

UNAUDITED INTERIM FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE SIX-MONTH FINANCIAL PERIOD (“2H”) AND FINANCIAL YEAR (“FY”) ENDED 31 DECEMBER 2021

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, United Overseas Bank Limited (the “**Sponsor**”), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**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 person for the Sponsor is Mr. Lim Hoon Khiat, Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.

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

	Note	Group					+ / (-) %
		<u>2H2021</u> S\$'000	<u>2H2020</u> S\$'000	+ / (-) %	<u>FY2021</u> S\$'000	<u>FY2020</u> S\$'000	
Revenue	4	1,675	1,807	(7.3)	2,314	8,907	(74.0)
Other income	5	191	359	(46.8)	378	624	(39.4)
Changes in inventories		(197)	(663)	(70.3)	(35)	608	n.m.
Purchases		(878)	(787)	11.6	(1,796)	(6,071)	(70.4)
Employee benefits expense	6	(837)	(2,045)	(59.1)	(1,671)	(2,735)	(38.9)
Depreciation expense		(410)	(399)	2.8	(837)	(753)	11.2
Amortisation expense		(215)	(223)	(3.6)	(415)	(243)	70.8
Research and development expense	8	(706)	(390)	81.0	(1,091)	(877)	24.4
Other expenses	8	(1,574)	(2,136)	(26.3)	(2,722)	(4,016)	(32.2)
Finance costs	7	(100)	(100)	-	(208)	(127)	63.8
Loss before tax	8	(3,051)	(4,577)	(33.3)	(6,083)	(4,683)	29.9
Income tax credit	9	29	33	(12.1)	57	33	72.7
Loss for the period/ year		(3,022)	(4,544)	(33.5)	(6,026)	(4,650)	29.6
<u>Other comprehensive loss for the period/ year:</u>							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Effects of translation of foreign operations		(44)	87	n.m.	(62)	112	n.m.
Total comprehensive loss for the period/ year		(3,066)	(4,457)	(31.3)	(6,088)	(4,538)	34.0
Loss per share (cents)	10						
- Basic		(1.14)	(1.73)		(2.27)	(1.81)	
- Diluted		(1.14)	(1.72)		(2.27)	(1.80)	

n.m. – not meaningful

B. STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		As at 31/12/21 S\$'000	As at 31/12/20 S\$'000	As at 31/12/21 S\$'000	As at 31/12/20 S\$'000
Non-current assets					
Plant and equipment	11	803	772	427	718
Right-of-use assets	12	390	635	169	400
Intangible assets	13	3,495	3,777	693	642
Goodwill	14	626	626	-	-
Investment in subsidiaries		-	-	5,182	5,046
		<u>5,314</u>	<u>5,810</u>	<u>6,471</u>	<u>6,806</u>
Current assets					
Cash and cash equivalents		3,960	10,669	2,433	9,024
Trade receivables		127	202	91	358
Prepayments		294	267	119	246
Other receivables		221	197	1,961	468
Inventories	15	1,508	1,610	1,374	1,589
		<u>6,110</u>	<u>12,945</u>	<u>5,978</u>	<u>11,685</u>
Total assets		<u>11,424</u>	<u>18,755</u>	<u>12,449</u>	<u>18,491</u>
Current liabilities					
Trade payables		84	143	22	130
Other payables		924	781	793	771
Contract liabilities		129	185	129	185
Lease liabilities	16	253	265	135	150
Borrowings	16	1,021	869	1,021	869
Deferred grant income		-	48	-	48
		<u>2,411</u>	<u>2,291</u>	<u>2,100</u>	<u>2,153</u>
Net current assets		<u>3,699</u>	<u>10,654</u>	<u>3,878</u>	<u>9,532</u>
Non-current liabilities					
Lease liabilities	16	233	378	139	274
Borrowings	16	2,743	3,764	2,743	3,764
Provision for reinstatement cost		10	10	5	5
Deferred consideration	17	3,214	3,507	3,214	3,507
Deferred tax liabilities		476	533	-	-
		<u>6,676</u>	<u>8,192</u>	<u>6,101</u>	<u>7,550</u>
Total liabilities		<u>9,087</u>	<u>10,483</u>	<u>8,201</u>	<u>9,703</u>
Net assets		<u>2,337</u>	<u>8,272</u>	<u>4,248</u>	<u>8,788</u>
Equity attributable to owners of the Company					
Share capital	18	58,883	58,335	58,883	58,335
Foreign currency translation reserve		67	129	-	-
Share-based payment reserve	19	113	508	113	508
Accumulated losses		(56,726)	(50,700)	(54,748)	(50,055)
Total equity		<u>2,337</u>	<u>8,272</u>	<u>4,248</u>	<u>8,788</u>

C. CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	FY2021 S\$'000	FY2020 S\$'000
Operating activities		
Loss before income tax	(6,083)	(4,683)
Adjustments for:		
Amortisation expense	415	243
Depreciation of plant and equipment	467	453
Depreciation of right-of-use assets	370	300
Plant and equipment written off	-	5
Inventories written off	359	-
Allowance for inventories	67	19
Bad debts written off	-	22
Gain from remeasurement of deferred consideration	(60)	-
Loss on disposal of plant and equipment	-	10
Interest expense on lease liabilities	22	26
Interest expense on borrowings	119	63
Accretion of interest on deferred consideration	67	38
Interest income from fixed deposits	(2)	(27)
Employee share-based payment – equity settled	69	1,368
Professional fees – equity settled	84	579
Operating cash flows before movement in working capital	(4,106)	(1,584)
Trade receivables	75	4
Prepayments	(27)	127
Other receivables	(24)	(7)
Inventories (Note A)	(394)	(721)
Trade payables	(59)	(417)
Other payables	138	151
Contract liabilities	(56)	8
Deferred grant income	(48)	48
Cash flows used in operations	(4,501)	(2,391)
Interest received	1	21
Interest paid	(142)	(89)
Net cash used in operating activities	(4,642)	(2,459)
Investing activities		
Purchase of plant and equipment (Note A)	(428)	(325)
Additions to intangible assets	(133)	(125)
Proceeds from disposal of plant and equipment	1	-
Payment of deferred consideration	(300)	-
Acquisition of a subsidiary, net of cash acquired	-	(90)
Net cash used in investing activities	(860)	(540)
Financing activities		
Proceeds from placement shares	-	3,125
Proceeds from borrowings	-	5,000
Placement shares issuance expenses	-	(28)
Payment of principal portion of borrowings	(869)	(367)
Payment of principal portion of lease liabilities	(276)	(204)
Net cash (used in)/generated from financing activities	(1,145)	7,526
Net (decrease)/increase in cash and cash equivalents	(6,647)	4,527
Cash and cash equivalents at beginning of year	10,669	6,030
Exchange effects on cash and cash equivalents	(62)	112
Cash and cash equivalents at end of year	3,960	10,669

Note A: During FY2020 and FY2021, the Group transferred inventories that were loaned out to collaboration partners and customers to plant and equipment, and transferred plant and equipment that were sold to collaboration partners and customers subsequently to inventories:-

	FY2021 S\$'000	FY2020 S\$'000
Transfer of inventories to plant and equipment	70	70
Transfer of plant and equipment to inventories	-	8

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 2021	58,335	129	508	(50,700)	8,272
<u>Total comprehensive loss for the year</u>					
Loss for the year	-	-	-	(6,026)	(6,026)
Other comprehensive loss for the year		(62)	-	-	(62)
Total	-	(62)	-	(6,026)	(6,088)
<u>Transactions with owners, recognised directly in equity</u>					
Employee share-based payment – equity settled	-	-	69	-	69
Professional fees – equity settled	-	-	84	-	84
Shares issued pursuant to share-based payment	548	-	(548)	-	-
Total	548	-	(395)	-	153
Balance as at 31 December 2021	58,883	67	113	(56,726)	2,337
Balance as at 1 January 2020	53,799	17	-	(46,050)	7,766
<u>Total comprehensive loss for the year</u>					
Loss for the year	-	-	-	(4,650)	(4,650)
Other comprehensive loss for the year		112	-	-	112
Total	-	112	-	(4,650)	(4,538)
<u>Transactions with owners, recognised directly in equity</u>					
Issuance of ordinary shares	3,125	-	-	-	3,125
Share issuance expenses	(28)	-	-	-	(28)
Employee share-based payment – equity settled	-	-	1,368	-	1,368
Professional fees – equity settled	-	-	579	-	579
Shares issued pursuant to share-based payment	1,439	-	(1,439)	-	-
Total	4,536	-	508	-	5,044
Balance as at 31 December 2020	58,335	129	508	(50,700)	8,272

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 2021	58,335	508	(50,055)	8,788
Loss for the year, representing total comprehensive loss for the year	-	-	(4,693)	(4,693)
Total	-	-	(4,693)	(4,693)
<u>Transactions with owners, recognised directly in equity</u>				
Employee share-based payment – equity settled	-	69	-	69
Professional fees – equity settled	-	84	-	84
Shares issued pursuant to share-based payment	548	(548)	-	-
Total	548	(395)	-	153
Balance as at 31 December 2021	58,883	113	(54,748)	4,248
Balance as at 1 January 2020	53,799	-	(46,038)	7,761
Loss for the year, representing total comprehensive loss for the year	-	-	(4,017)	(4,017)
Total	-	-	(4,017)	(4,017)
<u>Transactions with owners, recognised directly in equity</u>				
Issuance of ordinary shares	3,125	-	-	3,125
Share issuance expenses	(28)	-	-	(28)
Employee share-based payment – equity settled	-	1,368	-	1,368
Professional fees – equity settled	-	579	-	579
Shares issued pursuant to share-based payment	1,439	(1,439)	-	-
Total	4,536	508	-	5,044
Balance as at 31 December 2020	58,335	508	(50,055)	8,788

E. SELECTED NOTES TO THE FINANCIAL STATEMENTS

1. Corporate information

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

The condensed interim financial statements for 2H2021 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 2H2021 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 interim financial statements for the six-month financial period ended 30 June 2021 (“**1H2021**”).

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.

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 2H2021 as compared to those applied in the audited financial statements for FY2020 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 2021. The Group has adopted all applicable SFRS(I) and SFRS(I) INT that are mandatory for financial years beginning on or after 1 January 2021. 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.

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, infectious diseases business and laboratory services business as the 3 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.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are included in the following notes:

- Notes 11, 12 and 13 (Impairment assessment of plant and equipment, right-of-use assets and intangible assets) - Based on the review carried out by the Group, management determined that there are indicators of impairment for the Group’s plant and equipment, right-of-use assets and intangible assets. The Group determines the recoverable amounts of the cancer, infectious diseases and laboratory services CGUs based on the income method. The income method is based on cash flow projections covering a five-year period. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows. The post-tax discount rates used for the cancer, infectious diseases and laboratory services CGUs are 60%, 30% and 20% respectively while terminal growth rate is 1%. The estimated recoverable amounts of the CGUs are in excess of the carrying amount of the CGUs. Accordingly, the Group concluded that no impairment is required to be recognised as at 31 December 2021.
- Note 14 (Impairment assessment of goodwill on consolidation) - The recoverable amount of the laboratory services CGU, which goodwill has been allocated to, is determined based on the income method. The income method is based on cash flow projections covering a five-year period. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows.
- Note 19 (Share-based compensation) - The Group measured the cost of equity-settled transactions with a director, employees and third-party individuals by reference to the fair value of the equity instruments at the date at which they are granted and the probability of achieving the predetermined performance targets and service conditions. Significant judgement and estimation are involved in determining the probability of achieving the predetermined performance targets and service conditions in computing the number of shares that will eventually vest during the vesting period.

3. Seasonal operations

The Group’s businesses were not affected significantly by seasonal or cyclical factors during 2H2021 and FY2021.

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			
	2H2021	2H2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
Sale of COVID-19 products	1,383	1,461	1,813	7,807
Sale of devices and consumables	212	314	301	987
Sale of extended warranty services	-	-	36	74
Rendering of laboratory services	80	32	164	39
	<u>1,675</u>	<u>1,807</u>	<u>2,314</u>	<u>8,907</u>

Timing of transfer of goods or services

At point in time	1,675	1,807	2,278	8,833
Over time	-	-	36	74
	<u>1,675</u>	<u>1,807</u>	<u>2,314</u>	<u>8,907</u>

5. Other income

	Group			
	2H2021	2H2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
Government grants	110	355	194	593
Interest income from fixed deposits	1	4	2	27
Foreign exchange gain, net	10	-	81	-
Gain from remeasurement of deferred consideration	60	-	60	-
Reversal of provision for unconsumed leave	6	-	18	-
Others	4	-	23	4
	<u>191</u>	<u>359</u>	<u>378</u>	<u>624</u>

6. Employee benefits expense

	Group			
	2H2021	2H2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
Directors' remuneration	136	144	260	279
Salaries and bonuses	563	475	1,185	979
Employer's contribution to defined contribution plans	78	59	157	110
Share-based payment – equity settled	60	1,367	69	1,367
	837	2,045	1,671	2,735

7. Finance costs

	Group			
	2H2021	2H2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
Interest expense on borrowings	56	48	119	63
Interest expense on lease liabilities	11	14	22	26
Accretion of interest on deferred consideration	33	38	67	38
	100	100	208	127

8. Loss before tax

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

	Group			
	2H2021	2H2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
Amortisation of intangible assets	215	223	415	243
Depreciation of plant and equipment	217	234	467	453
Depreciation of right-of-use assets	193	165	370	300
Plant and equipment written off	-	5	-	5
Loss on disposal of plant and equipment	-	-	-	10
Bad debts written off	-	22	-	22
Inventories written off	315	54	359	58
Allowance for inventories	(233)	19	67	19
Provision for unconsumed leave	-	15	(18)	37
Rental expenses	8	10	19	28
Travelling expenses	35	14	50	209
Professional fees (cash-settled)	809	976	1,518	1,869
Professional fees (equity-settled)	53	579	84	579
Sales and marketing expenses	24	32	65	108
Foreign exchange loss, net	-	401	-	545
Repairs and maintenance	59	38	110	76

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			
	2H2021	2H2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax	-	-	-	-
Deferred income tax				
- Origination and reversal of temporary differences	(29)	(33)	(57)	(33)
Income tax credit recognised in profit or loss	(29)	(33)	(57)	(33)

10. Loss per share

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

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

	Group			
	2H2021	2H2020	FY2021	FY2020
Loss for the period/ year, net of tax, attributable to owners of the Company used in the computations of basic and diluted loss per share (S\$'000)	(3,022)	(4,544)	(6,026)	(4,650)
Weighted average number of shares for basic loss per share computation ('000)	265,452	262,983	264,992	257,466
Effects of dilution:				
- Share awards pursuant to the Company's performance share plan ('000)	112	968	112	485
- Share awards granted as consideration in lieu of fees for the services rendered by third party individuals ('000)	103	289	103	145
Weighted average number of shares for diluted loss per share computation ('000)	265,667	264,240	265,207	258,096

Basic loss per share (cents)	(1.14)	(1.73)	(2.27)	(1.81)
Diluted loss per share (cents)	(1.14)	(1.72)	(2.27)	(1.80)

11. Plant and equipment

During 2H2021, the Group acquired plant and equipment amounting to S\$398,000 (2H2020: S\$131,000), and transferred inventories amounting to S\$28,000 (2H2020: S\$28,000), that were loaned out to collaboration partners and customers, to plant and equipment.

Impairment assessment of plant and equipment

The Group has carried out impairment assessment for plant and equipment by estimating the recoverable amounts of the respective CGUs of the Group as disclosed in Note 2.2 under Section E - Selected notes to the financial statements of this announcement. The CGUs include plant and equipment, intangible assets and right-of-use assets. Based on the impairment assessment, no impairment was required as at 31 December 2021.

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 between 1 and 3 years, 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. There are no lease contracts that include extension or termination options and variable lease payments.

There were additions to right-of-use assets of S\$125,000 during 2H2021.

Impairment assessment of right-of-use assets

The Group has carried out impairment assessment for right-of-use assets by estimating the recoverable amounts of the respective CGUs of the Group as disclosed in Note 2.2 under Section E - Selected notes to the financial statements of this announcement. The CGUs include plant and equipment, intangible assets and right-of-use assets. Based on the impairment assessment, no impairment was required as at 31 December 2021.

13. Intangible assets

Group	Accreditation S\$'000	Patent rights S\$'000	Trademark S\$'000	Total S\$'000
Cost:				
At 30 June 2021	3,329	825	79	4,233
Additions	-	34	7	41
At 31 December 2021	3,329	859	86	4,274
Accumulated amortisation:				
At 30 June 2021	360	163	41	564
Charge for the period	167	44	4	215
At 31 December 2021	527	207	45	779
Carrying amount:				
At 30 June 2021	2,969	662	38	3,669
At 31 December 2021	2,802	652	41	3,495

Company	Patent rights S\$'000	Trademark S\$'000	Total S\$'000
Cost:			
At 30 June 2021	825	79	904
Additions	34	7	41
At 31 December 2021	859	86	945
Accumulated amortisation:			
At 30 June 2021	163	41	204
Charge for the period	44	4	48
At 31 December 2021	207	45	252
Carrying amount:			
At 30 June 2021	662	38	700
At 31 December 2021	652	41	693

Impairment assessment of intangible assets

The Group has carried out impairment assessment for intangible assets by estimating the recoverable amounts of the respective CGUs of the Group as disclosed in Note 2.2 under Section E - Selected notes to the financial statements of this announcement. The CGUs include plant and equipment, intangible assets and right-of-use assets. Based on the impairment assessment, no impairment was required as at 31 December 2021.

14. Goodwill

Goodwill arising from the acquisition of Biomedics Laboratory Pte. Ltd. represents the excess over fair value of assets and liabilities acquired.

Impairment assessment of goodwill

Goodwill that has an indefinite useful life is not subject to amortisation and is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. The Group has carried out impairment assessment for goodwill by estimating the recoverable amounts of the respective CGUs of the Group as disclosed in Note 2.2 under Section E - Selected notes to the financial statements of this announcement. Based on the impairment assessment, no impairment was required as at 31 December 2021.

15. Inventories

	Group		Company	
	As at 31/12/21 S\$'000	As at 31/12/20 S\$'000	As at 31/12/21 S\$'000	As at 31/12/20 S\$'000
Balance sheet:				
Finished goods	1,214	1,347	1,080	1,326
Spare parts	294	263	294	263
	1,508	1,610	1,374	1,589

	FY2021 S\$'000	Group FY2020 S\$'000
Income statement:		
Inventories recognised as an expense in cost of sales	1,831	5,463
Inclusive of the following charge:		
- Allowance for inventories ⁽¹⁾	67	19
Inventories recognised as an expense in other expenses		
- Inventories written off ⁽²⁾	359	58

(1) The allowance for inventories pertains to the full provision of COVID-19 related products which are due to expire in FY2022, as the Group assessed that they are unsellable due to the proximity of their expiry dates.

(2) The inventories written off consist of (i) expired COVID-19 related products which were previously fully provided for in 1H2021, and (ii) expired laboratory consumables that were not previously provided for.

16. Loans classified as lease liabilities and borrowings

	Group		Company	
	As at 31/12/21 S\$'000	As at 31/12/20 S\$'000	As at 31/12/21 S\$'000	As at 31/12/20 S\$'000
Amount repayable within one year or on demand				
Secured (Note A)	138	133	76	73
Unsecured	1,021	869	1,021	869
Amount repayable after one year:				
Secured (Note A)	177	314	139	215
Unsecured	2,743	3,764	2,743	3,764

Note A: Assets pledged as security

The Group's hire purchase obligations classified as lease liabilities which amounted to S\$315,000 as at 31 December 2021 (31 December 2020: S\$447,000) are secured as collateral against the Group's right-of-use assets which have a net carrying amount of S\$223,000 as at 31 December 2021 (31 December 2020: S\$451,000).

17. Deferred consideration

On 24 December 2021, the Company and SAM Laboratory Pte Ltd ("**SAM**") entered into a deed of amendment ("**Deed of Amendment**") to modify, amend and vary the terms of the sales and purchase agreement entered into between the Company and SAM in connection with the acquisition of the entire issued and paid-up ordinary shares in the capital of Biomedics Laboratory Pte. Ltd. ("**Acquisition**").

Pursuant to the Deed of Amendment, the Company made a payment of S\$300,000 of the deferred consideration to SAM upon the execution of the Deed of Amendment; and the remaining S\$3,300,000 of the deferred consideration shall be payable no later than 25 May 2023, being 36 months from the date of completion of the Acquisition. The movement of deferred consideration during the year is as follows:

	S\$'000
As at 31 December 2020	3,507
Gain from remeasurement of financial liability	(60)
Payment of deferred consideration	(300)
Accretion of interest on deferred consideration	67
As at 31 December 2021	<u>3,214</u>

18. Share capital

	Number of shares	Issued and paid-up share capital S\$'000
As at 31 December 2020	264,047,000	58,335
Issuance of shares on 30 April 2021 ⁽¹⁾	1,404,700	548
As at 30 June 2021	265,451,700	58,883
As at 31 December 2021	265,451,700	58,883

⁽¹⁾ On 30 April 2021, the Company issued an aggregate of 1,011,200 new ordinary shares in the capital of the Company to certain employees and a director of the Company pursuant to the vesting of share awards ("**Awards**") granted under the Biolidics Performance Share Plan (the "**Plan**"). On the same day, the Company issued an aggregate of 393,500 new ordinary shares in the capital of the Company to certain third-party individuals contracted to provide services to the Group in relation to scientific, technological, market development, corporate advisory and human resource management matters, pursuant to the vesting of such new shares.

As at 31 December 2021, the Company had:

- (i) Up to 2,005,000 new ordinary shares in the capital of the Company ("**Award Shares**") to be issued to certain employees and a director of the Company subject to the vesting of outstanding Awards granted under the Plan upon the achievement of pre-determined performance targets, of which (a) up to 1,002,500 Awards will vest within 4 months from 1 January 2022; and (b) up to 1,002,500 Awards will vest within 4 months from 1 January 2023; and
- (ii) Up to 1,037,000 new ordinary shares in the capital of the Company ("**New Shares**") to be issued to third party individuals which were awarded such New Shares in part as consideration in lieu of fees for their services rendered and in part as performance based incentives for future performance of such service, and which will vest upon the achievement of certain pre-determined performance targets over a pre-determined performance period, out of which (a) up to 518,500 New Shares will vest within 4 months from 1 January 2022; and (b) up to 518,500 New Shares will vest within 4 months from 1 January 2023.

The outstanding Award Shares and New Shares, which amounted to 3,042,000 shares in aggregate as at 31 December 2021, represent approximately 1.15% of the total number of issued shares of the Company (excluding treasury shares) as at 31 December 2021. As at 31 December 2020, the Company had no outstanding convertibles.

There were no treasury shares and subsidiary holdings held by the Company as at 31 December 2021 and 31 December 2020.

19. Share-based payment reserve

Share-based payment reserve represents the equity-settled performance shares granted to directors and employees of the Company 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 services.

On 30 April 2021, the Company issued an aggregate of 1,011,200 new ordinary shares in the capital of the Company to certain employees and a director of the Company pursuant to the vesting of Awards granted under the Plan. On the same day, the Company issued an aggregate of 393,500 new ordinary shares in the capital of the Company to certain third-party individuals contracted to provide services to the Group in relation to scientific, technological, market development, corporate advisory and human resource management matters, pursuant to the vesting of such new shares in lieu of fees.

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 2021	508
Employee share-based payment – equity settled recognised in profit or loss	69
Professional fees – equity settled recognised in profit or loss	84
Share issuance resulting in transfer from share-based payment reserve to share capital	(548)
	<hr/>
Balance as at 31 December 2021	113
	<hr/>

20. Net asset value per share

	Group		Company	
	As at 31/12/21	As at 31/12/20	As at 31/12/21	As at 31/12/20
Net asset value (S\$'000)	2,337	8,272	4,248	8,788
Number of shares ('000)	265,452	264,047	265,452	264,047
Net asset value per share (cents)	0.88	3.13	1.60	3.33
	<hr/>			

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

(b) ***Infectious diseases***

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

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:

	Cancer S\$'000	Infectious diseases S\$'000	Laboratory services S\$'000	Corporate segment S\$'000	Total S\$'000
2H2021					
Revenue:					
External customers	212	1,383	80	-	1,675
Inter-segment	-	-	-	-	-
Total revenue	212	1,383	80	-	1,675
Segment results:					
Other income	-	-	-	191	191
Employee benefits expense	(69)	(57)	(242)	(469)	(837)
Depreciation expense	(229)	-	(98)	(83)	(410)
Amortisation expense	(48)	-	(167)	-	(215)
Research and development expense	(596)	(110)	-	-	(706)
Other expenses	(79)	(164)	(430)	(901)	(1,574)
Finance costs	-	-	(3)	(97)	(100)
Segment loss before tax	(617)	(157)	(918)	(1,359)	(3,051)
Income tax credit	-	-	29	-	29
Segment loss after tax	(617)	(157)	(889)	(1,359)	(3,022)
Assets:					
Additions to non-current assets	45	-	375	20	440

	Cancer S\$'000	Infectious diseases S\$'000	Laboratory services S\$'000	Corporate segment S\$'000	Total S\$'000
2H2020					
Revenue:					
External customers	314	1,461	32	-	1,807
Inter-segment	-	-	-	-	-
Total revenue	314	1,461	32	-	1,807
Segment results:					
Other income	-	-	3	356	359
Employee benefits expense	(62)	(72)	(39)	(1,872)	(2,045)
Depreciation expense	(243)	-	(90)	(66)	(399)
Amortisation expense	(29)	-	(194)	-	(223)
Research and development expense	(319)	(71)	-	-	(390)
Other expenses	(115)	(425)	(168)	(1,417)	(2,125)
Impairment loss	-	-	-	(5)	(5)
Finance costs	-	-	(4)	(96)	(100)
Segment loss before tax	(159)	(829)	(489)	(3,100)	(4,577)
Income tax expense	-	-	33	-	33
Segment loss after tax	(159)	(829)	(456)	(3,100)	(4,544)
Assets:					
Additions to non-current assets	142	-	-	131	273

	Cancer S\$'000	Infectious diseases S\$'000	Laboratory services S\$'000	Corporate segment S\$'000	Total S\$'000
FY2021					
Revenue:					
External customers	337	1,813	164	-	2,314
Inter-segment	-	-	-	-	-
Total revenue	337	1,813	164	-	2,314
Segment results:					
Other income	-	-	-	378	378
Employee benefits expense	(139)	(132)	(335)	(1,065)	(1,671)
Depreciation expense	(461)	-	(213)	(163)	(837)
Amortisation expense	(82)	-	(333)	-	(415)
Research and development expense	(873)	(218)	-	-	(1,091)
Other expenses	(196)	(289)	(548)	(1,689)	(2,722)
Finance costs	-	-	(7)	(201)	(208)
Segment loss before tax	(1,595)	(403)	(1,345)	(2,740)	(6,083)
Income tax credit	-	-	57	-	57
Segment loss after tax	(1,595)	(403)	(1,288)	(2,740)	(6,026)
Assets:					
Additions to non-current assets	137	-	397	28	562

	Cancer S\$'000	Infectious diseases S\$'000	Laboratory services S\$'000	Corporate segment S\$'000	Total S\$'000
FY2020					
Revenue:					
External customers	1,061	7,807	39	-	8,907
Inter-segment	-	-	-	-	-
Total revenue	1,061	7,807	39	-	8,907
Segment results:					
Other income	-	-	3	621	624
Employee benefits expense	(193)	(138)	(39)	(2,365)	(2,735)
Depreciation expense	(491)	-	(136)	(126)	(753)
Amortisation expense	(49)	-	(194)	-	(243)
Research and development expense	(715)	(162)	-	-	(877)
Other expenses	(415)	(560)	(227)	(2,803)	(4,005)
Impairment loss	-	-	-	(5)	(5)
Finance costs	-	-	(5)	(122)	(127)
Segment loss before tax	(1,254)	1,959	(588)	(4,800)	(4,683)
Income tax expense	-	-	33	-	33
Segment loss after tax	(1,254)	1,959	(555)	(4,800)	(4,650)
Assets:					
Additions to non-current assets	378	-	-	142	520

Geographical information

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

	Cancer		Infectious diseases		Laboratory services	
	2H2021	2H2020	2H2021	2H2020	2H2021	2H2020
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue						
Singapore	18	23	495	390	13	4
Japan	86	46	-	-	-	-
Europe	34	187	874	1	1	-
United States	-	2	-	-	-	-
Hong Kong	74	47	-	2	-	-
Philippines	-	-	-	480	9	-
Indonesia	-	9	12	581	-	-
Others	-	-	2	7	57	28
	212	314	1,383	1,461	80	32

Information about major customers

Revenue from two (2H2020: two) major customer(s) amounted to S\$1,174,333 (2H2020: S\$1,385,763), arising from sales from the Infectious diseases segment (2H2020: Infectious diseases segment).

	Cancer		Infectious diseases		Laboratory services	
	FY2021	FY2020	FY2021	FY2020	FY2021	FY2020
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Segment revenue						
Singapore	33	67	507	2,544	27	5
Japan	108	163	-	154	-	-
China	-	335	-	-	-	-
Europe	46	236	1,236	44	48	-
United States	-	29	-	172	-	-
Hong Kong	147	213	-	350	-	-
Philippines	-	-	-	2,540	24	-
Indonesia	-	9	63	1,990	-	-
Others	3	9	7	13	65	34
	337	1,061	1,813	7,807	164	39

Information about major customers

Revenue from two (FY2020: three) major customer(s) amounted to S\$1,536,798 (FY2020: S\$7,127,113), arising from sales from the Infectious diseases segment (FY2020: Infectious diseases 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 statements of profit or loss and other comprehensive income of this announcement.

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

Please refer to Notes 5 to 8 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 16 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 statements 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.

Not applicable.

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 10 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 74.0% or S\$6.60 million, from S\$8.91 million in FY2020 to S\$2.31 million in FY2021, due mainly to the decrease in sales of our COVID-19 related products which amounted to

S\$1.81 million in FY2021, as compared to S\$7.81 million in FY2020. The decrease was due to a growing supply of COVID-19 antigen and antibody test kits which led to a highly competitive market under the constraints of intense price competition.

Revenue from the sales of our ClearCell® FX1 system, our CTChip® FR1 biochip and other related services and consumables decreased from S\$1.06 million in FY2020 to S\$0.34 million in FY2021, while revenue from rendering of laboratory services increased from S\$0.04 million in FY2020 to S\$0.16 million in FY2021.

Revenue decreased slightly by 7.3% or S\$0.13 million from S\$1.81 million in 2H2020 to S\$1.68 million in 2H2021 for the same reasons as mentioned above.

Other income

Other income decreased by 39.4% or S\$0.24 million, from S\$0.62 million in FY2020 to S\$0.38 million in FY2021, and 46.8% or S\$0.17 million, from S\$0.36 million in 2H2020 to S\$0.19 million in 2H2021, due mainly to a decrease of S\$0.40 million and S\$0.25 million in government grant income in FY2021 and 2H2021, respectively. The decrease was partially offset by a foreign exchange gain as a result of the strengthening of the United States Dollar arising from certain bank balances denominated in United States Dollar, and a gain from the remeasurement of the deferred consideration payable for the acquisition of Biomedics Laboratory Pte. Ltd. as a result of the extension of the due date of the deferred consideration.

Changes in inventories

We recorded a decrease of S\$0.04 million and S\$0.20 million in the closing balance of our inventories in FY2021 and 2H2021, respectively, as compared to an increase of S\$0.61 million and a decrease of S\$0.66 million in FY2020 and 2H2020, respectively. The fluctuations in the balance of our inventories were due mainly to the timing of the purchase and sale of inventories.

Purchases

Our purchases decreased by 70.4% or S\$4.27 million, from S\$6.07 million in FY2020 to S\$1.80 million in FY2021, in line with the decrease in sales of our COVID-19 related products during the year.

Our purchases remained relatively stable at S\$0.79 million and S\$0.88 million, in 2H2020 and 2H2021, respectively.

Employee benefits expense

Employee benefits expense decreased by 38.9% or S\$1.07 million, from S\$2.74 million in FY2020 to S\$1.67 million in FY2021, and 59.1% or S\$1.21 million, from S\$2.05 million in 2H2020 to S\$0.84 million in 2H2021, due mainly to a decrease of S\$1.30 million in share-based payment expense in FY2021, partially offset by S\$0.30 million in additional salaries of employees of Biomedics Laboratory Pte. Ltd. which was acquired in May 2020.

Depreciation expense

Depreciation expense remained relatively stable at S\$0.75 million and S\$0.84 million, in FY2020 and FY2021, and S\$0.40 million and S\$0.41 million, in 2H2020 and 2H2021, respectively.

Amortisation expense

Amortisation expense increased by 70.8% or S\$0.18 million, from S\$0.24 million in FY2020 to S\$0.42 million in FY2021, due mainly to the amortisation of the CAP Accreditation of Biomedics Laboratory Pte. Ltd..

Amortisation expense remained relatively stable at S\$0.22 million in 2H2020 and 2H2021.

Research and development (“R&D”) expense

R&D expense increased by 24.4% or S\$0.21 million, from S\$0.88 million in FY2020 to S\$1.09 million in FY2021, and 81.0% or S\$0.32 million, from S\$0.39 million in 2H2020 to S\$0.71 million in 2H2021, due mainly to the increase in developmental activities for COVID-19 related products during the year/ period.

Other expenses

Other expenses decreased by 32.2% or S\$1.30 million, from S\$4.02 million in FY2020 to S\$2.72 million in FY2021, and 26.3% or S\$0.57 million, from S\$2.14 million in 2H2020 to S\$1.57 million in 2H2021. The decrease was due mainly to (i) a decrease of S\$0.35 million in professional fees (cash-settled), (ii) a decrease of S\$0.50 million in professional fees (equity-settled), (iii) a decrease of S\$0.16 million in travelling expenses, and (iv) a foreign exchange gain of S\$0.08 million recognised under other income in FY2021 as compared to a foreign exchange loss of S\$0.55 million in FY2020, partially offset by an increase of S\$0.30 million in inventories written off, relating to expired COVID-19 related products.

Finance costs

Finance costs increased by 63.8% or S\$0.08 million, from S\$0.13 million in FY2020 to S\$0.21 million in FY2021, due mainly to an increase of S\$0.06 million in interest expense from the working capital bank loan drawn down in April 2020 and November 2020, and accretion of S\$0.03 million in interest on the deferred consideration payable for the acquisition of Biomedics Laboratory Pte. Ltd..

Finance costs remained unchanged at S\$0.10 million in 2H2020 and 2H2021.

Income tax credit

Income tax credit pertains to the reversal of deferred tax liabilities arising from the CAP Accreditation of Biomedics Laboratory Pte. Ltd..

Loss for the year/ period

As a result of the foregoing, loss for the year/ period increased by 29.6% or S\$1.38 million, from S\$4.65 million in FY2020 to S\$6.03 million in FY2021, and decreased by 33.5% or S\$1.52 million, from S\$4.54 million in 2H2020 to S\$3.02 million in 2H2021.

REVIEW OF THE GROUP’S FINANCIAL POSITION

Non-current assets

The Group's non-current assets decreased by 8.5% or S\$0.50 million, from S\$5.81 million as at 31 December 2020 to S\$5.31 million as at 31 December 2021. This was due mainly to a decrease in right-of-use assets and intangible assets of S\$0.25 million and S\$0.28 million, respectively, which arose mainly from the depreciation and amortisation charges during the year.

Current assets

The Group's current assets decreased by 52.8% or S\$6.84 million, from S\$12.95 million as at 31 December 2020 to S\$6.11 million as at 31 December 2021. This was due mainly to a decrease in cash and cash equivalents of S\$6.71 million as a result of the net cash used in operating activities of S\$4.64 million, net cash used in investing activities of S\$0.86 million and net cash used in financing activities of S\$1.15 million.

Current liabilities

The Group's current liabilities remained relatively stable at S\$2.29 million and S\$2.41 million, as at 31 December 2020 and 31 December 2021, respectively.

Non-current liabilities

The Group's non-current liabilities decreased by 18.5% or S\$1.51 million, from S\$8.19 million as at 31 December 2020 to S\$6.68 million as at 31 December 2021. This was due mainly to (i) a payment of S\$0.30 million made during FY2021 of the deferred consideration in relation to the acquisition of Biomedics Laboratory Pte. Ltd., (ii) a decrease in borrowings of S\$1.02 million comprising the non-current portion of working capital bank loans, and (iii) a decrease in non-current portion of lease liabilities of S\$0.15 million.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

Operating cash outflow before movements in working capital amounted to S\$4.11 million in FY2021. Net cash used for working capital amounted to S\$0.40 million due mainly to an increase in inventories of S\$0.39 million. Interest paid amounted to S\$0.14 million. As a result, net cash used in operating activities was S\$4.64 million in FY2021.

Net cash used in investing activities for FY2021 amounted to S\$0.86 million. This was due mainly to (i) additions to plant and equipment of S\$0.43 million, (ii) additions to intangible assets of S\$0.13 million, and (iii) payment of S\$0.30 million made during FY2021 of the deferred consideration in relation to the acquisition of Biomedics Laboratory Pte. Ltd..

Net cash used in financing activities for FY2021 amounted to S\$1.15 million. This was due mainly to payment of S\$0.87 million and S\$0.28 million of the principal portion of borrowings and the principal portion of lease liabilities, respectively in FY2021.

Exchange effects on cash and cash equivalents for FY2021 amounted to S\$0.06 million.

As a result, there was a net decrease in cash and cash equivalents by S\$6.65 million, from S\$10.67 million as at 31 December 2020 to S\$3.96 million as at 31 December 2021.

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.

The global COVID-19 pandemic has had a significant impact on the global economy and businesses, as the Group adapts to the opportunities, challenges and uncertainties brought about by the COVID-19 pandemic. As a result, in addition to its liquid biopsy products, the Group had broadened its product and service offerings through the development and commercialisation of its own COVID-19 related products, as well as the sale and distribution of third-party medical and healthcare-related products and other technologies within the diagnostic space. In FY2021, the Group's clinical laboratory in Singapore has since also added medical microbiology (molecular microbiology) services, which includes SARS-CoV-2 polymerase chain reaction (PCR) testing for COVID-19, as one of its service offerings which it will continue to offer in the current financial year ending 31 December 2022.

Nevertheless, due to the rapidly evolving nature of the COVID-19 pandemic, the Group is exposed to various uncertainties and challenges such as the emergence of competing and newer technologies, product regulatory changes, and travel policies and restrictions, which could affect the Group's commercialisation strategies and activities. The Group will seek to constantly review its product and service offerings in order to keep pace with the above-mentioned uncertainties and challenges and ensure that the Group's business continues to stay relevant and sustainable. The Group will also explore other opportunities to grow its business as well as fundraising opportunities to strengthen its financial position.

The Company will continue to provide timely updates to 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 FY2021.

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 was renewed at the Company's extraordinary general meeting held on 30 April 2021 ("**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 FY2021.

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 IPO proceeds

The Company received net proceeds from the IPO of approximately S\$6.1 million. As at the date of this announcement, the net proceeds have been utilised as follows:

(\$'000)	Amount allocated (as disclosed in the offer document)	Amount utilised as at the date of this announcement	Balance
Expand our clinical services applications and clinical services customer segment	2,700	2,700	-
Advance our pipeline products	2,400	1,661	739
General corporate and working capital purposes ⁽¹⁾	1,000	1,000	-
Total	6,100	5,361	739

Note:

(1) Comprises operating expenses.

17 Use of placement shares proceeds

Pursuant to the issuance of 17,858,000 placement shares on 27 March 2020, the Company received net proceeds of approximately S\$3.1 million.

As at the date of this announcement, the net proceeds have been utilised as follows:

(S\$'000)	Amount allocated (as disclosed in the placement shares announcement)	Amount utilised as at the date of this announcement	Balance
Expansion of the Group's presence in its existing markets into new market segments, and through establishing new sales channels	1,595	1,263	332
Expansion of the Company's businesses through investments, mergers and acquisitions, joint ventures and/or strategy collaborations with third parties	792	575	217
General corporate and working capital purposes ⁽¹⁾	711	711	-
Total	3,098	2,549	549

Note:

(1) Comprises operating expenses.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

18 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.

19 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

20 A breakdown of sales.

	FY2021	Group	FY2020	+/(-)
	S\$'000		S\$'000	%
Sales reported for first half of the year	639		7,100	(91.0)
Loss reported for first half of the year	(3,004)		(106)	2,734.0
Sales reported for second half of the year	1,675		1,807	(7.3)
Loss reported for second half of the year	(3,022)		(4,544)	(33.5)

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

Not applicable.

22 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.

23 Disclosure pursuant to Rule 706A of the Catalist Rules

There was no acquisition or sale of shares by the Company during FY2021 which requires disclosure pursuant to Rule 706A of the Catalist Rules.

ON BEHALF OF THE BOARD

Gavin Mark McIntyre
Non-Executive Independent Chairman

Song Tang Yih
Executive Director and Chief Executive Officer

28 February 2022