

BIOLIDICS LIMITED
Company Registration No. 200913076M
(Incorporated in the Republic of Singapore)
(the “Company”)

MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY HELD AT 37 JALAN PEMIMPIN, #02-07 MAPEX, SINGAPORE 577177 ON TUESDAY, 21 NOVEMBER 2023 AT 3.00 P.M.

PRESENT

DIRECTORS

Mr Gavin Mark McIntyre	:	Non-Executive Independent Chairman
Mr Ian David Brown*	:	Independent Director
Ms Ch'ng Li-Ling	:	Independent Director
Mr Song Tang Yih	:	Executive Director and CEO

**Via video/tele-conference*

IN ATTENDANCE BY INVITATION

As per attendance record maintained by the Company.

SHAREHOLDERS

As per attendance record maintained by the Company.

CHAIRMAN OF THE MEETING

Mr Gavin Mark McIntyre, the Non-Executive Independent Chairman of the Company, was the appointed chairman (“**Chairman**”) of the extraordinary general meeting of the Company (the “**Meeting**” or “**EGM**”).

QUORUM

As there was a quorum, the Chairman declared the Meeting opened at 3.00 p.m.

NOTICE

The notice convening the Meeting dated 6 November 2023 was taken as read.

OPENING ADDRESS

The Chairman welcomed all attendees joining the Meeting and introduced the Directors, Chief Executive Officer, Financial Controller, Company Secretary and Sponsor to the shareholders. He informed the shareholders that in his capacity as the Chairman, he has directed that the resolution to be tabled at the Meeting be voted by poll in accordance with the Company’s constitution. The poll voting was conducted after the resolution was proposed and seconded.

The polling agent and the scrutineer appointed by the Company had assisted the Company with the verification and supervision of the counting of the votes of all valid proxy forms submitted by shareholders by the submission deadline of 3.00 p.m. on 18 November 2023. The scrutineer had also verified the votes cast by shareholders at the Meeting.

The Chairman then proceeded with the agenda of the Meeting, which was to seek shareholders’ approval on the proposed subscription of 230,769,231 new ordinary shares in the capital of the Company (the “**Subscription Shares**”) to Mr Zhu Hua at an issue price of S\$0.0065 per Subscription Share (“**Subscription Price**”).

ORDINARY BUSINESS:

RESOLUTION 1 – TO APPROVE THE PROPOSED SUBSCRIPTION

The following Ordinary Resolution was proposed by Ms Lo Xin Yee Joyce and seconded by Mr Song Tang Yih:

“That:

- (a) approval and authority be and is hereby given for the issuance and allotment of 230,769,231 new ordinary shares in the capital of the Company (the “**Subscription Shares**”) to Mr. Zhu Hua (the “**Subscriber**”), at an issue price of S\$0.0065 per Subscription Share, representing a discount of approximately 56.38% to the volume-weighted average price of S\$0.0149 per Share for trades done on the Shares on the SGX-ST on 12 October 2023, being the date of the subscription agreement dated 12 October 2023 entered into between the Company and the Subscriber (the “**Subscription Agreement**”), which will result in the transfer of a controlling interest in the Company pursuant to Rule 803 of the Catalist Rules (the “**Proposed Subscription**”);
- (b) the Subscription Shares, when allotted and issued, shall be free from all claims, charges, liens and other encumbrances and shall rank *pari passu* in all respects with the existing Shares as at the date of issue of the Subscription Shares, except for any dividends, rights, distributions, allotments or other entitlements the Record Date of which falls before such date of issue;
- (c) the Directors or any of them be and are hereby authorised to complete and do all acts and things (including, without limitation, enter into all transactions, arrangements and agreements and approve, sign and execute all such documents which they in their absolute discretion consider to be necessary, and to exercise such discretion as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they or each of them deem desirable, necessary or expedient to give effect to the matters contemplated by this resolution and the Proposed Subscription as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company; and
- (d) any acts and things done or performed, and/or any agreements and documents signed, executed, sealed and/or delivered by a Director in connection with this resolution and the Proposed Subscription be and are hereby approved, confirmed and ratified.”

The Chairman invited shareholders present to raise questions they have on the resolution and the Proposed Subscription.

The Board and Management attended to the following questions from the shareholders and responded as follows:

1. How was the Subscription Price derived and does it constitute a discount of 50%?

The Financial Controller, Sean Siu (“**Sean**”), clarified that the Subscription Price was proposed by Mr. Zhu Hua (the “**Subscriber**”) and represented a discount of over 50%. The Subscriber had proposed the Subscription Price after taking into consideration the Group’s financial difficulties, continuous losses, and the disclaimer of opinion in relation to the Group’s going concern assumption in the auditors’ report in respect of the Group’s financial statements for FY2021 and FY2022. Sean further highlighted that the Group and the Company were in a net tangible liability position, and has a significant debt amounting to S\$2.1 million owing to a creditor (“**CBSA Debt**”) which will be due for payment in 4 days’ time after the Meeting.

Sean emphasised that with the Subscriber coming in as a white knight, he will be sharing the Group’s net liabilities with all shareholders whilst enabling the Company to repay the CBSA Debt. There was therefore an urgent need to complete the Proposed Subscription so as to help repay the CBSA Debt by the end of the week, failing which alternative fundraising options will have to be explored. Ongoing negotiations with the creditor and consideration of alternative options were being actively pursued by the Company.

2. Will the Subscriber be the largest shareholder after the Proposed Subscription and whether will he be taking over the CEO position?

Sean clarified that the Subscriber will become the largest shareholder if the Proposed Subscription is completed, and he will be appointed as a Non-Independent and Non-Executive Director of the Company.

3. Were other alternative loan offers considered and compared against the Proposed Subscription?

The Company's CEO, Mr Song Tang Yih apprised the shareholders that the Company is committed to exploring all available options. In addition, in light of the Company's going concern issue, the Management has and will continue to present these available options to the Board for thorough discussion and evaluation as and when they arise.

4. Referring to the public announcement detailing the assignment of the CBSA Debt to 4 investors as a convertible loan arrangement with convertibility at potentially a 10% discount to prevailing market price, what is the reason that this proposal was not considered by the Board?

The key factor influencing the Board's decision to not proceed with this proposal was the maximum potential dilution to shareholders arising from the conversion of the loan, as the issuance of the new shares at the minimum conversion price of S\$0.0077 to these 4 investors will result in these investors collectively holding over 30% of the enlarged issued share capital of the Company. Sean further emphasised that the Company was also already in the final stages of discussion on the Proposed Subscription at the time when it was informed of this proposal.

In addition, Sean highlighted that the Subscriber will be providing financial support to the Company, following the completion of the Proposed Subscription, which could be in the form of an interest-free shareholder's loan.

5. What will happen to the Company if the resolution is not carried?

Sean outlined potential repercussions under such a situation, indicating that if the creditor of the CBSA Debt does not agree to an extension of the repayment date before the repayment deadline of 25 November 2023, the Company will explore alternative solutions to repay the CBSA Debt. If no viable options emerge, the last resort will be the suspension of trading of the Company's shares as highlighted in the circular to shareholders on the Proposed Subscription ("**Circular**"). The Chairman reiterated the Board's responsibility, emphasising the need to source for viable alternatives before considering lifting of the trading halt. This is to avoid providing a false positive indication to the shareholders without the Company's ability to execute any viable solutions.

6. Are there any objections / queries from the SGX-ST?

The Chairman confirmed that the Company did not receive any query from the SGX-ST on the Proposed Subscription.

7. If the resolution is not carried, what other funding options will the Board accept?

The Chairman emphasised the Company's obligation to repay its debts and expressed the Board's commitment to consider all available options presented to it. While acknowledging the complexity of the situation and varying perspectives, the Chairman emphasised that the Proposed Subscription will address the time constraints for the Company to repay the CBSA Debt. He also highlighted the potential consequences if the auditors were to disclaim their audit opinion for the third year, urging that the Company finds a holistic solution for it to make the settlement with the creditor and to bring in new business into the Company.

8. Has the Subscriber proposed any new business to the Company, or nothing is on the table?

The Chairman responded that the Subscriber had proposed a few business proposals to the Company on a preliminary basis during the negotiations on the Proposed Subscription. The Board will only be further assessing such proposals with the Subscriber after the completion of the Proposed Subscription, particularly in choosing one with the best-fit business for a sustainable growth and working capital adequacy, and aligned with the Company's direction.

9. Will the Company consider the possibility of shareholder's loan so that shareholders' shareholdings will not be diluted?

The Chairman affirmed the Company's willingness to explore all available and viable options. Communication channels will remain open, and decisions regarding viable alternatives will be discussed by the Board and Management. The Management will propose to the Board on the direction that it wishes to take with regard to the financing options.

10. When will the exclusivity period for the Proposed Subscription end?

The exclusivity period for the Proposed Subscription will end on the day of the Meeting.

There being no further questions from the shareholders, the Chairman invited the representative from Agile 8 Advisory Pte. Ltd. to explain the poll voting procedures to the shareholders.

POLLING

The shareholders were directed to complete and hand over the duly completed poll voting slip to the Scrutineer for verification and votes counting purpose.

The Meeting was adjourned for a short while, pending the poll results to be counted and announced.

RESULTS OF THE POLL VOTING

The Chairman received the poll voting results from the Scrutineer and reconvened the Meeting.

The Chairman announced the result of the votes as follows:

Percentage of votes "FOR" was 40.88% (94,777,700 shares)
Percentage of votes "AGAINST" was 59.12% (137,050,500 shares)

Based on the result, the Chairman declared that the Ordinary Resolution tabled at the Meeting was not carried.

CONCLUSION

There being no other business to transact, the Chairman thanked fellow board members, shareholders, stakeholders and partners for attending the Meeting and their invaluable support. The Chairman declared the Meeting closed at 3.49 p.m..

Confirmed as True Record of Proceedings held

GAVIN MARK MCINTYRE
Chairman of the Meeting