch'ng Li-Ling ("Ms Ch'ng")	Mr Zhu Hua ("Mr Zhu")	Mr Chen Lu ("Mr Chen")
Date of Initial Appointment	31 March 2023	1 December 2023	30 April 2024
Date of last re-appointment (if applicable)	28 April 2023	29 April 2024	Not applicable
Age	53	48	45
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on the appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Ms Ch'ng as an Independent Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Ms Ch'ng's qualifications, expertise, past experiences and overall contribution since she was appointed as Director of the Company.	The re-election of Mr Zhu as the Executive Director and Chairman of the Company was recommended by the NC and the Board has accepted the recommendation after taking into consideration Mr Zhu's qualifications, expertise, past experiences and overall contribution since he was appointed as Director of the Company.	The re-election of Mr Chen as the Executive Director and President of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Mr Chen's qualifications, expertise, past experiences and overall contribution since he was appointed as Director of the Company.
Whether the appointment is executive, and if so, the area of responsibility	Non-Executive	Executive	Executive
Job Title (e.g., Lead ID, ARC Chairman, ARC Member etc.)	Lead Independent Director, Chairman of the Nominating Committee, member of the Audit & Risk Committee and Remuneration Committee	Executive Director and Chairman of The Board	Executive Director and President
Professional qualifications	Please refer to the section entitled "Board of Directors" on pages 6 to 8 of the Company's Annual Report 2024.		
Working experience and occupations during the past 10 years	Please refer to the section entitled "Board of Directors" on pages 6 to 8 of the Company's Annual Report 2024.		
Shareholding interest in the listed issuer and its subsidiaries	Nil	Direct interest: 505,000,000 ordinary shares in Biolidics Limited.	Direct interest: 76,000,000 ordinary shares in Biolidics Limited.

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Ms Ch'ng Li-Ling ("Ms Ch'ng")	Mr Zhu Hua ("Mr Zhu")	Mr Chen Lu ("Mr Chen")
Any relationship (including immediate family relationships with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries)	Nil	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
<b>Other Principal Commitments including Directorships:</b>			
Past for the last 5 years	<u>Directorships:</u> 1. Anchor Resources Limited 2. Declout Limited 3. LHN Limited	<u>Directorships:</u> 1. People's Cultural Heritage (Sichuan) Technology Co., Ltd 2. Khorgos Weiniao Technology Limited 3. Shanghai Junlu Equity Investment Fund Management Limited 4. Shanghai Mobai Equity Investment Fund Management Limited 5. Jintai Zhenghe Investment (Beijing) Limited 6. Hainan Huashiwanli Network Technology Limited 7. Hainan Changyong Network Technology Limited 8. Metaverse Technology (Chengdu) Co., Ltd	<u>Directorships:</u> 1. CESS Holdings Pte. Ltd. 2. Shanghai Shuaike Network Technology Limited

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Ms Ch'ng Li-Ling ("Ms Ch'ng")	Mr Zhu Hua ("Mr Zhu")	Mr Chen Lu ("Mr Chen")
Present	<u>Directorships*:</u> 1. Shanaya Limited	<u>Directorships*:</u> 1. Zhenghe Antai (Beijing) Investment Management Co., Ltd 2. HuaXing Wealth Holdings Limited 3. Microbeam Software Technology (Shanghai) Limited 4. Microbeam Interactive Holdings Limited 5. Microbeam International Holdings Limited 6. Microbeam International(Hongkong) Holdings Limited 7. Shanghai Banding Digital Technology Limited 8. Weiyu Software Technology (Beijing) Limited 9. Weiniao Network Technology (Beijing) Limited 10. CESS Holdings Pte. Ltd.	<u>Directorships*:</u> 1. Shanghai Banding Digital Technology Limited 2. Microbeam Software Technology (Shanghai) Limited 3. Microbeam Games (HONGKONG) Limited 4. Microbeam Games (CAYMAN) Limited 5. Iluvatar International Holding Limited 6. Microbeam Interactive Holdings Limited 7. Microbeam International Holdings Limited 8. Microbeam International (Hongkong) Holdings Limited 9. Weiniao Network Technology (Beijing) Limited
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him/her or against a partnership of which he/ she was a partner at the time when he/she was a partner or at any time within 2 years from the date he/she ceased to be a partner?	No	No	No



## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Ms Ch'ng Li-Ling ("Ms Ch'ng")	Mr Zhu Hua ("Mr Zhu")	Mr Chen Lu ("Mr Chen")
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he/she was a director or an equivalent person or a key executive, at the time when he/ she was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he/she ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgment against him/her?	No	No	No
(d) Whether he/she has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he/ she is aware) for such purpose?	No	No	No

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Ms Ch'ng Li-Ling ("Ms Ch'ng")	Mr Zhu Hua ("Mr Zhu")	Mr Chen Lu ("Mr Chen")
(e) Whether he/she has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he/ she is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him/her in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his/her part, or he/she has been the subject of any civil proceedings (including any pending civil proceedings of which he/ she is aware) involving an allegation of fraud, misrepresentation or dishonesty on his/her part?	No	No	No

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Ms Ch'ng Li-Ling ("Ms Ch'ng")	Mr Zhu Hua ("Mr Zhu")	Mr Chen Lu ("Mr Chen")
(g) Whether he/she has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he/she has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he/she has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him/her from engaging in any type of business practice or activity?	No	No	No
(j) Whether he/she has ever, to his/ her knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-  (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No

ADDITIONAL INFORMATION ON  
DIRECTORS SEEKING RE-ELECTION

Name of Director	Ms Ch'ng Li-Ling ("Ms Ch'ng")	Mr Zhu Hua ("Mr Zhu")	Mr Chen Lu ("Mr Chen")
<div><div>(ii) any entity (not being a corporation) which has been investigate for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</div><div>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</div><div>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</div></div>			

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Ms Ch'ng Li-Ling ("Ms Ch'ng")	Mr Zhu Hua ("Mr Zhu")	Mr Chen Lu ("Mr Chen")
(k) Whether he/she has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

\* Please refer to the section entitled "Board of Directors" on pages 6 to 8 of the Company's Annual Report 2024 for further details on other principal commitments.

*This page has been intentionally left blank.*

**ANNUAL GENERAL MEETING  
PROXY FORM**

**IMPORTANT:**  
This Proxy Form is not valid for use by investors who hold shares the Company ("Shares") through relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore), including CPF/SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors (including CPF/SRS investors), if they wish to vote, should contact their respective relevant intermediaries as soon as possible to specify voting instructions. CPF/SRS investors should approach their respective CPF Agent Banks or SRS Operators at least seven working days before the AGM to specify voting instructions. CPF or SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators by **2.00 p.m. on 17 April 2025**.

\*I/We, \_\_\_\_\_ (Name) \_\_\_\_\_ NRIC No./Passport No./Company Registration No.)  
of \_\_\_\_\_ (Address)  
being \*a member/members of Biolidics Limited (the "**Company**"), hereby appoint

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings	
			No. of Shares	%

\*and/or

--	--	--	--	--

or failing him/her\*, the Chairman of the AGM, as \*my/our \*proxy/proxies to attend, speak and vote for \*me/us on \*my/our behalf, at the AGM of the Company to be held at 18 Howard Road, #02-07 Novelty BizCentre, Singapore 369585 on Tuesday, 29 April 2025 at 2.00 p.m. and at any adjournment thereof. All resolutions put to the vote at the AGM shall be decided by way of poll. \*I/We direct \*my/our \*proxy/proxies to vote for or against or abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the \*proxy/proxies will vote or abstain from voting at \*his/her/their discretion, as he/she/they will on any other matter arising at the AGM:

No.	Ordinary Resolutions	For	Against	Abstained
1.	To receive and adopt the audited financial statements of the Company for the financial year ended 31 December 2024 together with the directors' statement and the auditor's report thereon.			
2.	To approve the payment of directors' fees for the financial year ending 31 December 2025, payable quarterly in arrears			
3.	To re-elect Ms Ch'ng Li-Ling as a Director of the Company			
4.	To re-elect Mr Zhu Hua as a Director of the Company			
5.	To re-elect Mr Chen Lu as a Director of the Company			
6.	To re-appoint PKF-CAP LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
7.	To authorise the Directors to allot and issue shares in the capital of the Company.			
8.	To authorise the Directors to grant awards and to allot and issue shares pursuant to the Biolidics Performance Share Plan			

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

Total no. of Shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s)/Common Seal of Corporate Member(s)

\* Delete where inapplicable

**IMPORTANT: PLEASE READ NOTES FOR PROXY FORM OVERLEAF**



**NOTES:**

1. Please insert the total number of shares in the capital of the Company (“**Shares**”) held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
2. A member of the Company entitled to attend and vote at the AGM is entitled to appoint 1 or 2 proxies to attend and vote in his/her/their stead. A proxy need not be a member of the Company. Where a member appoints more than 1 proxy, the member must specify the proportion of shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no proportion of shareholding is specified, the proxy whose name appears first shall be deemed to carry 100% of the shareholding of his/her/their appointor and the proxy whose name appears after shall be deemed to be appointed in the alternate.
3. If the instrument appointing a proxy is returned without any indication as to how the proxy shall vote, the proxy will vote or abstain as he/she thinks fit.
4. The proxy form must be under the hand of the appointor or of his/her/its attorney duly authorised in writing.
  - (i) Where this proxy form is executed by a corporation, it must be executed either under its common seal (or otherwise in accordance with its constitution) or under the hand of an officer or attorney duly authorised. The dispensation of the use of common seal pursuant to the Companies Act 1967 is applicable at this AGM.
  - (ii) Where this proxy form is executed by an attorney on behalf of the appointor, the letter of power of attorney or a duly certified true copy thereof must be lodged with this proxy form, failing which the instrument of proxy may be treated as invalid.
5. For investors who hold shares through relevant intermediaries, including CPF and SRS investors, this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF or SRS investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their vote at least seven (7) working days before the AGM (by 2.00 p.m. on 17 April 2025) in order to allow sufficient time for their respective relevant intermediaries to submit a proxy form to vote on their behalf by the cut-off date. “Relevant Intermediary” has the meaning as defined in section 181 of the Singapore Companies Act.
6. The instrument appointing a proxy or proxies, duly executed, must be submitted to the Company in the following manner:
  - a. if sent personally or by post, be lodged at the office of the Company’s Share Registrar, B.A.C.S. Private Limited, located at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
  - b. if submitted by email, be received by the Company’s Share Registrar, B.A.C.S. Private Limited at [main@zicoholdings.com](mailto:main@zicoholdings.com)in either case, by 2.00 p.m. on 26 April 2025, being not less than seventy-two (72) hours before the time appointed for holding the AGM.

**Members are strongly encouraged to submit completed forms electronically via email.**

**GENERAL:**

The Company shall be entitled to reject the proxy form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form. In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any proxy form lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

**PERSONAL DATA PRIVACY:**

By submitting an instrument appointing proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 14 April 2025.





**BIOLIDICS LIMITED**

(Company Registration Number: 200913076M)

(Incorporated in the Republic of Singapore on 19 July 2009)