

RESPONSE TO SGX QUERIES IN RELATION TO THE COMPANY'S ANNOUNCEMENT ON REDESIGNATION FROM NON-EXECUTIVE NON-INDEPENDENT DIRECTOR TO EXECUTIVE DIRECTOR- ZHU HUA

The board of directors (the "**Board**") of Biolidics Limited (the "**Company**") and together with its subsidiaries, the "**Group**") refers to the queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 15 April 2024 and would like to provide further information in relation to the Company's announcement on "Redesignation from Non-Executive Non-Independent Director to Executive Director – Zhu Hua" (the "**Announcement**") released by the Company on 12 April 2024.

Unless otherwise defined, capitalised terms used herein shall bear the same meaning as ascribed to them in the Announcement.

SGX Queries: We note that Mr Zhu Hua's role as Executive Director includes being responsible for the overall strategic direction, growth and business development of the Group.

- (i) What is Mr Zhu Hua's experience and track record in the biomedical / healthcare sector?

Company's response

Mr Zhu Hua has worked in several equity investment fund companies and has about 20 years of experience in investment management, which includes in companies in the biomedical/healthcare sector.

- (ii) Why was Mr Zhu Hua not appointed as an Executive Director of the Company when he was first appointed as a director on 1 December 2023? What were the Nominating Committee's considerations then and now?

Company's response

When Mr Zhu Hua was appointed as Non-Executive Director on 1 December 2023 after the completion of a share subscription, the Nominating Committee had considered Mr Zhu Hua as the largest shareholder of the Group and Mr Zhu Hua was subsequently appointed as a Non-Executive Director.

At the extraordinary general meeting of the Group held on 23 February 2024, a members' resolution was passed for the diversification of the Group's existing business to include the new business of technology-enabled entertainment business, which would involve the ownership, operation and management of live streaming social e-commerce platforms, Esports-related business and multi-channel network businesses (the "**New Business**").

Given Mr Zhu Hua's 20 years of investment management experience, with more than 10 years of investment experience in the internet, mobile internet and multi-channel network industry, the Nominating Committee had considered Mr Zhu Hua's experience and his ability to provide the overall strategic direction, growth and business development of the New Business and appointed Mr Zhu Hua as the Executive Director of the Company upon the issuance of Mr Zhu Hua's employment pass with the Group on 11 April 2024.

- (iii) We note that Mr Zhu Hua was appointed as a Non-Executive Director on 1 December 2023, following completion of a share subscription which resulted in him becoming a 14.98% shareholder of the Company. Mr Zhu Hua also undertook to provide financial support to the Group to enable the Group to continue as a going concern.

- (a) Mr Zhu Hua is the single largest shareholder of the Company and is able to make executive decisions on matters pertaining to the Group, in his capacity as Executive Director and as Key Management. Please provide the Board's and Sponsor's respective assessments, with supporting bases, on whether there is a change in control.

Company's response

The Board and Sponsor have assessed and are of the view that there is no change in control given that (1) Mr Zhu Hua's shareholding in the Group is below the 15% controlling shareholder threshold, and (2) the Board currently comprises 4 Independent Directors and 2 Executive Directors. Despite being the single largest shareholder, any executive decisions will still be required to be brought up to the Board and the decisions and resolutions will only be passed based on simple majority votes of the Directors. Mr Zhu Hua has been providing financial support to the Company. In the event Mr Zhu Hua's loans to the Company are converted to shares in the Company or if Mr Zhu Hua subscribes for new shares in the Company, then there will be a change in control, and the Company will observe and comply with the listing rules relating to the issue of shares resulting in change in control accordingly.

- (b) Are there any plans for the Company to acquire assets / businesses from Mr Zhu Hua?

Company's response

The Group presently does not have any plans to acquire assets / business from Mr Zhu Hua. In the event that the Group plans to acquire assets / businesses from Mr Zhu Hua, the Group will observe and comply with the listing rules.

- (iv) We also note that Mr Zhu Hua is currently involved in an executive capacity in the following companies:

1. Zhenghe Antai (Beijing) Investment Management Co., Ltd (Director and General Manager);
2. Khorgos Weiniao Technology Limited (Supervisor); and
3. Edge Mediatech Pte. Ltd. (Chief Financial Officer).

In addition, we note that Mr Zhu Hua is presently also a director of 16 other companies.

Please provide us with the Nominating Committee and the Sponsor's respective assessments, with supporting bases, on whether Mr Zhu Hua will be able to devote sufficient time and attention to the affairs of the Company and discharge his obligations as an Executive Director.

Company's response

Zhenghe Antai (Beijing) Investment Management Co., Ltd ("**Zhenghe Antai**") is an equity investment company that Mr Zhu Hua founded. Zhenghe Antai is currently managed by 5 to 7 professionals. The company has ceased active equity investments and focuses on managing and divesting of its investment portfolio. Mr Zhu Hua is not involved in the day-to-day operations of Zhenghe Antai.

Khorgos Weiniao Technology Limited ("**Khorgos Weiniao**") is a dormant company and it is in the process of de-registration. Mr Zhu Hua is not involved in Khorgos Weiniao's management nor operations.

Mr Zhu Hua has ceased his services to Edge Mediatech Pte. Ltd. ("**Edge Mediatech**") and his employment pass sponsored by Edge Mediatech was terminated on 11 April 2024. Mr Zhu Hua's employment pass with the Company was subsequently issued on the same day.

As for Mr Zhu Hua's directorships with the 16 other companies, 5 of these companies are undergoing de-registration, 8 of these companies are dormant and 1 has recently been sold. For the remaining 2 companies, Mr Zhu Hua is not involved in these companies' management role and day-to-day operations.

Mr Zhu Hua has relocated to Singapore with his family since end July 2023 and is focused on the Company's growth plans. He only travels to China for a few days every 2-3 months.

The Nominating Committee is of the view that Mr Zhu Hua will be able to devote sufficient time and attention to the affairs of the Group and discharge his obligations as an Executive Director.

The Sponsor has conducted the requisite background searches and held discussions with Mr Zhu Hua on his suitability for appointment as an Executive Director. After taking into consideration the above disclosures, the Sponsor concurs with the Nominating Committee's view that Mr Zhu Hua will be able to devote sufficient time and attention to the affairs of the Company and discharge his obligations as an Executive Director.

By Order of the Board

Song Tang Yih
Executive Director and Chief Executive Officer
24 April 2024

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited (the "**Sponsor**") for compliance with relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").*

This announcement has not been examined or approved by the SGX-ST, and 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.

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