

CIRCULAR DATED 8 FEBRUARY 2024

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY. IF YOU ARE IN DOUBT AS TO THE ACTION THAT YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER(S) IMMEDIATELY.

Unless otherwise defined, capitalised terms appearing on the cover of this Circular bear the same meanings ascribed to them in the section entitled "Definitions" of this Circular.

If you have sold or transferred all your shares ("**Shares**") in the capital of Biolidics Limited (the "**Company**"), you should immediately forward this Circular with the Notice of EGM and the enclosed Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through the sale or transfer was effected, for onward transmission to the purchaser or transferee.

This Circular has been prepared by the Company and has been reviewed by the Company's sponsor, Evolve Capital Advisory Private Limited (the "**Sponsor**") for compliance with Rules 226(2)(b) and 753(2) of the Catalist Rules. The Circular has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Mr. Jerry Chua and Mr. Tan Jun Yong, who can be contacted at 138 Robinson Road, Oxley Tower, #13-02, Singapore 068906, telephone: +65 6241 6626.



(Company Registration No. 200913076M)
(Incorporated in the Republic of Singapore on 19 July 2009)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO
THE PROPOSED DIVERSIFICATION OF THE BUSINESS OF THE COMPANY**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	: Tuesday, 20 February 2024 at 11.00 am
Date and time of EGM	: Friday, 23 February 2024 at 11.00 am
Place of EGM	: Metropolitan YMCA Singapore (Cassia Room) 60 Stevens Road Singapore 257854

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DEFINITIONS

For the purpose of this Circular, except where the context otherwise requires or is otherwise stated, the following definitions shall apply throughout:

“associate”	:	(a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: <ul style="list-style-type: none">(i) his immediate family;(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; (b) in relation to a Substantial Shareholder or Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
“Audit Committee”	:	The audit committee of the Company as at the date of this Circular or from time to time, as the case may be
“Board”	:	The board of Directors of the Company as at the date of this Circular or from time to time, as the case may be
“Catalist”	:	The Catalist board of the SGX-ST
“Catalist Rules”	:	SGX-ST Listing Manual Section B: Rules of Catalist, as amended, modified or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 8 February 2024 in relation to the Proposed Diversification
“Companies Act”	:	The Companies Act 1967 of Singapore, as amended or modified or supplemented from time to time
“Company”	:	Biolidics Limited
“Constitution”	:	The Constitution of the Company, as amended or modified or supplemented from time to time

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“Controlling Shareholder”	:	A person who: <ul style="list-style-type: none">(a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or(b) in fact exercises control over a company
“Director”	:	A director of the Company as at the date of this Circular or from time to time, as the case may be
“e-commerce”	:	Electronic commerce, refers to the buying and selling of goods or services using the internet, and the transfer of money and data to execute these transactions
“EGM”	:	The extraordinary general meeting of the Company to be held on Friday, 23 February 2024 at 11.00 am, notice of which is set out in the Notice of EGM
“EPS”	:	Earnings per Share
“Esports”	:	Electronic sports, a form of competitive video gaming where professional players engage in organised, multiplayer video game competitions against each other, either individually or as teams
“Existing Business”	:	Has the meaning ascribed to it in Section 2.1 of this Circular
“FY”	:	Financial year ended or, as the case may be, ending 31 December
“Group”	:	The Company and its subsidiaries from time to time
“Latest Practicable Date”	:	2 February 2024, being the latest practicable date prior to the issue of this Circular
“KOL”	:	Key opinion leader, an individual who has significant influence over a specific audience
“MCN”	:	Multi-channel networks, a company or entity that works with multiple channels to offer assistance to a channel owner so as to realise the stable monetisation of business
“NTA”	:	Net tangible assets
“New Business”	:	Has the meaning ascribed to it in Section 1.1 of this Circular
“Notice of EGM”	:	The notice which is set out on pages N-1 to N-3 of this Circular

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“Proposed Diversification”	:	The proposed diversification of the Group’s Existing Business into the New Business
“per cent” or “%”	:	Percentage or per centum
“Proxy Form”	:	The proxy form accompanying the Notice of EGM which is set out on Pages P-1 to P-2 of this Circular
“S\$ and cents”	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
“Securities Accounts”	:	The securities accounts maintained by Depositors with CDP, but not including the securities accounts maintained with a Depository Agent
“SFA”	:	The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
“SGXNet”	:	Singapore Exchange Network, a system network used by listed companies in sending information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shares”	:	Ordinary shares in the capital of the Company and “Share” shall be construed accordingly
“Shareholders”	:	Registered holder(s) of Shares in the register of members of the Company, except where the registered holder is CDP, in which case the term “Shareholders” shall, in relation to such shares, mean the Depositors who have Shares entered against their name in the Depository Register of CDP. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Accounts
“Substantial Shareholder”	:	A person who has an interest or interests in voting Shares (excluding Treasury Shares and subsidiary holdings), representing not less than 5% of all the voting Shares
“Treasury Shares”	:	Has the meaning ascribed to it in Section 4 of the Companies Act

Unless the context otherwise requires:

- (a) the terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the same meanings ascribed to them respectively in Section 81SF of the SFA;
- (b) the terms **“subsidiary”** and **“related corporations”** shall have the meanings ascribed to them respectively in Section 5 of the Companies Act;

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- (c) words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. Unless the context otherwise requires, any references to persons shall include individuals, corporate bodies (wherever incorporated), unincorporated associations and partnerships;
- (d) any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Catalist Rules or any modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the Catalist Rules or such modification thereof, as the case may be, unless the context otherwise requires;
- (e) any reference to a time of a day in this Circular shall be a reference to Singapore time unless otherwise stated;
- (f) any discrepancies between the figures listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them; and
- (g) the headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Cautionary Note on Forward Looking Statements

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “expect”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information.

Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements.

Shareholders should not place undue reliance on such forward-looking statements. Further, the Company disclaims any responsibility to update or revise any forward-looking statements for any reason, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

BIOLIDICS LIMITED

(Company Registration No. 200913076M)
(Incorporated in the Republic of Singapore on 19 July 2009)

Directors:

Mr. Gavin Mark McIntyre (*Non-Executive Independent Chairman*)
Mr. Song Tang Yih (*Executive Director and Chief Executive Officer*)
Mr. Ian David Brown (*Independent Director*)
Ms. Ch'ng Li-Ling (*Independent Director*)
Mr. Liew Yoke Pheng Joseph (*Independent Director*)
Mr. Zhu Hua (*Non-Executive Non-Independent Director*)

Registered Office:

18 Howard Road
#11-09 Novelty
BizCentre
Singapore 369585

8 February 2024

To: The Shareholders of Biolidics Limited

Dear Sir/Madam,

THE PROPOSED DIVERSIFICATION OF THE GROUP'S EXISTING BUSINESS TO INCLUDE THE NEW BUSINESS

1. INTRODUCTION

- 1.1. The Board is proposing to seek the approval of Shareholders for the proposed diversification of the Group's 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 Esports-related businesses (the "**New Business**"), further particulars of which as set out in Section 2.2 of this Circular.
- 1.2. The Company has appointed Icon Law LLC (a member of the ZICO Law Network) as the legal adviser to the Company for the Proposed Diversification.
- 1.3. The purpose of this Circular is to provide Shareholders with information relating to the Proposed Diversification and the rationale thereof, and to seek Shareholders' approval for the same at the EGM to be held on Friday, 23 February 2024 at 11.00 am. The Notice of EGM is set out on pages N-1 to N-3 of this Circular.
- 1.4. Shareholders are advised to read the "Risk Factors" set out in Section 3 of this Circular carefully in relation to the risks involved pursuant to the Proposed Diversification.

2. THE PROPOSED DIVERSIFICATION

2.1. Existing Business of the Group

The Group is a precision medicine medical technology company with a focus on developing a portfolio of innovative diagnostic solutions to lower healthcare costs and improve clinical outcomes. (collectively, the "**Existing Business**").

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The Group's business model is organised into the following business segments:

(a) Cancer diagnostics

Under the Group's cancer diagnostic segment, the Group identifies and assesses 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 business segment of the Group involves 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.

As part of a strategic review of the Group's Existing Business and corporate strategy following the completion of the subscription by Mr. Zhu Hua on 28 November 2023, the Company is and has been seeking and exploring opportunities in other businesses with good prospects for growth in the long run to better position the Group to achieve long-term sustainable growth, with the priority of broadening the Group's revenue streams so as to sustain and enhance Shareholders' value and returns.

It is envisaged that the Proposed Diversification will change the existing risk profile of the Company as it is different from the Group's Existing Business. Accordingly, the EGM is convened by the Company to seek Shareholders' approval for the Proposed Diversification.

2.2. Information in relation to the New Business

The Group intends to diversify its Existing Business into the New Business, as and when appropriate opportunities arise. The Company proposes, as part of the New Business, to invest in, purchase or otherwise acquire or dispose of, from time to time any such assets, investments and shares/interests in any entity that is in the New Business, which consists of:

(a) Multi-channel network (MCN) businesses

MCN businesses can create a powerful and integrated online presence. MCN businesses target platform users with a proportion of followers on such platforms (such as content creators and KOLs) with the main aim of enhancing the visibility of such content creators and KOLs by fostering engagement with their audiences across multiple platforms, which may include social media platforms (e.g. Facebook, X, Instagram and LinkedIn), video-sharing platforms (e.g. YouTube), messaging apps, blogs and other online channels. By providing the content creators and KOLs with training programs (such as video editing and scripting) and access to production resources and equipment, content creators and KOLs will be able to enhance the production and quality of their content to grow the number of audiences on the relevant platform.

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MCN businesses also focus on marketing strategies, exploring more ways to generate revenue such as paid advertising, sponsorships, merchandising, and any cross-promotional opportunities. Working together with the content creators and KOLs, MCN businesses provide guidance on ad placements and creation of advertiser-friendly content and also utilise analytics tools to track the performance of the content created on each platform. Metrics such as engagement, click-through rates, and audience demographics help in evaluating the effectiveness of the multi-channel strategy and making data-driven decisions. In addition, MCN businesses can take advantage of such analytics tools to discover new talents and offer these up-and-coming content creators and KOLs assistance and support to grow into online celebrities, Esports stars, event anchors, and game commentators.

Recognising the possibility of more intimate and interactive experiences beyond the screen, the online presence of MCN businesses may be ventured into the world of offline events. The transition to offline events creates a seamless bridge between the digital realm and physical, enhancing the content creators and KOLs offerings. Such offline events will allow curation of immersive fan experiences and creates a stronger connection between content creators and KOLs and their audiences. The hybrid engagement can create a holistic ecosystem where online and offline seamlessly coexist, providing unparalleled opportunities for content creators, KOLs and audiences alike.

The Group intends to diversify into the New Business of MCNs through strategic partnerships and/or acquisitions of businesses operating in the MCN industry, capitalising on the existing know-how, revenue streams and potential growth of such businesses. The revenue generated from such businesses may be from fostering collaborations and partnerships between content creators and KOLs and advertisers, with the MCN businesses receiving a share of the generated sponsorship and advertising revenue for its support services.

(b) Live streaming social e-commerce platform business

Live streaming social e-commerce platforms combine elements of live streaming, social networking and e-commerce, bringing together aspects of entertainment, community and commerce to create an interactive and engaging shopping experience.

Live streaming involves broadcasting real-time video content over the internet, allowing content creators, including gamers, artists and influencers to have real-time interaction with their audience, showcasing products or services and engaging with potential buyers through live demonstrations, Q&A sessions and interactive discussions. The social networking features enable platform users to connect with each other, follow their favourite sellers and participate in discussions and comments. During live streams, viewers have the option to send virtual gifts or tips to their favourite content creators, in which a percentage of the value of these virtual gifts will be paid to the platform.

The e-commerce functionality is seamlessly integrated into the platform, allowing platform users to make purchases directly while watching a live stream, with the product information, pricing and purchase options typically displayed alongside the live stream. The live streaming social e-commerce business can be conducted, either by content creators and KOLs or by partnering with merchants to leverage on the community fostered under the platform and building strong connections between

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brands and platform users. Revenue may be generated from these e-commerce transactions on the platform by charging sellers for the use of its platform. Brands or sellers may also pay for advertising and promotion services to increase the visibility of their products during live streams. This can include featured placements, banners, or other promotional activities to attract more viewers and potential customers.

The Group intends to diversify into the New Business of live streaming social e-commerce through strategic partnerships and/or acquisitions of businesses operating such social e-commerce platforms. The revenue generated from such businesses may be from transaction fees that may be charged on transactions that occur through the platform or from the purchase of virtual gifts, and also commission from advertising partnerships where advertisers and brands display targeted ads on the platform.

(c) Online event services, with emphasis on the Esports industry

The Group also intends for the New Business to expand and serve as a centralised space for online events that live streamers can choose to participate in. Such events may be competitive Esports gaming, concerts, in-house produced programmes, and brand collaboration.

The Group intends to focus on the Esports industry, with a focus on organised competitive video gaming at a professional level. Esports events range from small, regular competitions to larger-scale events with significant prize pools. These events, such as tournaments and leagues, attract large audiences both online and offline, and often feature skilled players and teams competing in various video games. Revenue may be generated from entry fees for the participation in the tournaments and leagues and also merchandising sale or event related products.

Social networking features, such as chat, forums, and team creation tools, are often integrated to build a community around the platform, thereby fostering interaction among players and fans. Esports platforms often provide live streaming capabilities for tournaments, allowing fans to watch their favourite players and teams in action. This enhances viewer engagement and opens up opportunities for the platform to generate revenue through advertising, sponsorships and other promotional activities. Entering into strategic partnerships and/or acquisitions of businesses operating Esport event services may involve collaborations with game developers, sponsors, and other stakeholders which would lead to exclusive tournaments, streaming deals, and/or broadcasting rights, opening up various revenue generating opportunities from event ticket sales, merchandise sales and licensing revenue from the Esport team's brand or franchise to other regions or organisations.

The advent of the internet has transformed human connection and communication, giving rise to the ubiquitous presence of social media platforms. This is evident in the increased usage of social media platforms, where users have embraced these digital spaces, shaping and redefining their social interactions in unprecedented ways, forming an integral part of their daily lives.

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Video is an increasingly popular content format in the digital space as it captures the richness of moments and makes real-time engagement more natural and closer in person, capturing the attention of mobile internet users globally. Social media platforms have evolved alongside the emergence of video, and two notable forms of video that are gaining popularity on social media platforms are short video and live streaming.

As a response to this dynamic environment, the Group intends to diversify into the New Business and will continue to spur this development. Under the New Business, the Group is seeking to create and continuously develop analytics tools to study the interests and preferences of consumers when it comes to consuming content and their willingness and ability to pay for quality content. This can help content creators and KOLs to understand the preferences to better tailor their offerings. With the necessary data, it will also allow the New Business to collaborate with relevant partners to deliver advertisements that are specific and contextual to consumer, making advertisements more effective.

With the aim of growing immersive and tangible interactions, the Group also intends for the New Business to focus on strategic moves from online events to a hybrid blend of online and offline experiences. Depending on the success and engagement fostered in the digital realm, the hybrid approach is aimed at bringing the community together in the physical world to deepen connections, provide a richer and more diverse range of experiences, and deliver a holistic event experience.

2.3. Rationale for the Proposed Diversification

In its continued search for new business opportunities, the Group recognised the digital shift in various market segments globally and has considered opportunities in the New Business. The Group believes that the New Business will provide the following benefits to the Group:

(a) Potential in the New Business

The Group has identified the New Business as a business activity which the Board believes will provide the Group with long-term prospects of profitability and growth. The process of digitisation in societies and industries globally, the increasing popularity of online content consumption and the global appeal of competitive gaming have fuelled an increasing reliance on technology and redefined traditional paradigms in the way people live, work and play. The New Business leverages on advanced technologies to enhance and deliver entertainment experiences to its audience and has the potential to create interdependencies with various industries to ensure its continued relevance in the market, as well as a degree of flexibility to cater to different market segments. By venturing into the New Business, the Company will be able to better participate in the growth prospects of the broader entertainment and gaming industry.

(b) Additional and recurrent revenue streams

The Group is of the view that the New Business is expected to provide additional and recurrent revenue streams for the Group. The Group will venture into the New Business prudently, with a view of enhancing shareholder value over the long-term and achieving long-term growth.

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(c) More diversified business and income base, reducing reliance on Existing Business

Given the uncertainties prevailing in the current global economic outlook, the Directors believe that it is prudent to take active steps to reduce reliance on the Group's Existing Business. The Proposed Diversification may provide the Group with a more diversified business and income base for future growth and reduce the Group's reliance on the Existing Business for its revenue streams. As the Group explores into other growth areas, this will facilitate the Group's quest for sustained performance in future.

(d) Enhance Shareholders' value

The Proposed Diversification is part of the corporate strategy of the Group to provide Shareholders with diversified returns and long term growth. It may provide the Group with additional funds, which can be channelled towards the enhancement of shareholder value over the long-term. Additionally, the Board believes that the Proposed Diversification can offer new business opportunities, provide the Group with new revenue streams and improve its prospects, so as to enhance Shareholders' value for the Company.

(e) Flexibility to enter into transactions relating to the New Business in the ordinary course of business

Once the Shareholders approve the Proposed Diversification, the Group may, in the ordinary course of business, enter into transactions relating to the New Businesses without having to seek Shareholders' approval. This can be done as long as such transactions do not change the Group's risk profile and will eliminate the need for the Company to convene separate general meetings on each occasion to seek Shareholders' approval as and when potential transactions relating to any of the New Businesses arise. This will allow the Group greater flexibility to pursue business opportunities which may be time-sensitive in nature, and will hopefully substantially reduce the expenses associated with the convening of general meetings from time to time.

2.4. Key management personnel

It is currently envisaged that the New Business and related management will be spearheaded by the Directors of the Company and that they will be responsible for overseeing the entire operations of the New Business.

The Directors of the Group who will be responsible for overseeing the proposed New Business include the following individuals:

(a) Mr. Song Tang Yih, the Executive Director and Chief Executive Officer of the Company

Mr. Song joined the Group in September 2021 and is responsible for the overall management, operations, strategic planning and business development of the Group. He has more than two decades of experience in the technology industry, since the commencement of his career since 1991.

He previously served as the Vice President of Asia Pacific of three US technology companies listed on the NYSE or NASDAQ: A10 Networks Inc from 2015 to 2019, Palo Alto Networks Inc from 2010 to 2012, and F5 Networks Inc from 2002 to 2010. During his tenures, he led their Asia Pacific's businesses and operations from start-up or developing stages and significantly expanded market share and presence.

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Besides his experience in the technology industry, Mr. Song was previously also the Executive Chairman of Metech International Limited from 2012 to 2014, and the Executive Director and President of Advance SCT Limited from 2014 to 2015. He was also a Vice President at OWW Capital Partners, a venture capital firm, from 2000 to 2012.

(b) Mr. Zhu Hua, the Non-Executive Non-Independent Director of the Company

Mr. Zhu was appointed as a non-executive non-independent Director of the Company in December 2023 following the completion of his subscription of the Company's Shares on 28 November 2023.

Mr. Zhu has worked in several equity investment fund companies and has about 20 years of experience in investment management. In particular, he has more than 10 years of investment experience in the internet, mobile internet and multi-channel network industry.

Although the New Business is different from the Existing Business of the Group, the Board recognises that the relevant experience and expertise required can be strengthened, acquired and developed by the Group over time as it progresses in the New Business. The Group is confident of developing and building up the expertise required and a track record for the New Business over time. Where necessary, it will strengthen the management and execution team of the New Business with additional candidates with the credentials and experience relevant to the New Business. The Group will also continually evaluate the manpower and expertise required for the New Business and will, as and when required, engage suitably qualified external personnel, consultants, industry experts and professionals for the New Business. In making decisions, the Board and senior management will seek the advice of these reputable external consultants and experts where necessary and appropriate. Where necessary, work may be outsourced to these third parties who have expertise in the relevant area, and in doing so, the Group will take into account the specific expertise and competencies necessary for the New Business.

The Group will carefully monitor developments and progress in the New Business. The Board, which reviews the risk exposure of the Group for all its businesses at regular intervals, will additionally review the risk exposure of the New Business periodically to ensure that there are sufficient guidelines and procedures in place to monitor its operations.

2.5. Funding for the New Business

The Group intends to explore secondary fund-raising exercises by tapping the capital markets including but not limited to rights issues, share placements and/or issuance of debt instruments to fund the initial stages of the Proposed Diversification into the New Business. The Board will determine the optimal fund-raising exercises, taking into consideration the cashflows of the Group, market conditions, and financial consideration.

The Company will remain prudent and take into account the financial condition of the Company in deciding the types of contracts and related investments it undertakes, and the amounts thereof.

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2.6. Future Plans and Prospects

The Group will continue with its Existing Business. Subsequent to the Proposed Diversification, it is envisaged that the Group will continue to rely substantially on the Existing Business for the short term. The Group remains committed to the Existing Business so long as its continuity is in the best interest of the Group.

Being a new entrant to the New Business, the Group is likely to enter into joint ventures and partnerships, cooperation and/or strategic alliances with third parties who have the relevant expertise and resources to carry out the New Business as and when the opportunity arises. The Group intends to tap on the business network and contacts of the key management of the Company to source for investment opportunities in the New Business. Building on its initial foray into the New Business, the Group will then consider undertaking the New Business independently when it has built its expertise and experience in this field over time. The decision on whether an investment should be undertaken by the Group on its own or in collaboration with third parties will be made by the Board after taking into consideration various factors, such as the opportunities available, the nature and scale of the respective business, amount of investment required and risks associated with such an investment, nature of expertise required and economic conditions. Where there are suitable opportunities available, the Group will also take into account, amongst other factors, the working capital requirements and financial condition of the Group. Such partnerships may be on a case by case basis or on a long-term basis. Where necessary, work may be contracted or sub-contracted to third parties who have expertise in the relevant area(s) in relation to the contracts concerned. In selecting its partners, the Company will take into account the specific expertise and competencies necessary for the contract(s) in question and the experience, track record and financial standing of the party and/or parties concerned.

The Group does not plan to restrict the New Business to any specific geographical market as each investment will be evaluated and assessed by the Board on its merits.

As at the Latest Practicable Date, the Company is exploring but has not committed to any specific business opportunity or investment under the New Business. However, the Company is actively exploring various business opportunities in relation to the New Business. Subject to Shareholders' approval for the Proposed Diversification at the EGM, should the Company pursue any of such business opportunities under the New Business, such business activities shall constitute part of the ordinary course of business of the Company (where it does not change the risk profile of the Company), and the Company will make the requisite announcements to update Shareholders in accordance with the requirements of the Catalist Rules.

2.7. Changes to the Board arising from the Proposed Diversification

As at Latest Practicable Date, there are no new appointment to the Board of Directors arising from the Proposed Diversification.

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2.8. Financial Effects of the Proposed Diversification

As at the Latest Practicable Date, the Company has no affirmative and binding plans in relation to the New Business that is expected to materially impact the net profit, EPS or NTA of the Group for FY2024.

Should there be any material impact on the Group's NTA per Share and EPS for FY2024 as a result of any developments relating to the New Business, the Company will make the necessary announcement(s) at the appropriate time.

2.9. Disclosure of Financial Results of the New Business

The New Business will be accounted for as a new business segment in the Group's financial statements in line with the Singapore Financial Reporting Standards (International) and accordingly, the Group will disclose the financial results of the New Business with the Group's financial statements. The financial results of the New Business together with the Group's financial statements will be periodically announced pursuant to the requirements as set out in Chapter 7 of the Catalist Rules. In these periodic announcements, the Group may provide segmented financial results relating to the New Business where appropriate or if required under any applicable accounting standards and the Catalist Rules.

3. RISK FACTORS

To the best of the Directors' knowledge and belief, all risk factors which are material in making an informed decision in relation to the Proposed Diversification have been set out below.

The risks declared below are not intended to be exhaustive and not presented in any order of importance. New risk factors may emerge from time to time and it is not possible for the management to predict all risk factors, nor can the Company assess the impact of all factors on the New Business or the extent to which any factor or combination of factors may affect the New Business.

Shareholders should evaluate carefully the following considerations and the other information in this Circular before deciding on how to cast their votes at the EGM. The risks set out below are the material risks which the Group faces following the Proposed Diversification. If any of the following considerations, risks or uncertainties develops into actual events, the business, financial condition, results of operations, cash flow and prospects of the Group may be materially and adversely affected. In that event, the market price of the Shares may decline, and Shareholders may lose all or part of their investments in the Shares.

Shareholders should consider the risk factors in light of your own investment objectives and financial circumstances and should seek professional advice from your accountants, stockbrokers, bank managers, solicitors or other professional advisers if you have any doubt about the actions you should take.

There may also be other risks associated with the entry into the New Business which are not presently known to the Group, or that the Company may currently deem immaterial and as such, have not been included in the discussion below.

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3.1. The Group does not have any proven track record in the New Business and may be dependent on qualified personnel to manage the New Business

As the Group does not have a proven track record in the New Business, there is no assurance that the New Business will be commercially successful and that the Group will be able to derive sufficient revenue to offset the capital costs arising from the New Business.

The Group's ability to successfully diversify into the New Business is dependent upon its ability to adapt its knowledge and expertise to understand and navigate the New Business. As the New Business is a new area of business to the Company, the Company will face the usual risks, uncertainties and problems associated with the entry into any new business which it has no prior experience or track record in. These risks, uncertainties and problems include the inability to manage the operations and costs, the failure to attract and retain users, and the failure to provide the results, the level of revenue and margins the Company is expecting.

The Group may be dependent on partners to jointly undertake the contracts coming within the New Business. The Company cannot guarantee that it will not experience initial operational difficulties or disputes with its investment partners or that its operations will achieve the expected level of revenue and profitability. The growth of the New Business will be dependent on the Group's ability to identify, recruit, train and retain qualified management and employees to form a strong team with the requisite technical expertise to oversee and execute the operations of the New Business. The competition for qualified personnel in the New Business may be intense, and there is no assurance that the Group will be able to retain such qualified personnel. The loss of services of one or more of such individuals without adequate replacement, or the inability to attract qualified personnel at a reasonable cost could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group may also appoint third party professionals and/or enter into partnerships with third parties to assist in undertaking the New Business more effectively and efficiently. However, there is no assurance that these third parties will be able to deliver and/or that these partnerships will be successful. Accordingly, the Group may not be able to successfully implement the New Business and this may adversely affect the Group's financial performance and profitability.

3.2. The Group may be exposed to increased risks in relation to future acquisitions, joint ventures or investments, and divestments thereof

Following the Proposed Diversification, the Group may, as a matter of business strategy, invest in or acquire other entities in the New Business, or enter into joint ventures or other investment structures in connection with the New Business.

Acquisitions that the Group may undertake, along with potential joint ventures and other investments, may expose the Group to additional business and operating risks and uncertainties, including but not limited to the following:

- (a) the direct and indirect costs in connection with such transactions;
- (b) the inability to effectively integrate and manage the acquired businesses;

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- (c) the inability of the Group to exert control over the actions of its joint venture partners, including any non-performance, default or bankruptcy of the joint venture partners;
- (d) the inability of the Group to exert control over strategic decisions made by these companies;
- (e) the time and resources expended to coordinate internal systems, controls, procedures and policies;
- (f) the disruption in ongoing business and diversion of management's time and attention from other business concerns;
- (g) the risk of entering markets in which the Group may have no or limited prior experience;
- (h) the potential loss of key employees and customers of the acquired businesses;
- (i) the risk that an investment or acquisition may reduce the Group's future earnings; and exposure to unknown liabilities.

The Group may invest in quoted and/or unquoted securities of companies that are in the early stages of development and have high growth potential in the New Business. While these investments may present greater opportunities for growth, they may also involve greater business risks than is customarily associated with more established companies and there can be no assurance that the original investment amounts will not be written off partially or in entirety.

Where the Group undertakes the New Business by investing in unquoted securities, such investments in unlisted companies may result in greater investment realisation risks as there are limited avenues available to the Group to divest investments in unlisted companies. One avenue to realise investments in unlisted companies is by way of an initial public offering, however, there can be no assurances that all or any of the investee companies would be able to comply with or meet the regulatory requirement(s) necessary to achieve an initial public offering. Even if the investee companies are able to undertake an initial public offering, the securities held by the Group may be subject to certain regulatory restrictions, including the requirement to retain a certain level of shareholding in the investee company for a certain period of time. Hence, there can be no assurance that the Group will be able to successfully realise its investments in unlisted companies by way of an initial public offering.

Mismanagement of any investee company of the Group in the New Business, if any, may be beyond the control of the Group. Such mismanagement may adversely affect the financial performance of the investee company, which may in turn affect the returns on the Group's investments. The impact of any negative publicity or announcements relating to such mismanagement of the investee company may also be extended to the Group's reputation, whether or not it is justified, and ultimately the value of the Shares.

If the Group is unable to successfully implement its acquisition or expansion strategy or address the risks associated with such acquisitions or expansions, or if the Group encounters unforeseen expenses, difficulties, complications or delays frequently encountered in connection with the integration of acquired entities and the expansion of operations, the Group's growth and ability to compete may be impaired, the Group may fail

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to achieve acquisition synergies and be required to focus resources on integration of operations, rather than on its business. This will have a negative impact on the financial performance of the Group.

Furthermore, if the Group is expected to rely on its business partners in its foray into the Proposed Diversification and there is a risk that if any of its business partners are unable to, or for any other reason does not, deliver its obligations or commitments under the joint venture (such as failure to perform according to the expertise expected of the business partner or meet the financial obligations), it may result in additional costs to the Group.

Activities to expand its operations may also bring the Group into contact, directly or indirectly, with new entities or new markets. These business activities expose the Group to new and enhanced risks including reputation risks arising from dealing with a range of new counterparties, along with these activities bring exposure to the range of risks described in this Circular. If these risks materialise the business, financial condition, results of operations and prospects of the Group will be materially and adversely affected.

3.3. To finance the Group's expansion into the New Business, the Group may need to obtain additional financing

The New Business may require substantial capital investments or cash outlay. As mentioned in paragraph 2.5 above, the Company intends to explore secondary fund-raising exercises by tapping into the capital markets to fund the initial stages of the Proposed Diversification into the New Business.

There is no assurance that financing, either on a short-term or a long-term basis, will be made available or, if available, that such financing can be obtained on commercially reasonable terms, in which event the Group's future plans and growth prospects will be adversely affected.

Additional debt funding is subject to interest payments and interest rate fluctuations and may also be subject to conditions that restrict or require consent for corporate restructuring, additional financing or fund raising, and requirements on the maintenance of certain financial ratios. These conditions may reduce the availability of the Group's cash flow for capital expenditures, working capital and other general corporate purposes. In addition, these conditions may limit the flexibility of the Group in planning for, or reacting to, changes in the business or industry and increase the Group's vulnerability to general adverse economic and industry conditions.

Additional equity fundraising may result in a dilution to the Shareholders' equity interest and may, in the case of a rights issue, require additional investments by Shareholders. Further, an issue of Shares below the then prevailing market price will also affect the value of Shares then held by investors. Dilution in Shareholders' equity interests may occur even if the issue of Shares is at a premium to the market price. If such additional equity fundraising activities do not generate a commensurate increase in earnings, the Company's EPS may be diluted, and may result in a decline in Share price.

The ability to obtain external financing is subject to a variety of uncertainties, including future financial conditions, results of operations, cash flows, share price performance, liquidity of international capital and lending markets.

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3.4. The Group is subject to various government regulations in the New Business

The New Business is exposed to the risks posed by current and potential future regulations and legislation that apply to the country or industry in which the Group or its business partners operate and the countries or industries its clients operate. The New Business may require certain statutory and regulatory licences, permits, consents and approvals to operate. These licences, permits, consents and approvals may be granted for fixed periods of time and may need to be renewed after expiry from time to time. The Group may not be able to apply for and obtain the relevant licences, permits, consents and approvals required or otherwise within the statutory time limits, and there can be no assurance that the relevant authorities will issue any such licences, permits, consents or approvals in time or at all. Failure by the Group to renew, maintain or obtain the required licences, permits, consents or approvals, or cancellation, suspension or revocation of any of its licences, permits, consents or approvals may result in the Group being unable to undertake the relevant segment of the New Business and/or in the interruption of its operations and may have a material adverse effect on its business.

The Group must also comply with the applicable laws and regulations in the New Business, failing which the Group may be subject to penalties, or have its licences or approvals revoked which may have a material and adverse impact on the Group's business, financial condition, results of operations and prospects. Further, any changes in applicable laws and regulations could result in higher compliance costs and adversely affect the operations of the Group and the financial performance of the Group.

3.5. The New Business has to cope with rapidly evolving technologies and market trends

The New Business is characterised by rapid technological changes and evolving trends. The internet industry, in general, is constantly evolving. Social platforms are also characterized by constant change, including rapid technological evolution, continual shifts in consumer demands and preferences, frequent introductions of new services and the constant emergence of new industry standards and practices.

The New Business may be dependent on rapidly changing technologies, evolving industry standards, new service launches, new generations of enhancements and rapidly changing consumer preferences. There may be a risk that the analytics tools used to track the performance of the content created on each platform may not be able to capture the changes in consumer behaviour or preferences due to the rapid changes to market trends and technological developments. Such technological advances and evolving market trends may require the technologies of the New Business to be constantly reviewed for improvements to increase efficiency. A failure by the Group to keep pace with changes or to respond to such technologies or trends in a timely and cost effective manner may have a material and adverse effect on its business, financial condition, results of operations and prospects.

3.6. The Group may need to have continuous innovation and exploration of new areas of operations

The New Business will depend partially on the ability to continuously identify, develop, acquire, protect or license advanced and new technologies and failure to do so could render the New Business obsolete and unappealing, thereby adversely affecting business prospects.

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The success of new offering of services depends on a number of factors including the quality of services, the acceptance by the targeted customers and the assessment of market demands, local cultures and trends. The Group cannot guarantee that all efforts to innovate and explore new areas of operations and introduce new services would be successful or bring positive financial impact.

3.7. The Group may face intense competition from existing competitors and new market entrants in the New Business

The New Business is highly competitive, with strong competition from established industry participants who may have larger financial resources, command greater market share and/or longer operating histories and stronger track records. There is no assurance that the Group will be able to provide comparable services and/or lower prices to compete effectively or respond more quickly to market trends than potential or existing competitors. If so, the Group's business operations, financial performance and financial condition may be adversely affected.

The Group may also face competition from larger companies that could devote greater resources to the promotion or marketing of their services, taking advantage of acquisition or other opportunities more readily or developing and expanding their services more quickly.

Competitors of the New Business may develop technologies and services which compete with the Group's technologies and services in the New Business. Such competing technologies and services may prove to be more effective or less costly than the New Business' offerings. The Group may not be as responsive as its competitors in adapting to the changes to the industry. There can be no assurance that the Group's offerings will be competitive against those of its competitors.

3.8. The Group is subject to risks associated with the operation of businesses outside of Singapore

The Group does not plan to restrict the Proposed Diversification to any specific geographical market. As such, there are risks inherent in operating businesses overseas, which include unexpected changes in regulatory requirements, difficulties in staffing and managing foreign operations, social and political instability, fluctuations in currency exchange rates, potentially adverse tax consequences, legal uncertainties regarding the Group's liability and enforcement, changes in local laws and controls on the repatriation of capital or profits. Any of these risks could adversely affect the Group's overseas operations and consequently, its business, financial performance, financial condition and operating cash flow from the New Business may be generated from overseas markets and in foreign currencies. To the extent that the Group's revenue, purchases and operating costs are not matched in the same currency and to the extent there are timing differences between invoicing and collection of payment, as the case may be, the Group may be exposed to any unfavourable fluctuations of such currencies of the jurisdictions in which the Group will be engaging in to conduct the New Business, and the Group's operating results may be materially or adversely affected.

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3.9. The New Business may be heavily dependent on content

The New Business may be heavily dependent on quality of the content to be offered on the platform under the New Business and the Group will need to ensure that there will be constant flow of attractive and useful content to increase user engagement.

The Group cannot guarantee that content creators will continue to create popular content on the platform. If the New Business fail to attract, cultivate and retain content creators, or if the content creators cease to contribute content or their contributions become less valuable to other users, the Group may experience declines in in user traffic and the number of user engagement which may be critical to the success of the New Business. There is also no guarantee that the content creators will not leave the platform despite the Group's best efforts.

3.10. The Group may be exposed to usual operational risks and reputational risks in connection with the New Business

Any shift in perception of the New Business caused by media influences, peer perceptions or otherwise, or any report which surfaces in the media relating to the New Business, regardless of merits, could expose the Company to reputational harm. The Group's business, financial condition, results of operations and prospects may be materially and adversely affected as a result.

As the New Business is a new area of business to the Company, the Company will face the usual risks, uncertainties and problems associated with the entry into any new business which it has no prior track record in. These risks, uncertainties and problems include financial costs of setting up new operations, capital investment and maintaining working capital requirements, the inability to manage the operations and costs, the failure to provide the results, level of revenue and margins that the Company expects, and the inability to find the suitable joint venture, strategic or other business partners.

In addition, the operations of the New Business may be vulnerable to cybercrime and online risks. Hacking and threats (including ransomware, phishing, malware, and others) could affect the integrity of the New Business which requires cybersecurity controls to be reviewed constantly for improvements and resilience in order to mitigate such risks, thereby increasing costs of the operations of the business.

If any of the above risks materialise, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

3.11. There may be increased risk of legal proceedings and in turn increasing costs

Companies in the internet technology and media industry are, from time to time, involved in disputes or litigations based on allegations of infringement of intellectual property rights and invasion of privacy.

The New Business may be subject to intellectual property infringement claims or other allegations by third parties for information, content or proprietary information displayed on, retrieved from or linked to, the platform. Defending such claims could be time-consuming, costly and could also impose a significant burden on the Group, and there can be no assurance that favourable final outcomes will be obtained in all cases. Such claims, even if they do not result in liability, may harm the Group's reputation.

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There would also be additional costs in monitoring and detecting content infringement and there is also no guarantee that the risk of unauthorised content remains on the platform for a period may be fully eliminated despite best efforts in implementing sufficient internal control procedures.

3.12. Further risks associated with the operations of MCN businesses

MCN businesses are heavily dependent on social media platforms which frequently update their algorithms to enhance user experience and optimise content discovery. Changes to such algorithms can affect the visibility of content from MCN-affiliated content creators and KOLs and thereby impacting viewership and ad revenue. Social media platforms often have specific policies or rules for monetisation, including eligibility criteria and revenue-sharing models. Any alterations to these policies or rules can directly impact the MCN businesses operations and revenue streams. Technical issues, platform outages, or downtime can also disrupt content delivery and affect the overall performance of MCN-affiliated content creators and KOLs. These factors may lead to fluctuations in the MCN businesses' revenue share and adversely affect the financial conditions of such MCN businesses.

The dynamics between MCN businesses and content creators and KOLs are critical for the success and sustainability of both parties. As such, maintaining a positive relationship with content creators and KOLs is crucial for MCNs. Disputes, dissatisfaction, or legal issues with content creators and KOLs can harm the MCN businesses' reputation and lead to talent attrition. Dependence on a small number of high-earning content creators and KOLs also poses risks if those creators leave the organisation.

3.13. Further risks associated with the operations of businesses in the live streaming social e-commerce platform industry

Live streaming social e-commerce platforms may face risks associated with fraudulent activities, scams, or counterfeit products. Fraudsters may attempt to sell counterfeit or fake products through live streaming social e-commerce platforms, deceiving users and also negatively impacting the reputation of the e-commerce platform. On the other hand, fraudulent users may also exploit the refund policies or initiate chargebacks after making legitimate transactions, leading to financial losses for the e-commerce platform and potentially damaging the businesses' relationship with brands and payment processors. As such, ensuring the authenticity and security of transactions is essential to maintaining trust with all stakeholders.

Economic downturns or fluctuations in consumer confidence can influence how much users are willing to spend on non-essential goods and services. Live streaming social e-commerce platforms are heavily dependent on consumer spending, and a decrease in discretionary spending can lead to reduced transaction volumes, thereby impacting the businesses' revenue streams. Further, a live streaming social e-commerce platform will need to continuously adapt its content and features to various cultural contexts as different cultures have varying sensitivities, norms, and taboos. Live streaming content that may be acceptable in one culture could be considered offensive or inappropriate in another. Businesses that operate live streaming social e-commerce platforms will need to be cautious when curating and moderating content to ensure it aligns with the relevant cultural expectations of their target audience. Failure to do so may result in cultural insensitivity and hinder the platform's acceptance in specific regions, which would adversely affect the business and financial performance of such live streaming social e-commerce platform.

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3.14. Further risks associated with the operation of businesses in the Esports industry

The popularity of Esports is also closely tied to the popularity of specific game titles and any decline in the popularity of a particular game can have a significant impact on the Esports ecosystem, such as decline in events and sponsorship.

Further, the lack of standardised regulations and structures governing Esports industry may lead to potential challenges in governance and operations. The challenge that may be faced includes disputes over ownership and licensing rights of the game-related content, player likenesses, and team branding. Esports organisations and leagues may have different codes of conduct and ethical standards which may hinder fair and consistent competition on a global scale.

4. RISK MANAGEMENT MEASURES AND SAFEGUARDS

The Board recognises the importance of internal controls and risk assessment for the smooth running of the New Business. In order to better manage the Group's external and internal risks resulting from the New Business, the Group will implement a set of operations and compliance procedures.

The Board does not have a separate risk committee as the Board is currently assisted by the Audit Committee, internal auditors and external auditors in carrying out its responsibility of overseeing the Group's risk management framework and policies. The members of the Audit Committee will be tasked with the responsibility of overseeing the risk management activities of the Company in relation to the New Business following the Proposed Diversification.

Where necessary, the Audit Committee will:

- (a) review with the management, external and internal auditors on the adequacy and effectiveness of the Group's internal control procedures addressing financial, operational, compliance, informational technology and risk management systems relating to the New Business; and
- (b) commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position.

5. REQUIREMENTS UNDER THE CATALIST RULES

As the Proposed Diversification will involve new business activities, it is envisaged that the Proposed Diversification will change the existing risk profile of the Group. Accordingly, an EGM will be convened by the Company to seek the Shareholders' approval to approve the Proposed Diversification.

Upon the approval by Shareholders of the Proposed Diversification, any acquisition or disposal which is in, or in connection with, the New Business, may be deemed to be in the Group's ordinary course of business and therefore not fall under the definition of a "transaction" under Chapter 10 of the Catalist Rules. Accordingly, the Group may possibly, in its ordinary course of business, enter into transactions relating to the New Business which do not change the risk profile of the Group, in an efficient and timely manner without

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the need to convene separate general meetings from time to time to seek for Shareholders' approval as and when potential transactions relating to the New Business arise, even where they cross the threshold of a "major transaction" as defined under the Catalist Rules. This will reduce substantially the administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Group.

Pursuant to Rule 1014 of the Catalist Rules, a major transaction is a transaction (as defined in Rule 1002(1) of the Catalist Rules) where any of the relative figures as computed on the bases set out in Rule 1006 of the Catalist Rules (a) exceeds 75% but is less than 100% (for an acquisition) or (b) exceeds 50% (for a disposal or the provision of financial assistance) (each a "**Major Transaction**"), and must be made conditional upon approval by shareholders in a general meeting. As set out in Practice Note 10A of the Catalist Rules, an acquisition that is regarded to be in, or in connection with, the ordinary course of an issuer's business, is not subject to the requirements under Chapter 10 of the Catalist Rules (except for Part VIII on very substantial acquisitions or reverse takeovers). An acquisition can be regarded to be in, or in connection with, the ordinary course of an issuer's business, if: (a) the asset to be acquired is part of the issuer's existing principal business; and (b) the acquisition does not change the issuer's risk profile. Further guidelines are provided under Practice Note 10A of the Catalist Rules on what consists of "existing principal business" and "change of risk profile".

In accordance with the SGX-ST's recommended practice in relation to diversification of business, if an issuer has not operated in the new business space and did not provide sufficient information about the new business at the time when it is seeking shareholders' approval for the diversification mandate, where the issuer enters into the first Major Transaction involving the new business (the "**First Major Transaction**"), or where any of the figures computed based on Rule 1006 of the Catalist Rules in respect of several transactions involving the new business aggregated (the "**Aggregated Transactions**") over the course of a financial year exceeds 75%, such First Major Transaction or the last of the Aggregated Transactions will be made conditional upon shareholders' approval.

Notwithstanding that Shareholders' approval of the Proposed Diversification has been obtained:

- (a) Rule 1015 of the Catalist Rules will apply to acquisitions of assets (including options to acquire assets) whether or not in the Group's ordinary course of business and which results in any of the relative figures as computed on the bases set out in Rule 1006 of the Catalist Rules exceeding 100% or results in a change in control of the Company. Such acquisitions must therefore be, amongst others, made conditional upon approval by Shareholders at a general meeting;
- (b) Practice Note 10A of the Catalist Rules will apply to acquisitions or disposals of assets (including options to acquire or dispose assets) which will change the risk profile of the Company. Such transactions must therefore be, amongst others, made conditional upon approval by Shareholders at a general meeting;
- (c) the First Major Transaction or the last of the Aggregated Transactions will be made conditional upon Shareholders' approval, if applicable; and

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- (d) where any transaction constitutes an “interested person transaction” as defined under Chapter 9 of the Catalist Rules, Chapter 9 of the Catalist Rules will apply to such a transaction and the Company will comply with the provisions of Chapter 9 of the Catalist Rules. In particular, pursuant to Rule 905 of the Catalist Rules, where any interested person transaction is of a value equal to or more than 3% of the Group’s latest audited NTA, or when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to or more than 3% of the Group’s latest audited NTA, the Group must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year. Pursuant to Rule 906 of the Catalist Rules, where any interested person transaction is of a value equal to or more than 5% of the Group’s latest audited NTA, or when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to or more than 5% of the Group’s latest audited NTA, the Group must obtain shareholder approval for the interested person transaction.

Pursuant to Rule 1005 of the Catalist Rules, separate transactions completed within the last 12 months may also be aggregated and treated as if they were one transaction in determining whether a transaction falls into category (a), (b), (c) or (d) of Rule 1004 of the Catalist Rules.

The Company will be required to comply with any applicable and prevailing Catalist Rules as amended or modified from time to time.

6. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Based on the Register of Directors and Register of Substantial Shareholders, as at the Latest Practicable Date, the shareholdings of the Directors and Substantial Shareholders in the Shares are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
<u>Directors</u>						
Gavin Mark McIntyre	–	–	–	–	–	–
Song Tang Yih	24,501,500	3.29	–	–	24,501,500	3.29
Ian David Brown	–	–	–	–	–	–
Ch’ng Li-Ling	–	–	–	–	–	–
Liew Yoke Pheng Joseph	–	–	–	–	–	–
Zhu Hua	98,500,000	13.23	–	–	98,500,000	13.23
<u>Substantial Shareholders (other than Directors)</u>						
Zhou Chao	83,000,000	11.14	–	–	83,000,000	11.14

Note:

- (1) Based on the total issued and paid-up share capital of the Company of 744,758,836 Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.

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None of the Directors or their associates or, as far as the Company is aware, Substantial Shareholders or their associates, has any interest, direct or indirect, in the Proposed Diversification, other than through their respective shareholding interest (if any) in the Company.

7. DIRECTORS' RECOMMENDATION

The Directors, having considered, *inter alia*, the rationale for the Proposed Diversification, as set out above in this Circular, are of the opinion that the Proposed Diversification is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of the ordinary resolution relating thereto to be proposed at the EGM.

8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-3 of this Circular, will be held at Metropolitan YMCA Singapore (Cassia Room), 60 Stevens Road, Singapore 257854 on Friday, 23 February 2024 at 11.00 am for the purpose of considering and, if thought fit, passing, with or without any modification, the Proposed Diversification set out in the Notice of EGM.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy or proxies to attend and vote at the EGM on their behalf shall complete and sign the attached Proxy Form in accordance with the instructions printed thereon and return it to the registered office of the Company at 18 Howard Road #11-09 Novelty BizCentre, Singapore 369585, not less than 72 hours before the time fixed for the holding of the EGM. The completion and return of the Proxy Form by a Shareholder will not preclude him from attending the EGM and voting in person in place of his proxy or proxies should he subsequently wishes to do so. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register maintained by CDP at least 72 hours before the time appointed for holding the EGM.

Shareholders may raise questions at the EGM or submit questions relating to the resolutions tabled for approval at the EGM in advance: (a) by email to circular@biolidics.com; or (b) in hard copy by post to the registered office of the Company at 18 Howard Road #11-09 Novelty BizCentre, Singapore 369585, in any case, by 11.00 am on 15 February 2024. The Company will endeavour to address all substantial and relevant questions (determined by the Company in its sole discretion) no later than 48 hours prior to the closing date and time for the lodgement of the Proxy Forms. Any subsequent clarifications sought by the Shareholders after the aforementioned cut-off time for the submission of questions will be addressed at the EGM. The minutes of the EGM will be published on SGXNet within one (1) month after the date of the EGM.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this letter constitutes full and true disclosure of all material facts about the Proposed Diversification, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

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Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

11. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Constitution of the Company may be inspected at the registered office of the Company at 18 Howard Road #11-09 Novelty BizCentre, Singapore 369585 during normal office hours from the date of this Circular up to the date of the EGM.

Yours faithfully

For and on behalf of
the Board of Directors of
BIOLIDICS LIMITED

Mr. Song Tang Yih
Executive Director and Chief Executive Officer

NOTICE OF EXTRAORDINARY GENERAL MEETING

BIOLIDICS LIMITED

(Company Registration No. 200913076M)
(Incorporated in the Republic of Singapore on 19 July 2009)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Biolidics Limited (the “**Company**”) will be held at Metropolitan YMCA Singapore (Cassia Room), 60 Stevens Road, Singapore 257854 on Friday, 23 February 2024 at 11.00 am (“**EGM**” or the “**Meeting**”) for the purpose of considering, and if thought fit, passing (with or without any modification) the following ordinary resolution as set out below:

Unless otherwise defined, all capitalised terms used in this notice of EGM shall bear the same meanings as ascribed to them in the circular to shareholders of the Company dated 8 February 2024 (the “**Circular**”).

ORDINARY RESOLUTION: PROPOSED DIVERSIFICATION OF THE EXISTING BUSINESS OF THE GROUP TO INCLUDE THE NEW BUSINESS

That:

- (a) approval be and is hereby given for the diversification by the Group of its Existing Business to include the technology-enabled lifestyle business, which would involve the ownership, operation and management of multi-channel networks (a company or entity that works with multiple channels to offer assistance to a channel owner so as to realise the stable monetisation of business), live streaming social e-commerce platforms, and Esports-related businesses (the “**New Business**”), and any other activities related to the New Business;
- (b) the Company be and is hereby authorised to invest in, purchase or otherwise acquire or dispose of, from time to time any such assets, investments and shares or interests in any entity that is in the New Business on such terms and conditions as the Directors deem fit, and such Directors be and are hereby authorised to take such steps and exercise such discretion and do all such acts or things as they deem desirable, necessary or expedient or give effect to such investment, purchase, acquisition or disposal; and
- (c) the Directors or any of them be and are hereby authorised to exercise such discretion to complete and do all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they or he/she may consider necessary, desirable or expedient or in the interest of the Company to give effect to this ordinary resolution as they or he/she may think fit.

BY ORDER OF THE BOARD

Song Tang Yih
Executive Director and Chief Executive Officer

8 February 2024

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. The members of the Company are invited to attend physically at the EGM. There will be no option for Shareholders to participate virtually. Printed copies of this Notice and Proxy Form will NOT be sent to members. A copy of this Notice and Proxy Form can also be accessed electronically by the members on the Company's website at the URL www.biolidics.com, and on the SGX website at <http://www.sgx.com/securities/company-announcements>.
2. The members of the Company may participate in the EGM by:
 - (a) attending the EGM in person;
 - (b) raising questions at the EGM or submitting questions in advance of the EGM; and/or
 - (c) voting at the EGM (i) themselves personally; or (ii) through their duly appointed proxy(ies).

Please bring along your NRIC/passport so as 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 EGM if they are feeling unwell. Members are strongly encouraged to exercise social responsibility to rest at home and consider appointing a proxy(ies) to attend the EGM, if they are unwell.

3. Printed copies of this notice of EGM, Proxy Form and the Request Form (to request for the Circular) have been despatched to the Shareholders and are also available on the SGXNet and the Company's website at the URL: www.biolidics.com.
4. The Circular has been published and is available for viewing by the Shareholders at the Company's website at the URL: www.biolidics.com and the SGXNet. Printed copies of the Circular will not be mailed to the Shareholders unless requested by the Shareholders pursuant to a submitted request. Shareholders who wish to receive a printed copy of the Circular are required to complete the Request Form and return it to the Company by post or by email by 15 February 2024.
5. A member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
6. A member of the Company who is a Relevant Intermediary may appoint more than two (2) proxies to attend and vote at the EGM of the Company, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her (which number and class of shares shall be specified).
7. For investors who hold shares through relevant intermediaries, including the CPF Investors and/or the SRS Investors who are unable to attend the EGM but would like to appoint the Chairman of the EGM as their proxy should approach their respective CPF Agent Banks or SRS Operators, through which they hold such shares, to submit their votes at least seven (7) working days before the EGM that is by **11.00 a.m. on 14 February 2024**, 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 EGM to vote on their behalf no later than the Proxy Deadline. CPF/ SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the EGM.
8. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:
 - (a) if submitted by post, must be deposited at the registered office of the Company at 18 Howard Road #11-09 Novelly BizCentre, Singapore 369585; or
 - (b) if submitted electronically, be submitted via email to circular@biolidics.com,in either case, by 11.00 a.m. on 20 February 2024, being seventy (72) hours before the time appointed for holding the EGM and in default, the instrument of proxy shall be treated as invalid.

Members are strongly encouraged to submit completed forms electronically via email.

9. The Company shall be entitled to reject the instrument appointing a proxy or proxies 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 instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his/ her/ its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM (i.e., by 11.00 a.m. on 20 February 2024), as certified by The Central Depository (Pte) Limited to the Company.
10. Members may submit substantial and relevant questions in relation to the resolution(s) to be tabled for approval at the EGM, in advance of the EGM, in the following manner:
 - (a) by email to circular@biolidics.com; or
 - (b) in hard copy by sending personally or by post to the registered address of the Company at 18 Howard Road #11-09 Novelly BizCentre, Singapore 369585.

NOTICE OF EXTRAORDINARY GENERAL MEETING

All questions must be submitted within seven (7) calendar days from the date of this notice of EGM (i.e., by 11.00 a.m. on 15 February 2024) ("**Cut-Off Time**").

The Company will endeavour to address questions which are substantial and relevant to the resolutions to be tabled for approval at the EGM and received from members who are verifiable against the Depository Register or the Register of Members. The Company's responses to the questions from members will be posted on the SGXNET at <https://www.sgx.com/securities/company-announcements> no later than forty-eight (48) hours before the closing date and time for the lodgement of the Proxy Forms. **Where substantially similar questions are received, the Company may consolidate such questions and consequently not all questions may be individually addressed.**

The Company will address any subsequent clarifications sought, or substantial and relevant follow-up questions received after 11.00 a.m. on 15 February 2024 which have not already been addressed prior to the EGM, at the EGM itself.

Verified members and proxy(ies) attending the physical meeting will be able to ask questions in person at the EGM. The Company will, within one (1) month after the date of the EGM, publish the minutes of the EGM on SGXNet and the minutes will include the responses to the questions referred to above.

* A Relevant Intermediary is:

- (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; or
- (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 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 Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

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 EGM and/or any adjournment thereof, a member of the Company (i) consents 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 EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (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) to the Company (or its agents), the member has obtained the prior consent of such 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.

PROXY FORM

BIOLIDICS LIMITED

(Company Registration No. 200913076M)
(Incorporated in the Republic of Singapore on 19 July 2009)

*I/We _____ (Name) _____ (NRIC/Passport/Co Reg No.)

of _____ (Address)

being a *member/members of **Biolidics Limited** (the “**Company**”) hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing *him/her/them, the Chairman of the Extraordinary General Meeting (“**EGM**”) as *my/our *proxy/proxies to attend and vote for *me/us on *my/our behalf at the EGM to be held at Metropolitan YMCA Singapore (Cassia Room), 60 Stevens Road, Singapore 257854 on Friday, 23 February 2024 at 11.00 am and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the resolution proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the *proxy/proxies will vote or abstain from voting *his/her/their discretion. The resolutions put to vote at the EGM shall be decided by poll.

*Please indicate with an “X” in the spaces provided whether you wish your vote(s) to be cast for or against the Ordinary Resolution as set out in the Notice of EGM. In the absence of any specific directions, the *proxy/proxies will vote or abstain as he/she/they may think fit.*

Ordinary Resolution		For	Against	Abstain
1	To approve the Proposed Diversification			

Dated this _____ day of _____ 2024

Total no. of Shares in:	No. of Shares
CDP Register	
Register of Members	

Signature(s) of Member(s)/Common Seal
of Corporate Shareholder

** Delete where inapplicable*

IMPORTANT: PLEASE READ NOTES OVERLEAF

PROXY FORM

Notes:

1. Please insert the total number of 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 registered in your name in the Register of Members, 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. If no number is inserted, this Proxy Form will be deemed to relate to all the Shares held by you.
2. A member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at the EGM is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member (other than a Relevant Intermediary) appoints two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy and if no percentage is specified, the first name proxy shall be treated as representing 100 per cent of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.
4. A member of the Company who is a Relevant Intermediary may appoint more than two (2) proxies to attend and vote at the EGM of the Company, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her (which number and class of shares shall be specified).
5. Subject to note 9, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the EGM.
6. The instrument appointing a proxy or proxies must be submitted to the Company in the following manner:
 - (a) if submitted by post, must be deposited at the registered office of the Company at 18 Howard Road #11-09 Novelty BizCentre, Singapore 369585; or
 - (b) if submitted electronically, must be submitted via email to circular@biolidics.com,in either case, by 11.00 a.m. on 20 February 2024, being seventy-two (72) hours before the time appointed for the EGM and in default, the instrument of proxy or proxies shall be treated as invalid.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorized. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
8. 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 EGM, in accordance with Section 179 of the Companies Act 1967 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
9. For investors who hold shares through relevant intermediaries, including the CPF Investors and/or the SRS Investors who are unable to attend the EGM but would like to appoint the Chairman of the EGM as their proxy should approach their respective CPF Agent Banks or SRS Operators, through which they hold such shares, to submit their votes at least seven (7) working days before the EGM that is by 11.00 a.m. on 14 February 2024, 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 EGM to vote on their behalf no later than the Proxy Deadline. CPF/ SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the EGM. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

* A Relevant Intermediary means:

- (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; or
- (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 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 Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

GENERAL:

The Company shall be entitled to reject an instrument of proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of a member whose Shares are entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies 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 EGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 8 February 2024.