

UNAUDITED INTERIM FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE 3 MONTHS FINANCIAL PERIOD (“4Q FY”) AND FINANCIAL YEAR (“FY”) ENDED 31 DECEMBER 2023

This announcement has been prepared by Biolidics Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) and has been reviewed by the Company’s sponsor, Evolve Capital Advisory Private Limited (the “**Sponsor**”), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”). This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact persons for the Sponsor are Mr. Jerry Chua (Registered Professional, Evolve Capital Advisory Private Limited) and Mr. Tan Jun Yong (Registered Professional, Evolve Capital Advisory Private Limited), who can be contacted at 138 Robinson Road, Oxley Tower, #13-02, Singapore 068906, telephone: +65 6241 6626.

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A. INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	FY2023 S\$'000	Group FY2022 S\$'000	+/(-) %	Group 4Q FY2023 S\$'000	Group 4Q FY2022 S\$'000	+/(-) %
Revenue	4	1,315	2,489	(47.2)	77	1,039	(92.6)
Other income	5	140	305	(54.2)	62	(21)	(388.5)
Changes in inventories		(19)	(216)	(91.2)	(169)	(87)	94.3
Purchases		(575)	(1,110)	(48.2)	147	(370)	(139.7)
Employee benefits expense	6	(1,651)	(2,879)	(42.7)	(389)	(1,040)	(62.6)
Depreciation expense	8	(241)	(761)	(68.3)	(64)	(124)	(48.4)
Amortisation expense	8	-	(422)	(100.0)	-	(107)	(100.0)
Research and development expense	8	(31)	(227)	(86.3)	(27)	(31)	(12.9)
Other expenses ⁽¹⁾	8	(1,313)	(6,861)	(80.9)	(556)	(5,867)	(90.5)
Finance costs	7	(113)	(168)	(32.7)	(21)	(39)	(46.2)
Loss before tax	8	(2,488)	(9,850)	(74.7)	(940)	(6,647)	(85.9)
Income tax credit	9	-	476	(100.0)	-	435	(100.0)
Loss for the period		(2,488)	(9,374)	(73.5)	(940)	(6,212)	(84.9)
Other comprehensive loss for the period:							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Effects of translation of foreign operations	9		(54)	(116.7)	(28)	(76)	(63.2)
Total comprehensive loss for the period		(2,479)	(9,428)	(73.7)	(968)	(6,288)	(84.6)
Loss per share (cents)							
- Basic		(0.42)	(3.33)		(0.16)	(1.88)	
- Diluted		(0.42)	(3.33)		(0.16)	(1.88)	

Note:

(1) Other expenses include the allowance for doubtful debts which remained relatively unchanged at approximately S\$0.08 million in FY2023 and FY2022, and in 4Q FY2023 and 4Q FY2022.

B. STATEMENTS OF FINANCIAL POSITION

		Group		Company
		As at	As at	As at
		31/12/23	31/12/22	31/12/22
		S\$'000	S\$'000	S\$'000
Note				
Non-current assets				
Plant and equipment	11	6	61	1
Right-of-use assets	12	246	107	35
Intangible assets	13	-	-	-
		252	168	36
Current assets				
Cash and cash equivalents		183	5,029	4,960
Trade receivables		73	515	48
Prepayments		83	182	168
Other receivables		80	167	567
Inventories	14	11	27	-
		430	5,920	5,743
Total assets		682	6,088	5,779
Current liabilities				
Trade payables		19	93	4
Other payables		524	1,211	1,125
Contract liabilities		90	200	200
Lease liabilities	15	202	210	117
Borrowings	15	1,080	1,050	1,050
Provision for reinstatement cost		5	-	-
Deferred consideration	16	-	3,244	3,244
		1,920	6,008	5,740
Net current (liabilities)/ assets		(1,490)	(88)	3
Non-current liabilities				
Lease liabilities	15	128	60	60
Borrowings	15	613	1,693	1,693
Provision for reinstatement cost		10	15	5
		751	1,768	1,758
Total liabilities		2,671	7,776	7,498
Net liabilities		(1,989)	(1,688)	(1,719)
Equity attributable to owners of the Company				
Share capital	18	66,536	64,358	64,358
Foreign currency translation reserve		22	13	-
Accumulated losses		(68,547)	(66,059)	(66,077)
Total equity		(1,989)	(1,688)	(1,719)

C. CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	FY2023 S\$'000	FY2022 S\$'000
Operating activities		
Loss before income tax	(2,488)	(9,850)
Adjustments for:		
Amortisation expense	-	422
Depreciation of plant and equipment	55	443
Depreciation of right-of-use assets	186	318
Inventories written off	180	40
(Writeback)/ allowance for allowance for inventories	(25)	1,298
Allowance for doubtful debts	80	81
Impairment of intangible assets	-	3,133
Impairment of goodwill	-	626
Impairment of plant and equipment	-	255
Impairment of right-of-use assets	-	28
Loss/ (Gain) from remeasurement of deferred consideration	14	(30)
Loss on disposal of plant and equipment	-	7
Interest expense on lease liabilities	8	16
Interest expense on borrowings	63	92
Accretion of interest on deferred consideration	42	60
Interest income from fixed deposits	(47)	-
Provision for reinstatement cost	-	(5)
Reversal of share-based payment reserve	-	(67)
Operating cash flows before movement in working capital	(1,932)	(3,133)
Trade receivables	362	(469)
Prepayments	99	112
Other receivables	88	54
Inventories (Note A)	(139)	115
Trade payables	(74)	8
Other payables	(235)	287
Contract liabilities	(110)	71
Deferred grant income	-	-
Cash flows used in operations	(1,941)	(2,955)
Interest received	46	-
Interest paid	(71)	(108)
Net cash used in operating activities	(1,966)	(3,063)
Investing activities		
Additions to plant and equipment (Note A)	-	(33)
Additions to intangible assets	-	(60)
Payment of deferred consideration	(2,689)	-
Receipt of government grants	-	98
Net cash (used in)/ generated from investing activities	(2,689)	5
Financing activities		
Proceeds from share issuance	1,173	5,698
Share issuance expenses	(58)	(223)
Payment of principal portion of borrowings	(1,050)	(1,021)
Payment of principal portion of lease liabilities	(265)	(273)
Net cash (used in)/ generated from financing activities	(200)	4,181
Net (decrease)/ increase in cash and cash equivalents	(4,855)	1,123
Cash and cash equivalents at beginning of period	5,029	3,960
Exchange effects on cash and cash equivalents	9	(54)
Cash and cash equivalents at end of period	183	5,029

Note A: The Group transferred inventories to plant and equipment that were loaned out to collaboration partners and customers: -

	FY2023 S\$'000	FY2022 S\$'000
Transfer of inventories to plant and equipment	-	28

D. STATEMENTS OF CHANGES IN EQUITY

(In S\$'000)

	Share capital	Foreign currency translation reserve	Share-based payment reserve	Accumulated losses	Total equity
Group					
Balance as at 1 January 2023	64,358	13	-	(66,059)	(1,688)
<u>Total comprehensive loss for the period</u>					
Loss for the period	-	-	-	(2,488)	(2,488)
Other comprehensive income for the period	-	9	-	-	9
Total	-	9	-	(2,488)	(2,479)
<u>Transactions with owners, recognised directly in equity</u>					
Issue of new shares	1,784	-	-	-	1,784
Share issuance expenses	(58)	-	-	-	(58)
Employee share-based payment – equity settled	-	-	452	-	452
Reclassification upon issuance of shares	452	-	(452)	-	-
Total	2,178	-	-	-	2,178
Balance as at 31 December 2023	66,536	22	-	(68,547)	(1,989)
Balance as at 1 January 2022	58,883	67	67	(56,685)	2,332
<u>Total comprehensive loss for the period</u>					
Loss for the period	-	-	-	(9,374)	(9,374)
Other comprehensive loss for the period	-	(54)	-	-	(54)
Total	-	(54)	-	(9,374)	(9,428)
<u>Transactions with owners, recognised directly in equity</u>					
Issue of new shares	5,698	-	-	-	5,698
Share issuance expenses	(223)	-	-	-	(223)
Employee share-based payment – equity settled	-	-	(35)	-	(35)
Professional fees – equity settled	-	-	(32)	-	(32)
Total	5,475	-	(67)	-	5,408
Balance as at 31 December 2022	64,358	13	-	(66,059)	(1,688)

D. STATEMENTS OF CHANGES IN EQUITY (cont'd)

(In S\$'000)	Share capital	Share-based payment reserve	Accumulated losses	Total equity
Company				
Balance as at 1 January 2023	64,358	-	(66,077)	(1,719)
Loss for the period, representing total comprehensive loss for the period	-	-	(2,523)	(2,523)
Total	-	-	(2,523)	(2,523)
<u>Transactions with owners, recognised directly in equity</u>				
Issue of new shares	1,784	-	-	1,784
Share issuance expenses	(58)	-	-	(58)
Employee share-based payment – equity settled	-	452	-	452
Reclassification upon issuance of shares	452	(452)	-	-
Total	2,178	-	-	2,178
Balance as at 31 December 2023	66,536	-	(68,600)	(2,064)
Balance as at 1 January 2022	58,883	67	(54,920)	4,030
Loss for the period, representing total comprehensive loss for the period	-	-	(11,157)	(11,157)
Total	-	-	(11,157)	(11,157)
<u>Transactions with owners, recognised directly in equity</u>				
Issue of new shares	5,698	-	-	5,698
Share issuance expenses	(223)	-	-	(223)
Employee share-based payment – equity settled	-	(35)	-	(35)
Professional fees – equity settled	-	(32)	-	(32)
Total	5,475	(67)	-	5,408
Balance as at 31 December 2022	64,358	-	(66,077)	(1,719)

E. SELECTED NOTES TO THE FINANCIAL STATEMENTS

1. Corporate information

Biolidics Limited (Registration No. 200913076M) is a limited liability company incorporated and domiciled in Singapore. The Company is listed on the Catalist of SGX-ST.

The condensed interim financial statements for 4Q FY2023 and FY2023 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Group and the Company are those relating to:

- (a) technology development, technology transfer, marketing, sale and distribution of biomedical technology, life and medicine science related products and services;
- (b) provision of laboratory services; and
- (c) investment holding.

2. Basis of preparation

The condensed interim financial statements for 4Q FY2023 and FY2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last audited financial statements for the year ended 31 December 2022 (“**FY2022**”).

The condensed interim financial statements are presented in Singapore Dollars which is the Company’s functional currency. All financial information presented in Singapore Dollars have been rounded to the nearest thousand, unless otherwise stated.

Material Uncertainty Related to Going Concern

The Group had recorded a net loss of approximately S\$2.49 million and a net operating cash outflow of approximately S\$1.97 million for FY2023. As at 31 December 2023, the Group and the Company was in a net equity deficit position of approximately S\$1.99 million and S\$2.06 million respectively, and was in a negative working capital position of approximately S\$1.49 million and S\$1.50 million respectively. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern.

To improve the financial health and working capital position of the Group, the Company had completed a renounceable non-underwritten rights issue of new ordinary shares in the issued share capital of the Company (“**Rights Shares**”) in December 2022 (“**Rights Issue**”) pursuant to which the Company raised gross proceeds of approximately S\$5.70 million, before deduction of expenses of approximately S\$0.22 million that was capitalised against the share capital of the Company.

In addition, the Company had on 28 February 2023, entered into a partial settlement deed (“**Partial Settlement Deed**”) with Clearbridge BSA Pte Ltd (“**CBSA**”) to partially settle approximately S\$1.16 million (“**Partial Settlement Sum**”) of the deferred consideration (“**Deferred Consideration**”) (Note 16) owing by the Company to CBSA in connection with the purchase of the entire issued and paid-up share capital of Biomedics Laboratory Pte. Ltd., of which S\$0.55 million of the Partial Settlement Sum (“**Cash Settlement Sum**”) was settled by way of cash and approximately S\$0.61 million of the Partial Settlement Sum satisfied by way of issuance of 37,500,000 new ordinary shares in the issued share

capital of the Company ("**Consideration Shares**") at an issue price of S\$0.0163 for each Consideration Share to CBSA. The payment of the Cash Settlement Sum and the issuance of the Consideration Shares to CBSA were completed on 20 March 2023.

On 21 November 2023, the Company entered into a subscription agreement with Mr. Zhu Hua, on the share subscription of 98,500,000 new ordinary shares in the issued share capital of the Company at an issue price of S\$0.0119 per subscription share, to raise gross proceeds of approximately S\$1.17 million. The Company utilised the net proceeds of approximately S\$1.11 million from the Share Subscription and approximately S\$0.82 million of cash to fully repay the Deferred Consideration.

On 21 December 2023, the Company entered into a subscription agreement with Mr. Zhou Chao, on the share subscription of 83,000,000 new ordinary shares in the issued share capital of the Company at an issue price of S\$0.0121 per subscription share, to raise gross proceeds of approximately S\$1.04 million. The Company will utilise the net proceeds of approximately S\$0.93 million from the share subscription for working capital purposes.

To provide additional and recurrent revenue streams for the Group, with the approval of shareholders in the Extraordinary General Meeting ("**EGM**") held on 23 February 2024, the Group will be diversifying its business into Multi-Channel Networking ("**MCN**"), E-Sports and Live-streaming. This will allow the Group to reduce its reliance on the Group's existing business in cancer, infectious disease and laboratory services.

To support that the financial statements of the Group have been prepared on a going concern basis and to ensure the adequacy of funds required to meet its obligations, working capital and capital commitment needs, the Group has prepared a consolidated cash flow forecast for a 16-month period from 1 January 2024 to 30 April 2025 ("**Cash Flow Forecast**"). In preparing the Cash Flow Forecast, management has taken the following into consideration:

- the challenges faced by the cancer business during the COVID-19 pandemic and the impact of the emergence of competing and newer technologies on the sales of COVID-19 related products in the infectious diseases business;
- the forecasted cash flow from the laboratory services business;
- the cost cutting measures that the Group has put in place to manage costs; and
- the financial support undertaken by Mr. Zhu Hua.

After taking into consideration the Cash Flow Forecast, the Board is of the opinion that the Group and the Company will be able to operate as a going concern and that the use of the going concern assumption in the preparation of the consolidated financial statements of the Group for FY2023 is appropriate.

In the event that Mr. Zhu Hua does not provide, or is unable to provide, sufficient financial support to the Group for its working capital requirements, the Group will look for alternative sources of funding such as equity or debt fundraising through a placement of securities of the Company to investors or other fundraising opportunities to raise the requisite funding for the Group's working capital requirements. Should the Group fail to raise such alternative funding, the Company and the Group may not be able to operate as a going concern and trading of the Shares may be suspended pursuant to Rule 1303(3) of the Catalist Rules.

If the going concern assumption is no longer appropriate, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which may differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group and the Company may have to reclassify non-current assets and liabilities as current assets and liabilities, respectively. Such adjustments have not been made to these financial statements.

2.1 New and amended standards adopted by the Group

The Group has applied the same accounting policies and methods of computation in the preparation of the condensed interim financial statements for 4Q FY2023 and FY2023 as compared to those applied in the audited financial statements for FY2022 except for the adoption of new or revised SFRS(I) and Interpretations of Singapore Financial Reporting Standards (“**SFRS(I) INT**”) that are mandatory for financial years beginning on or after 1 January 2023. The Group has adopted all applicable SFRS(I) and SFRS(I) INT that are mandatory for financial years beginning on or after 1 January 2023. The adoption of these SFRS(I) and SFRS(I) INT has no significant impact on the Group’s consolidated financial statements.

2.2 Use of judgements and estimates

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

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited financial statements for FY2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is as follows:

- Identification of a cash-generating unit (“**CGU**”) - Management identified the Group’s cancer business and laboratory services business as the 2 CGUs in the Group, having considered the products and services being sold by the Group and the inter-dependency of the cashflows arising from the products and services provided within a CGU.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

- Expected credit losses (“**ECLs**”)

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group’s historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of customer’s actual default in the future. As at 31 December 2023, the carrying amount of the Group’s trade receivables was approximately S\$0.07 million (31 December 2022: S\$0.52 million).

In determining the loss allowance for amount due from subsidiaries, when measuring ECL, loss given default constitutes a key input in measuring ECL. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive. As at 31 December 2023, the carrying amount of the Company's receivables due from subsidiaries was approximately S\$Nil (31 December 2022: S\$0.42 million).

3. Seasonal operations

The Group's businesses were not affected significantly by seasonal or cyclical factors during 4Q FY2023 and FY2023.

4. Revenue

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following major revenue streams. This is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8 (see Note 22).

Disaggregation of revenue

	Group		Group	
	FY2023	FY2022	4Q FY2023	4Q FY2022
	S\$'000	S\$'000	S\$'000	S\$'000
Sale of COVID-19 products	-	344	-	-
Sale of devices and consumables	266	183	90	81
Sale of extended warranty services	12	25	-	-
Rendering of laboratory services	1,037	1,937	22	958
Reclassification of late interest	-	-	(35)	-
	1,315	2,489	77	1,039
Timing of transfer of goods or services				
At point in time	1,303	2,464	77	1,039
Over time	12	25	-	-
	1,315	2,489	77	1,039

5. Other income

	Group		Group	
	FY2023	FY2022	4Q FY2023	4Q FY2022
	S\$'000	S\$'000	S\$'000	S\$'000
Government grants	46	172	-	(39)
Interest income from fixed deposits	47	-	2	(1)
Other interest income	35	-	35	-
Foreign exchange gains/ (losses), net	-	91	-	(6)
(Loss)/ Gain from remeasurement of deferred consideration	(14)	30	-	15
Reversal of provision for unconsumed leave	1	9	1	9
Others	25	3	24	1
	140	305	62	(21)

6. Employee benefits expense

	Group		Group	
	FY2023	FY2022	4Q FY2023	4Q FY2022
	S\$'000	S\$'000	S\$'000	S\$'000
Directors' remuneration	160	227	41	48
Salaries and bonuses	1,395	1,923	286	420
Employer's contribution to defined contribution plans	164	244	34	52
Allowance for performance bonus	-	520	-	520
Share-based reversal – equity settled	28	(35)	28	-
Reversal of provision for performance bonus	(96)	-	-	-
	1,651	2,879	389	1,040

7. Finance costs

	Group		Group	
	FY2023	FY2022	4Q FY2023	4Q FY2022
	S\$'000	S\$'000	S\$'000	S\$'000
Interest expense on borrowings	63	92	13	20
Interest expense on lease liabilities	8	16	1	4
Accretion of interest on deferred consideration	42	60	7	15
	113	168	21	39

8. Loss before tax

The following items have been included in arriving at loss before tax:

	Group		Group	
	FY2023	FY2022	4Q FY2023	4Q FY2022
	S\$'000	S\$'000	S\$'000	S\$'000
Amortisation of intangible assets	-	422	-	107
Depreciation of plant and equipment	55	443	3	69
Depreciation of right-of-use assets	186	318	61	55
Impairment of intangibles	-	3,133	-	3,133
Impairment of goodwill	-	626	-	626
Impairment of plant and equipment	-	255	-	255
Impairment of right-of-use assets	-	28	-	28
Loss on disposal of plant and equipment	-	7	-	1
Inventories written off	180	40	137	13
Allowance for doubtful debts	80	81	91	81
(Writeback)/ Allowance for inventories	(25)	1,298	40	1,298
Writeback for unconsumed leave	-	(9)	(18)	(14)
Rental expenses	4	15	1	8
Travelling expenses	19	40	12	10
Professional fees (cash-settled)	597	602	206	137
Professional fees (equity-settled)	-	(32)	-	-
Sales and marketing expenses	50	51	12	7
Repairs and maintenance	25	62	6	12
Staff training	3	31	3	2
Delivery charges	2	13	1	1

Research and development expense

Research and development expense are incurred for product and service development, research collaboration and testing purposes.

9. Income tax credit

	Group		Group	
	FY2023	FY2022	4Q FY2023	4Q FY2022
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax	-	-	-	-
Deferred income tax				
- Reversal arising from fair value of intangibles	-	(420)	-	(420)
- Origination and reversal of temporary differences	-	(56)	-	(15)
Income tax credit recognised in profit or loss	-	(476)	-	(435)

10. Loss per share

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

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

	Group	
	FY2023	FY2022
Loss for the period, net of tax, attributable to owners of the Company used in the computations of basic and diluted loss per share (S\$'000)	(2,488)	(9,374)
Weighted average number of shares for (basic and diluted) loss per share computation ('000)	593,128	281,687
Basic loss per share (cents)	(0.42)	(3.33)
Diluted loss per share (cents)	(0.42)	(3.33)

11. Plant and equipment

During FY2023, the Group acquired plant and equipment amounting to S\$Nil (FY2022: S\$33,000) and transferred inventories amounting to S\$Nil (FY2022: S\$28,000), that were loaned out to collaboration partners and customers, to plant and equipment.

12. Right-of-use assets

The Group has lease contracts for office and warehouse premises, laboratory space, and office and laboratory equipment used in its operations. Leases of office premise, laboratory space and warehouse premise generally have lease terms of 2 year or less, while office and laboratory equipment generally have lease terms of 3 to 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. The lease agreements for office space and warehouse have renewal options of 6 months to 2 years.

There were additions of right-of-use assets of S\$325,000 during FY2023 (FY2022: S\$63,000).

13. Intangible assets

Group	Accreditation S\$'000	Patent rights S\$'000	Trademark S\$'000	Total S\$'000
Cost:				
At 31 December 2022 and 31 December 2023	3,329	913	92	4,334
Accumulated amortisation and impairment:				
At 31 December 2022 and 31 December 2023	3,329	913	92	4,334
Carrying amount:				
At 31 December 2022 and 31 December 2023	-	-	-	-

Company	Patent rights S\$'000	Trademark S\$'000	Total S\$'000
Cost:			
At 31 December 2022 and 31 December 2023	913	92	1,005
Accumulated amortisation and impairment:			
At 31 December 2022 and 31 December 2023	913	92	1,005
Carrying amount:			
At 31 December 2022 and 31 December 2023	-	-	-

13. Intangible assets (Cont'd)

Impairment assessment of intangible assets

The Group has carried out an impairment assessment for intangible assets by estimating the recoverable amounts of the respective CGUs of the Group. Included in the CGUs are plant and equipment, intangible assets and right-of-use assets.

14. Inventories

	Group		Company	
	As at 31/12/23 S\$'000	As at 31/12/22 S\$'000	As at 31/12/23 S\$'000	As at 31/12/22 S\$'000
Balance sheet:				
Finished goods	11	27	-	-
	11	27	-	-

	Group	
	FY2023 S\$'000	FY2022 S\$'000
Income statement:		
Inventories recognised as an expense in cost of sales	594	1,326
Inclusive of the following charge:		
- Writeback of allowance for inventories ⁽¹⁾	(25)	-
Inventories recognised as an expense in other expenses		
- Allowance for inventories	-	1,298
- Inventories written off	180	40

⁽¹⁾ During FY2023, there were sales of cancer related products which had been fully provided for in FY2022. Accordingly, these resulted in a writeback in the allowances for inventories during the financial period.

15. Loans classified as Lease liabilities and Borrowings

	Group		Company	
	As at 31/12/23	As at 31/12/22	As at 31/12/23	As at 31/12/22
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable within one year or on demand				
Secured (Note A)	60	116	60	79
Unsecured	1,080	1,050	1,080	1,050
Amount repayable after one year:				
Secured (Note A)	-	60	-	60
Unsecured	613	1,693	613	1,693

Note A: Assets pledged as security

The Group's hire purchase loans classified as lease liabilities, which amounted to S\$60,000 as at 31 December 2023 (31 December 2022: S\$176,000), are secured as collateral against the Group's right-of-use assets which have a net carrying amount of S\$Nil as at 31 December 2023 (31 December 2022: S\$Nil).

16. Deferred consideration

The Company had on 28 February 2023 entered into the Partial Settlement Deed with CBSA to partially settle S\$1,161,250 of the Deferred Consideration, of which S\$550,000 of the Partial Settlement Sum was settled by way of cash and the remaining S\$611,250 was satisfied by way of issuance of 37,500,000 Consideration Shares. The payment of the Cash Settlement Sum and the issuance of the Consideration Shares to CBSA were completed on 20 March 2023. The Deferred Consideration was fully repaid on 30 November 2023.

The movement of the Deferred Consideration during the period was as follows:

	Group and Company
	S\$'000
Balance as at 1 January 2023	3,244
Repayment of Partial Settlement Sum	(1,161)
Loss on remeasurement	14
Accreditation of interest	42
Final Payment	(2,139)
Balance as at 31 December 2023	-

17. Deferred tax liabilities

Deferred tax liabilities of the Group arose from fair value adjustment on acquisition of subsidiary:

	Group	
	FY2023	FY2022
	S\$'000	S\$'000
Balance as at 1 January	-	476
Reversal to profit and loss (See Note 9)	-	(56)
Reversal arising from fair value of intangibles	-	(420)
Balance as at 31 December	-	-

18. Share capital

	Number of shares	Share capital
		S\$'000
As at 30 September 2023	559,126,605	65,393
Restatement of provision granted under the Biolidics Performance Share Plan	-	28
Issuance of shares pursuant to the Subscription Agreement with Mr. Zhu Hua	98,500,000	1,115
As at 31 December 2023	657,626,605	66,536

As at 31 December 2022, the Company had no outstanding convertibles.

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

Summarised information regarding the number of Award Shares as at 31 December 2023 is as follows:

	As at the beginning of the financial period	Granted during the financial period	Vested during the financial period	Lapsed/ Forfeited during the financial period	As at end of the financial period
To certain employees and a director					
Number of Award Shares	-	70,418,300	28,258,700	21,079,800	21,079,800

There were no treasury shares and subsidiary holdings held by the Company as at 31 December 2022 and 31 December 2023.

19. Share-based payment reserve

Share-based payment reserve represents the equity-settled performance shares granted to directors and employees pursuant to the Plan, and equity-settled shares granted to third party individuals as consideration in lieu of fees for their services rendered and in part as performance-based incentives for future performance of such service.

The share-based payment expense is recorded over the requisite service period, which is the vesting period.

The carrying amounts of share-based payment reserve and the movements during the period are set out below:

	Group and Company S\$'000
Balance as at 1 January 2023	-
Vesting of Awards	452
Reclassified to share capital upon issuance of shares	(452)
Balance as at 31 December 2023	-

20. Net asset value per share

	Group		Company	
	As at 31/12/23	As at 31/12/22	As at 31/12/23	As at 31/12/22
Net liability value (S\$'000)	(1,989)	(1,688)	(2,064)	(1,719)
Number of shares ('000)	657,627	493,368	657,627	493,368
Net liability value per share (cents)	(0.30)	(0.34)	(0.31)	(0.35)

21. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

22. Segment information

For management purposes and resource allocation, the Group is organised into business operating units based on reports reviewed by the management team that are used to make strategic decisions.

(a) ***Cancer***

The cancer segment involves the identifying and assessing potential collaboration partners, technology, products and services, product development, innovation and improvement and the management of global distributorship network and direct customers in the cancer field.

(b) ***Infectious diseases***

The infectious diseases segment involves the identifying and assessing potential collaboration partners, technology, products and services, product development, innovation and improvement and the management of global distributorship network and direct customers in the infectious diseases field.

(c) ***Laboratory services***

The laboratory services segment involves the business, operation and provision of laboratory services to customers.

(d) ***Corporate segment***

The corporate segment involves the corporate functions in supporting the operations of the entire Group.

The Group's principal place of business is in Singapore, with its non-current assets located in Singapore.

Segment profit represents the profit earned by each segment without allocation of other gains and losses, distribution and selling expenses, administrative expenses, finance income and finance cost. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

Segment revenue and results

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

FY2023	Cancer S\$'000	Infectious diseases S\$'000	Laboratory services S\$'000	Corporate segment S\$'000	Total S\$'000
Revenue:					
External customers	278	-	1,037	-	1,315
Inter-segment	-	-	-	-	-
Total revenue	278	-	1,037	-	1,315
Segment results:					
Other income	-	-	13	127	140
Employee benefits expense	(45)	(19)	(572)	(1,015)	(1,651)
Depreciation expense	(22)	-	(125)	(94)	(241)
Amortisation expense	-	-	-	-	-
Research and development expense	(31)	-	-	-	(31)
Other expenses	32	-	(839)	(506)	(1,313)
Finance costs	-	-	(2)	(111)	(113)
Segment profit/ (loss) before tax	90	(28)	(951)	(1,599)	(2,488)
Income tax credit	-	-	-	-	-
Segment profit/ (loss) after tax	90	(28)	(951)	(1,599)	(2,488)
Segment assets	374	-	286	22	682
Segment liabilities	2,433	-	230	8	2,671
Assets:					
Additions to non-current assets	193	-	132	-	325

FY2022	Cancer S\$'000	Infectious diseases S\$'000	Laboratory services S\$'000	Corporate segment S\$'000	Total S\$'000
Revenue:					
External customers	208	344	1,937	-	2,489
Inter-segment	-	-	-	-	-
Total revenue	208	344	1,937	-	2,489
Segment results:					
Other income	-	-	34	271	305
Employee benefits expense	(91)	(62)	(849)	(1,877)	(2,879)
Depreciation expense	(345)	-	(256)	(160)	(761)
Amortisation expense	(89)	-	(333)	-	(422)
Research and development expense	(121)	(106)	-	-	(227)
Other expenses	(2,225)	(59)	(3,948)	(629)	(6,861)
Finance costs	-	-	(7)	(161)	(168)
Segment loss before tax	(2,690)	(246)	(4,358)	(2,556)	(9,850)
Income tax expense	-	-	56	420	476
Segment loss after tax	(2,690)	(246)	(4,302)	(2,136)	(9,374)
Segment assets	1,342	4,025	699	22	6,088
Segment liabilities	1,237	3,711	2,817	11	7,776
Assets:					
Additions to non-current assets	60	-	22	11	93

Geographical information

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

	Cancer		Infectious diseases		Laboratory services	
	FY2023 S\$'000	FY2022 S\$'000	FY2023 S\$'000	FY2022 S\$'000	FY2023 S\$'000	FY2022 S\$'000
Segment revenue						
Singapore	-	14	-	298	1,035	1,857
Japan	66	32	-	-	-	-
China	-	11	-	-	-	-
Europe	7	18	-	-	-	2
Hong Kong	38	78	-	-	-	-
Taiwan	-	-	-	-	-	57
Philippines	-	-	-	-	2	14
Indonesia	-	-	-	46	-	-
Thailand	89	51	-	-	-	7
Malaysia	64	4	-	-	-	-
United States	14	-	-	-	-	-
	278	208	-	344	1,037	1,937

Information about major customers

Revenue from two (FY2022: one) major customers amounted to approximately S\$0.82 million in FY2023 (FY2022: S\$1.32 million), arising from sales from the laboratory services segment (FY2022: laboratory services segment).

4Q FY2023	Cancer S\$'000	Infectious diseases S\$'000	Laboratory services S\$'000	Corporate segment S\$'000	Total S\$'000
Revenue:					
External customers	90	-	(13)	-	77
Inter-segment	-	-	-	-	-
Total revenue	90	-	(13)	-	77
Segment results:					
Other income	-	-	-	62	62
Employee benefits expense	(11)	-	(127)	(251)	(389)
Depreciation expense	(7)	-	(15)	(42)	(64)
Amortisation expense	-	-	-	-	-
Research and development expense	(27)	-	-	-	(27)
Other expenses	11	-	(393)	(174)	(556)
Finance costs	-	-	-	(21)	(21)
Segment loss before tax	43	(2)	(555)	(426)	(940)
Income tax credit	-	-	-	-	-
Segment loss after tax	43	(2)	(555)	(426)	(940)
Segment assets	374	-	286	22	682
Segment liabilities	2,433	-	230	8	2,671
Assets:					
Additions to non-current assets	193	-	132	-	325

4Q FY2022	Cancer S\$'000	Infectious diseases S\$'000	Laboratory services S\$'000	Corporate segment S\$'000	Total S\$'000
Revenue:					
External customers	81	-	958	-	1,039
Inter-segment	-	-	-	-	-
Total revenue	81	-	958	-	1,039
Segment results:					
Other income	-	-	(43)	22	(21)
Employee benefits expense	(14)	(11)	(282)	(733)	(1,040)
Depreciation expense	(47)	-	(41)	(36)	(124)
Amortisation expense	(24)	-	(83)	-	(107)
Research and development expense	(31)	-	-	-	(31)
Other expenses	(2,127)	(5)	(3,481)	(254)	(5,867)
Finance costs	-	-	(2)	(37)	(39)
Segment loss before tax	(2,225)	(22)	(3,363)	(1,037)	(6,647)
Income tax expense	-	-	15	420	435
Segment loss after tax	(2,225)	(22)	(3,348)	(617)	(6,212)
Segment assets	1,342	4,025	699	22	6,088
Segment liabilities	1,237	3,711	2,817	11	7,776
Assets:					
Additions to non-current assets	15	-	-	7	22

Geographical information

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

	Cancer		Infectious diseases		Laboratory services	
	4Q FY2023	4Q FY2022	4Q FY2023	4Q FY2022	4Q FY2023	4Q FY2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue						
Singapore	-	-	-	-	(13)	958
Japan	64	-	-	-	-	-
China	-	10	-	-	-	-
Europe	4	8	-	-	-	-
Hong Kong	7	12	-	-	-	-
Taiwan	-	-	-	-	-	-
Philippines	-	-	-	-	-	-
Indonesia	-	-	-	-	-	-
Thailand	1	51	-	-	-	-
Malaysia	-	-	-	-	-	-
United States	14	-	-	-	-	-
	90	81	-	-	(13)	958

Information about major customers

Revenue from two (4Q FY2022: one) major customer amounted to S\$Nil in 4Q FY2023 (4Q FY2022: S\$0.54 million), arising from sales from the laboratory services segment (4Q FY2022: laboratory services segment).

F. OTHER INFORMATION REQUIRED UNDER THE CATALIST RULES

PART I - INFORMATION REQUIRED FOR QUARTERLY, HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

- 1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Please refer to Section A – Interim consolidated statement of profit or loss and other comprehensive income of this announcement.

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

Please refer to Notes 4 to 9 under Section E - Selected notes to the financial statements of this announcement.

- 1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

Please refer to Section B - Statements of financial position of this announcement.

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

Please refer to Note 15 under Section E - Selected notes to the financial statements of this announcement.

- 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Please refer to Section C - Consolidated statement of cash flows of this announcement.

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial period.**

Please refer to Section D - Statements of changes in equity of this announcement.

- 1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Please refer to Note 18 under Section E - Selected notes to the financial statements of this announcement.

- 1(d)(iii) Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Please refer to Note 18 under Section E - Selected notes to the financial statements of this announcement.

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

- 2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors of the Company.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

Not applicable.

3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- (a) Updates on the efforts taken to resolve each outstanding audit issue.
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

The Company's previous independent auditor, Ernst & Young LLP, had issued a disclaimer of opinion (the "**Disclaimer of Opinion**") in their independent auditor's report dated 10 April 2023 on the audited consolidated financial statements of the Group and the Company for FY2022. The basis for the Disclaimer of Opinion is in relation to (i) the use of the Group's going concern assumption and (ii) the impairment assessment of the Group's plant and equipment, right-of-use assets, intangible assets and goodwill (collectively, "**long-lived assets**"), and the Company's investments in, and other receivable due from, a wholly-owned subsidiary or the Company, Biomedics Laboratory Pte Ltd ("**BML**").

(i) *Use of the Group's going concern assumption*

To improve the financial health and working capital position of the Group, the Company has completed the Rights Issue in December 2022, raising gross proceeds of approximately S\$5.70 million, before deduction of expenses of approximately S\$0.22 million that was capitalised against the share capital of the Company. The Company also improved the liquidity and working capital position of the Group through the Partial Settlement Deed pursuant to which approximately S\$0.61 million of the Deferred Consideration was settled by way of the issuance of the Consideration Shares to CBSA.

On 21 November 2023, the Company entered into a subscription agreement with Mr. Zhu Hua, on the share subscription of 98,500,000 new ordinary shares in the issued share capital of the Company at an issue price of S\$0.0119 per subscription share, to raise gross proceeds of approximately S\$1.17 million. The Company utilised the net proceeds of approximately S\$1.11 million from the Share Subscription and approximately S\$0.82 million of cash to fully repay the Deferred Consideration.

On 21 December 2023, the Company entered into a subscription agreement with Mr. Zhou Chao, on the share subscription of 83,000,000 new ordinary shares in the issued share capital of the Company at an issue price of S\$0.0121 per subscription share, to raise gross proceeds of approximately S\$1.04 million. The Company will utilise the net proceeds of approximately S\$0.93 million from the share subscription for working capital purposes.

To provide additional and recurrent revenue streams for the Group, with the approval of shareholders in the Extraordinary General Meeting ("**EGM**") held on 23 February 2024, the Group will be diversifying its business into Multi-Channel Networking ("**MCN**"), E-Sports and Live-streaming. This will allow the Group to reduce its reliance on the Group's existing business in cancer, infectious disease and laboratory services.

As disclosed under Note 2 under Section E - Selected notes to the financial statements of this announcement, management has prepared the Group's and the Company's financial statements for FY2023 on the basis that the Group and the Company will be able to carry on as a going concern for at least twelve months from the end of FY2023 based on factors disclosed in that note.

In the event the going concern assumption is no longer appropriate, the financial effects of adjustments to the carrying amounts, and the current and non-current classification of the Group's and Company's assets and liabilities as at 31 December 2023 could be material and pervasive and the Company is unable to determine the extent of the adjustments that may be required.

- (ii) *Impairment assessment of the Group's plant and equipment, right-of-use assets, intangible assets and goodwill, and the Company's investments in, and other receivable due from, a wholly-owned subsidiary or the Company.*

In FY2022, the Group had recorded total impairment losses of approximately S\$4.04 million on the long-lived assets. As at 31 December 2023, the carrying amounts of the long-lived assets was approximately S\$0.25 million and management has assessed and concluded that no further impairment losses was required on the long-lived assets.

In FY2022, the Company recorded an impairment loss of approximately S\$3.57 million on its investment in BML, reducing the carrying amount on its investment in BML to S\$Nil.

In FY2022, the Company recorded an ECL allowance of approximately S\$2.12 million against the receivable from BML. As at 31 December 2023, the carrying amount of receivable from BML was approximately S\$Nil and management has assessed and recorded an ECL allowance of approximately S\$3.14 million against the receivable from BML.

Please refer to Notes 2.2, 11, 12, 13 and 14 under Section E - Selected notes to the financial statements of this announcement for further details.

The Board confirms that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

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

Please refer to Note 2.1 under Section E - Selected notes to the financial statements of this announcement.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Please refer to Note 2.1 under Section E - Selected notes to the financial statements of this announcement.

- 6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Please refer to Note 9 under Section E - Selected notes to the financial statements of this announcement.

- 7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares, excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.**

Please refer to Note 20 under Section E - Selected notes to the financial statements of this announcement.

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

REVIEW OF THE GROUP'S PERFORMANCE

Revenue

Revenue decreased by 47.2% or S\$1.17 million, from S\$2.49 million in FY2022 to S\$1.32 million in FY2023, due mainly to a decrease in revenue from rendering of laboratory services from S\$1.94 million in FY2022 to S\$1.04 million in FY2023. The decrease in revenue from rendering of laboratory services was due to a decrease in PCR test services arising from the lack of demand resulting from the changes in travel policies. Since March 2023, PCR tests are no longer required for travelers into many countries. Revenue from sale of our COVID-19 related products amounted to S\$Nil in FY2023, as compared to S\$0.34 million in FY2022, arising from a growing supply of antigen and antibody test kits which led to a highly competitive market under the constraints of intense price competition.

The decrease was partially offset by an increase in revenue from the sales of our ClearCell® FX1 system, our CTChip® FR1 biochip and other related services and consumables from S\$0.21 million in FY2022 to S\$0.28 million in FY2023.

Revenue decreased by 92.6% or S\$0.96 million, from S\$1.04 million in 4Q FY2022 to S\$0.08 million in 4Q FY2023, due mainly to a decrease in revenue from rendering of laboratory services from S\$0.96 million in 4Q FY2022 to S\$Nil in 4Q FY2023. The decrease in revenue from the rendering of laboratory services was due to the afore-mentioned reasons.

Other income

Other income decreased by 54.2% or S\$0.17 million, from S\$0.31 million in FY2022 to S\$0.14 million in FY2023, due mainly to a decrease of S\$0.13 million in government grants and a decrease in foreign exchange gains of S\$0.09 million.

Other income increased by 388.5% or S\$0.08 million, from a debit of S\$0.02 million (due to capitalization of government grants) in 4Q FY2022 to S\$0.06 million in 4Q FY2023, due mainly to an increase of S\$0.04 million in other interest income.

Changes in inventories

We recorded a decrease of S\$0.02 million in the closing balance of our inventories in FY2023, as compared to a decrease of S\$0.22 million in FY2022, and a decrease of S\$0.17 million and S\$0.09 million in the closing balances of our inventories in 4Q FY2023 and 4Q FY2022 respectively. The fluctuations in the balance of our inventories were due mainly to the timing of purchase and sale of inventories.

Purchases

Our purchases decreased by S\$0.54 million or 48.2%, from S\$1.11 million in FY2022 to S\$0.58 million in FY2023, and by S\$0.52 million or 139.7%, from S\$0.37 million in 4Q FY2022 to a credit of S\$0.15 million (due to reversal of inventories written off) in 4Q FY2023, and in line with the decrease in revenue from rendering of laboratory services during the respective financial periods.

Employee benefits expense

Employee benefits expense decreased by S\$1.23 million or 42.7%, from S\$2.88 million in FY2022 to S\$1.65 million in FY2023, and by \$0.65 million or 62.6%, from S\$1.04 million in 4Q FY2022 to S\$0.39 million 4Q FY2023, due mainly to a reduction of headcount since March 2023.

Depreciation expense

Depreciation expense decreased by S\$0.52 million or 68.3%, from S\$0.76 million in FY2022 to S\$0.24 million in FY2023 and by S\$0.06 million or 48.4%, from S\$0.12 million in 4Q FY2022 to S\$64,000 in 4Q FY2023, due to assets being fully depreciated and/ or impaired in FY2022.

Amortisation expense

Amortisation expense decreased by S\$0.42 million or 100.0% in FY2023 and by S\$0.11 million or 100.0% in 4Q FY2023, due to intangible assets being fully impaired in FY2022.

Research and development ("R&D") expense

R&D expense decreased by 86.3% or S\$0.20 million, from S\$0.23 million in FY2022 to S\$0.03 million in FY2023, and by 12.9% or S\$4,000, from S\$31,000 in 4Q FY2022 to S\$27,000 in 4Q FY2023, due mainly to the reduction in R&D activities during the respective financial periods.

Other expenses

Other expenses decreased by 80.9% or S\$5.55 million, from S\$6.86 million in FY2022 to S\$1.31 million in FY2023, and by 90.5% or S\$5.31 million, from S\$5.87 million in 4Q FY2022 to S\$0.56 million in 4Q FY2023, due mainly to (i) impairment losses of S\$4.04 million pertaining to intangibles, goodwill, plant and equipment and right-of-use assets in 4Q FY2022; (ii) writeback for inventories of S\$0.03 million in FY2023 and allowance for inventories of S\$0.04 million in 4Q FY2023, as compared to allowance for inventories of S\$1.30 million in FY2022 and 4Q FY2022 respectively.

Finance costs

Finance costs decreased by 32.7% or S\$0.06 million, from S\$0.17 million in FY2022 to S\$0.11 million in FY2023, and by 46.2% or S\$0.02 million, from S\$0.04 million in 4Q FY2022 to S\$0.02 million in 4Q FY2023, due mainly to the lower balances of borrowings and deferred consideration.

Income tax credit

Income tax credit pertains to the reversal of deferred tax liabilities arising from the CAP Accreditation of Biomedics Laboratory Pte. Ltd.. There was no income tax credit recognised in FY2023 and 4Q FY2023 as the deferred tax liabilities was fully reversed in FY2022 arising from fair valuation of the intangible assets.

Loss for the period

As a result of the foregoing, loss for the period decreased by S\$6.89 million or 73.5%, from S\$9.37 million in FY2022 to S\$2.49 million in FY2023, and by S\$5.27 million or 84.9%, from S\$6.21 million in 4Q FY2022 to S\$0.94 million in 4Q FY2023.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Non-current assets

The Group's non-current assets increased by 50.0% or S\$0.08 million, from S\$0.17 million as at 31 December 2022 to S\$0.25 million as at 31 December 2023. The was due to an increase in right-of-use assets of S\$0.14 million which arose from the new and renewal of leases, partially offset by decrease in plant and equipment of S\$0.06 million which arose mainly from the depreciation during the period.

Current assets

The Group's current assets decreased by 92.7% or S\$5.49 million, from S\$5.92 million as at 31 December 2022 to S\$0.43 million as at 31 December 2023. This was due mainly to a decrease in (i) cash and cash equivalents of S\$4.85 million; (ii) trade receivables of S\$0.44 million; (iii) prepayments of S\$0.10 million; (iv) other receivables of S\$0.09 million; and inventories of S\$0.02 million.

Current liabilities

The Group's current liabilities decreased by 68.0% or S\$4.09 million, from S\$6.01 million as at 31 December 2022 to S\$1.92 million as at 31 December 2023. This was due mainly to a decrease in (i) deferred consideration of S\$3.24 million; (ii) other payables of S\$0.69 million; (iii) trade payables of S\$0.07 million, (iv) contract liabilities of S\$0.11 million, and (v) current portion of lease liabilities of S\$8,000, partially offset by an increase in (i) current portion of borrowings of S\$30,000, and (ii) provision for reinstatement cost of S\$5,000.

Non-current liabilities

The Group's non-current liabilities decreased by 57.5% or S\$1.02 million, from S\$1.77 million as at 31 December 2022 to S\$0.75 million as at 31 December 2023. This was due mainly to a decrease in (i) provision for reinstatement cost of S\$5,000, and (ii) borrowings of S\$1.08 million comprising the non-current portion of working capital bank loans partially offset by increase in non-current portion of lease liabilities of S\$0.07 million.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

Operating cash outflow before movements in working capital amounted to S\$1.93 million in FY2023. Net cash used for working capital amounted to S\$9,000 due mainly to (i) an increase in inventories of S\$0.14 million; (ii) a decrease in trade payables of S\$0.08 million, (iii) a decrease in other payables of S\$0.24 million; and (iv) a decrease in contract liabilities of S\$0.11 million, partially offset by (i) a decrease in trade receivables of S\$0.36 million; (ii) a decrease in prepayments of S\$0.10 million; and (iii) a decrease in other receivables of S\$0.09 million. As a result, net cash used in operating activities was S\$1.97 million in FY2023.

Net cash used in investing activities in FY2023 amounted to S\$2.69 million. This was due mainly to repayment of the deferred consideration of S\$2.69 million in cash.

Net cash used in financing activities in FY2023 amounted to S\$0.20 million. This was due mainly to the payment of S\$1.05 million and S\$0.27 million of the principal portions of borrowings and lease liabilities respectively, which was partially offset by gross proceeds from placement share of S\$1.17 million before share issuance expense of S\$0.06 million,

As a result of the above, there was a net decrease in cash and cash equivalents by S\$4.86 million, from S\$5.03 million as at 31 December 2022 to S\$0.18 million as at 31 December 2023.

9

Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In FY2022, the Group's commenced COVID-19 PCR testing as one of its service offerings which it will continue to offer in the current financial year ending 31 December 2023.

As set out under Note 8 under Section F – Other information required under the Catalist Rules of this announcement, revenue from rendering of COVID-19 PCR test services accounted for more than 80% of the Group's revenue in FY2023. However, due to the rapidly evolving nature of the COVID-19 pandemic, the demand for COVID-19 PCR tests continues to be exposed to various uncertainties and challenges such as the emergence of competing and newer technologies, product regulatory changes, and changes in travel policies and restrictions as well as emergence of new competitors providing similar PCR test services. As such, there is no certainty that such revenue from rendering of COVID-19 PCR test services can be maintained at the level achieved in FY2023. The Group will continue to explore opportunities to generate revenue from its laboratory services business segment by pivoting into other test services, subject to the requisite time to develop and obtain the relevant approvals required to undertake such new test services.

The COVID-19 pandemic has resulted in significant delays to the Group's development of its Cancer business segment. The Group will continue to review its product and service offerings in order to keep pace with the uncertainties and challenges and ensure that the Group's business remains relevant and sustainable. The Group will also continue to explore merger and acquisition opportunities to improve its financial performance.

To manage the challenges and uncertainties, including rising cost of conducting business, the Group has since June 2022 implemented cost rationalisation measures such as streamlining of its manpower structure, scaling down of the R&D activities for its Cancer business segment, and reducing the engagement of external service providers.

To strengthen its financial position, the Group has completed the Rights Issue in December 2022 and may explore opportunities to monetise its assets, including its intellectual properties which is encapsulated in the ClearCell® FX1 system as well as fund raising opportunities, including undertaking equity issuances in the future.

On 21 November 2023, the Company entered into a subscription agreement with Mr. Zhu Hua, on the share subscription of 98,500,000 new ordinary shares in the issued share capital of the Company at an issue price of S\$0.0119 per subscription share, to raise gross proceeds of approximately S\$1.17 million. The Company utilised the net proceeds of approximately S\$1.11 million from the Share Subscription and approximately S\$0.82 million of cash to fully repay the Deferred Consideration.

On 21 December 2023, the Company entered into a subscription agreement with Mr. Zhou Chao, on the share subscription of 83,000,000 new ordinary shares in the issued share capital of the Company at an issue price of S\$0.0121 per subscription share, to raise gross proceeds of approximately S\$1.04 million. The Company will utilise the net proceeds of approximately S\$0.93 million from the share subscription for working capital purposes.

To provide additional and recurrent revenue streams for the Group, with the approval of shareholders in the Extraordinary General Meeting ("EGM") held on 23 February 2024, the Group will be diversifying its business into Multi-Channel Networking ("MCN"), E-Sports and

Live-streaming. This will allow the Group to reduce its reliance on the Group's existing business in cancer, infectious disease and laboratory services.

The Company will continue to provide timely updates to its shareholders should there be any material development affecting the Group's business and operations.

11 Dividend

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

Nil

(b) (i) Amount per share

Nil

(ii) Previous corresponding period

Nil

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

Not applicable.

(d) Date the dividend is payable

Not applicable.

(e) Date on which Registrable Transfers received by the Company (up to 5pm) will be registered before entitlements to the dividend are determined

Not applicable.

12 If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared by the Company as the Group had incurred losses for FY2023.

13 If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has obtained a general mandate from shareholders for interested person transactions, which had expired at the Company's annual general meeting held on 28 April 2023 ("**IPT Mandate**").

There were no interested person transactions (excluding transactions less than S\$100,000 and transactions conducted under the IPT Mandate pursuant to Rule 920 of the Catalist Rules) and interested person transactions conducted under the IPT Mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) during FY2023.

14 Negative confirmation by the board pursuant to Rule 705(5)

Not required for full year results announcement.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company confirms that it has procured the undertakings from all of its directors and executive officers as required under Rule 720(1) of Catalist Rules.

16 Use of placement proceeds

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

(S\$'000)	Amount allocated	Amount utilised as at the date of this announcement	Balance
Working capital requirements of the Group ⁽¹⁾	0.93	0.46	0.47
Total	0.93	0.46	0.47

Note:

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

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 17 Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Please refer to Note 22 under Section E - Selected notes to the financial statements of this announcement.

- 18 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to Note 8 under Section F – Other information required under the Catalist Rules of this announcement.

- 19 A breakdown of sales.**

	FY2023	Group	
	S\$'000	FY2022	+/(-) %
		S\$'000	
Sales reported for first half of the year	1,197	685	74.7
Loss after tax reported for first half of the year	(952)	(2,289)	(58.4)
Sales reported for second half of the year	118	1,804	(93.5)
Loss after tax reported for second half of the year	(1,536)	(7,085)	(78.3)

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

Not applicable as no dividend was declared in respect of FY2022 and FY2023.

- 21 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10). If there are no such persons, the issuer must make an appropriate negative statement.**

There are no persons occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

22 Disclosure pursuant to Rule 706A of the Catalist Rules

Save as disclosed below, there was no acquisition or sale of shares by the Company during 4Q FY2023 which requires disclosure pursuant to Rule 706A of the Catalist Rules.

Strike off of wholly-owned subsidiary

The Company had incorporated a wholly-owned subsidiary, Clearcell Pte. Ltd. (“**Clearcell**”), on 23 March 2022, with an issued and paid-up share capital of S\$1.00 comprising 1 share. The principal activity of Clearcell is as a holding company of patents and intellectual properties. Clearcell was dormant since incorporation and was struck off on 4 December 2023.

None of the directors or controlling shareholders of the Company have any interest, direct or indirect, in the incorporation of Clearcell other than through their shareholdings in the Company (if any).

ON BEHALF OF THE BOARD

Song Tang Yih
Executive Director and Chief Executive Officer
28 February 2024