

**CLEARBRIDGE HEALTH LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 201001436C)

---

**PROPOSED ISSUE OF CONVERTIBLE BONDS**

---

The board of directors of Clearbridge Health Limited (the "**Company**"), wishes to announce that the subscribers named in paragraph 5 of this announcement (the "**Subscribers**") have agreed to subscribe for convertible bonds due 2022 (the "**Convertible Bonds**"), which are convertible into new ordinary shares in the capital of the Company and have entered into a subscription agreement with the Company on 31 January 2019 (the "**Subscription Agreement**").

**1. Principal Terms of the Convertible Bonds**

The principal terms and conditions of the Convertible Bonds are summarized as follows:

- Issue Size : The Convertible Bonds will be issued in two separate series, S\$9.5 million to the Subscribers (except Yee Pinh Jeremy and Chen Johnson) (the "**Series 1 Subscribers**"), S\$1.0 million and S\$0.5 million to Yee Pinh Jeremy and Chen Johnson (the "**Series 2 Subscribers**") respectively.
- Issue Price : 100% of the principal amount of the Convertible Bonds.
- Maturity Date : The date falling three years from the relevant issue date of the Convertible Bonds.
- Interest : The Convertible Bonds will bear interest at the rate of 7.0% per annum.
- Conversion Price : The price, at which each Conversion Share shall be issued upon conversion (the "**Conversion Price**") shall initially be S\$0.28 per Conversion Share. This represents a premium of 78.1% to the volume-weighted average price for trades done on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") of S\$0.1572 on 31 January 2019, being the full market day on which the Subscription Agreement is signed.
- Conversion Period : Convertible at the option of the holder of the Convertible Bonds, at any time on or after the issue date up to the close of business on the Maturity Date (both days inclusive) unless previously redeemed or purchased and cancelled or, if such Convertible Bond shall have been called for redemption by the Company before the Maturity Date, then up to the close of business on a date no later than ten business days (in the place aforesaid) prior to the date fixed for redemption thereof.
- Conversion Terms : Bondholders have the right ("**Conversion Right**") to convert any Convertible Bond into validly issued and fully-paid Conversion Shares (as defined below) in accordance with the terms and conditions of the Convertible Bonds (the "**Terms and Conditions**").

The number of Conversion Shares to be issued on the conversion of each Convertible Bond will be determined by dividing the principal amount of each Convertible Bond by the Conversion Price. If more than

one Convertible Bond held by the same Bondholder is converted at any one time by the same Bondholder, the number of Conversion Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Convertible Bonds to be converted.

Conversion Shares : Up to 39,285,714 new shares ("**Conversion Shares**") to be allotted and issued by the Company pursuant to the issue of the Convertible Bonds, upon conversion of all the Convertible Bonds.

Status of the Convertible Bonds : The Convertible Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Company and shall at all times rank *pari passu*, and rateably without any preference or priority among themselves. The payment obligations of the Company under the Convertible Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable law and at all times at least rank equally with all of its other present and future direct, unconditional, unsubordinated and unsecured obligations.

Status of the Conversion Shares : The Conversion Shares will, upon allotment and issuance, rank *pari passu* in all respects with the then existing issued shares in the capital of the Company, save for any dividends, rights, allotments or other distributions the record date for which precedes the relevant date the person exercising his Conversion Right is registered as such in the Company's register of members.

"**record date**" means in relation to any dividends, rights, allotments or other distributions, the date on which shareholders of the Company must be registered in order to participate in such dividends, rights, allotment, or other distributions.

Redemption at the Option of the Company : Unless previously redeemed or converted as provided herein, the Company will redeem each Convertible Bond at 120% of its principal amount then outstanding together with unpaid accrued interest thereon.

Further, the Company may, on or at any time after the date falling 18 months after the issue date but not less than ten business days prior to the Maturity Date, on giving not less than 21 nor more than 60 days' notice to the Bondholders, redeem all or some of the Convertible Bonds in the manner set out in the Terms and Conditions. The redemption amount shall be:

<b>Redemption date</b>	<b>Redemption amount</b>
Date falling 18 months after the issue date to (but excluding) the date falling 24 months after the issue date	An amount representing 109% of the aggregate principal amount of the Convertible Bonds then outstanding together with unpaid accrued interest thereon
Date falling within the period commencing from (and including) the date falling 24 months after the issue date to (but excluding) the date falling 30 months after the issue date	An amount representing 114.4% of the aggregate principal amount of the Convertible Bonds then outstanding together with unpaid accrued interest thereon

Date falling within the period commencing from (and including) the date falling 30 months after the issue date to (but excluding) the Maturity Date	An amount representing 120% of the aggregate principal amount of the Convertible Bonds then outstanding together with unpaid accrued interest thereon
---	---

Settlement and Payment : Subject to fulfilment of the conditions of the Subscription Agreement, settlement and payment of the Convertible Bonds is expected to take place as soon as practicably possible upon obtaining the SGX-ST Approval (as defined below) and (in the case of issuance to, and subscription by the Series 2 Subscribers) approval of the Company's shareholders obtained at an extraordinary general meeting to be convened ("EGM").

Listing of the Conversion Shares : An application will be made by the Company to obtain the SGX-ST's approval for the listing of and quotation for the Conversion Shares on Catalist (the "SGX-ST Approval").

The Convertible Bonds will not be listed on any stock exchange.

Governing Law : Law of the Republic of Singapore

Unless otherwise defined herein, capitalised terms shall have the meanings ascribed to them in the Terms and Conditions.

The allotment and issuance of the Conversion Shares are proposed to be made pursuant to the authority granted under the share issue mandate passed by shareholders of the Company at the annual general meeting of the Company held on 27 April 2018 (the "**General Mandate**").

The General Mandate authorises the Company to issue new shares and convertible securities not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the grant of the General Mandate (the "**Relevant Share Capital**"), provided that the aggregate number of shares and convertible securities to be issued other than on a *pro rata* basis to shareholders of the Company shall not exceed 50% of such Relevant Share Capital. From the date of the grant of the General Mandate and up to the date of this announcement, no shares or convertible securities have been issued pursuant to the authority granted under the General Mandate. Accordingly, the issue of the Convertible Bonds which are exercisable into 39,285,714 Conversion Shares falls within the limits of the General Mandate.

## 2. Rationale for the Issue of the Convertible Bonds

The directors are of the view that the issuance of the Convertible Bonds is beneficial to the Company and its subsidiaries (the "**Group**") as it will increase resources and working capital available to the Group for it to pursue acquisitions and/or business opportunities which will drive sales and enhance the Group's financial performance, as part of the management's strategy to achieve long-term growth and deliver shareholders' value.

The directors are of the opinion that, after taking into consideration the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. The directors are also of the opinion that, after taking into consideration the present bank facilities and the Net Proceeds (as defined below), the working capital available to the Group is sufficient to meet its present requirements.

There is no lead manager, co-manager, placement agent or underwriter for the issue of the Convertible Bonds. The Subscribers are existing shareholders, employees of the Company or private investors introduced through Mr Yee Pinh Jeremy, who is the Executive Director and CEO of the Company.

### 3. Use of Proceeds

The estimated net proceeds from the issue of the Convertible Bonds, after deduction of professional fees and related expenses of approximately S\$0.13 million and assuming the full conversion of the Convertible Bonds, are approximately S\$10.87 million (the "**Net Proceeds**"). The Company intends to use the Net Proceeds as follows:

- (i) approximately 70% of the Net Proceeds will be used for expansion of the Company's medical clinics, medical centres and/or laboratory testing services business through mergers and acquisitions, joint ventures, strategic collaborations and/or investment, or organically. Part of this allocation will be used to complete the proposed investment in PT Indo Genesis Medika as announced by the Company on 23 August 2018; and
- (ii) approximately 30% of the Net Proceeds will be used for general working capital purposes.

Pending the deployment of the Net Proceeds, the Net Proceeds may be deposited with banks and/or financial institutions or used for investment in short-term money markets or debt instruments or used for other purposes on a short-term basis as the directors may deem appropriate in the interests of the Company.

### 4. Financial Effects

For the purposes of illustration, the financial effects of the issue of the Convertible Bonds on the share capital, net tangible assets ("**NTA**"), loss per share ("**LPS**") and net gearing of the Group, based on (a) the audited consolidated financial statements of the Company and its subsidiaries (the "**Group**") as at 31 December 2017, (b) the unaudited consolidated financial statements of the Group as at 30 September 2018, and (c) assuming that there is no adjustment event which will result in an adjustment to the Conversion Price, the maximum number of Conversion Shares to be allotted and issued shall be 39,285,714, are as follows:

#### (a) Share Capital

*As at 30 September 2018*

	<b>Before issuance of the Conversion Shares</b>	<b>After issuance of the Conversion Shares</b>
Number of shares	489,310,702	528,596,416

*As at 31 December 2017*

	<b>Before issuance of the Conversion Shares</b>	<b>After issuance of the Conversion Shares</b>
Number of shares	481,000,000	520,285,714

#### (b) NTA

*As at 30 September 2018*

	<b>Before issuance of the Conversion Shares</b>	<b>After issuance of the Conversion Shares</b>
NTA (S\$'000)	25,300	36,170
Number of shares	489,310,702	528,596,416
NTA (cents)	5.17	6.84

*As at 31 December 2017*

	<b>Before issuance of the Conversion Shares</b>	<b>After issuance of the Conversion Shares</b>
NTA (S\$'000)	49,832	60,702
Number of shares	481,000,000	520,285,714
NTA (cents)	10.36	11.67

(c) LPS

*For the nine-month period ended 30 September 2018*

	<b>Before issuance of the Conversion Shares</b>	<b>After issuance of the Conversion Shares</b>
Loss attributable to owners of the Company (S\$'000)	(16,223)	(16,223)
Weighted average number of shares	485,030,419	524,316,133
Loss per share (cents)	(3.34)	(3.09)

*For the financial year ended 31 December 2017*

	<b>Before issuance of the Conversion Shares</b>	<b>After issuance of the Conversion Shares</b>
Loss attributable to owners of the Company (S\$'000)	(7,470)	(7,470)
Weighted average number of shares	320,381,638	359,667,352
Loss per share (cents)	(2.33)	(2.08)

(d) Net Gearing

*As at 30 September 2018*

	<b>Before issuance of the Conversion Shares</b>	<b>After issuance of the Conversion Shares</b>
Borrowings (S\$'000)	3,024	3,024
Equity attributable to owners of the Company (S\$'000)	48,952	59,822

Net gearing	0.06	0.05
-------------	------	------

As at 31 December 2017

	Before issuance of the Conversion Shares	After issuance of the Conversion Shares
Borrowings (S\$'000)	1,641	1,641
Equity attributable to owners of the Company (S\$'000)	60,940	71,810
Net gearing	0.03	0.02

## 5. Information on the Subscribers

### Series 1 Subscribers

Name of Subscriber	Subscription Amount (S\$'000)	Shareholding as a percentage of the issued share capital of the Company as at the date of this announcement <sup>(1)</sup>	Shareholding as a percentage of enlarged issued share capital of Company <sup>(1)(2)</sup>	Particulars of Subscriber
Coop International Pte Ltd	3,000	4.82%	6.49%	An investment company incorporated in Singapore and a subsidiary of Bonvests Holdings Ltd., a company listed on the SGX-ST, with businesses in property development and investment, hotel ownership and management, and waste management and contract cleaning of buildings
Kuik Thiam Huat	1,000	-	0.68%	A private investor
Wong Yat Foo	500	2.56%	2.70%	Founder and chairman of a private equity firm
Ramesh S/O Pritamdas Chandiramani	500	0.49%	0.80%	A private investor
Kuik Chim Mui	500	-	0.34%	A private investor
Chng Kiat Leng	500	0.46%	0.76%	A private investor
Lee Moh Ming	450	2.43%	2.56%	Market Development Director of the Company
Tay Kuan Huat	400	0.76%	0.98%	A private investor
Leong Hee Kuan	300	0.53%	0.69%	A private investor
Leong Sung Yi	300	0.77%	0.92%	A private investor
Wong Yat Yong	250	0.29%	0.44%	A private investor
Mrs Wong Yat Sun Nee Tay Lee Tiang	250	2.70%	2.67%	A private investor

Wong Chi Wai Roy (Huang Zhiwei)	250	0.92%	1.02%	A private investor
Heng Tung Lan	250	0.01%	0.17%	Executive director of Singapore O&G Ltd., a company listed on the SGX-ST
Tan Peng Koon	200	-	0.14%	A private investor
Jonathan Liao Yen San	200	0.04%	0.17%	Chief Commercial Officer of the Company
Simon Hoo Kia Wei	150	1.06%	1.08%	Chief Business Officer of the Company
Ong Kim On	150	0.60%	0.65%	A private investor
Toh Chin Teck	150	0.06%	0.16%	A private investor
Lim Teck Choon	100	-	0.07%	A private investor
Low Chiew Eng	100	0.02%	0.09%	A private investor

*Series 2 Subscribers*

<b>Name of Subscriber</b>	<b>Subscription Amount (S\$'000)</b>	<b>Shareholding as a percentage of the issued share capital of the Company as at the date of this announcement<sup>(1)</sup></b>	<b>Shareholding as a percentage of enlarged issued share capital of Company<sup>(1)(2)</sup></b>	<b>Particulars of Subscriber</b>
Yee Pinh Jeremy	1,000	3.59%	4.00%	Executive Director and CEO of the Company
Chen Johnson	500	15.75%	14.92%	Non-Executive Non-Independent Chairman of the Company

Notes:

- (1) Include deemed interest, if any  
(2) On an as-converted basis

Under Rule 804 and Rule 812 of the Listing Manual Section B: Rules of Catalyst of the SGX-ST, no director of an issuer, associate of the director or substantial shareholder may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in a general meeting have approved the specific allotment.

In view of the above, with regards to the issue of the Convertible Bonds to Yee Pinh Jeremy and Chen Johnson, the Company intends to seek and obtain approval of its shareholders at the EGM for which Yee Pinh Jeremy and Chen Johnson will abstain from exercising any voting rights on the matter.

As at the date of this announcement and to the best of the Company's knowledge, there is no agreement, arrangement or understanding between Yee Pinh Jeremy, Chen Johnson and any other shareholder of the Company to acquire shares in the capital of the Company, to obtain or consolidate effective control of the Company, and that Yee Pinh Jeremy and Chen Johnson are not a party acting in concert with any other shareholder of the Company, as defined in the Singapore Code of Take-Over and Mergers.

For the avoidance of doubt, the proposed issue of the Convertible Bonds to the Series 1 Subscribers is not subject to the shareholders' approval and may take place before the shareholders' approval for the issue to the Series 2 Subscribers is obtained.

None of the Subscribers is related to any of the directors or controlling shareholders of the Company and their respective associates.

#### **6. Interest of Directors and Substantial Shareholders**

Save as disclosed above for Yee Pinh Jeremy and Chen Johnson, none of the directors, and as far as the directors are aware, none of the substantial shareholders of the Company or any of their respective associates, has any interest, direct or indirect, in the proposed issue of Convertible Bonds other than through their respective shareholding interests in the Company (if any).

#### **7. Documents available for Inspection**

A copy of the Subscription Agreement is available for inspection during normal business hours at the Company's registered office at 37 Jalan Pemimpin, #08-05 Mapex, Singapore 577177.

#### **8. Circular to Shareholders**

The proposed issue of the Convertible Bonds is conditional upon, *inter alia*, the in-principle approval being obtained from the SGX-ST for the listing of and quotation for the Conversion Shares on Catalist, and (in the case of issuance to, and subscription by the Series 2 Subscribers) specific shareholders' approval for the issue of the Convertible Bonds to Yee Pinh Jeremy and Chen Johnson being obtained at the EGM.

A circular to the Company's shareholders containing, *inter alia*, the notice of EGM will be dispatched in due course.

#### **9. Directors' Responsibility Statement**

The directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the proposed issue of Convertible Bonds, the Company and its subsidiaries, and the directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

#### **10. Further Announcements**

The Company will make further announcements as and when there are material updates and developments in respect of the proposed issue of Convertible Bonds.

#### **11. Cautionary Statement**

Shareholders and potential investors of the Company should note that the proposed issue of Convertible Bonds is subject to the fulfilment of, *inter alia*, the conditions precedent set out above, and accordingly, should exercise caution when trading in the ordinary shares in the capital of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.



**BY ORDER OF THE BOARD**

Andrew John Lord  
Lead Independent Director

31 January 2019

---

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, United Overseas Bank Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement. 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. The contact person for the Sponsor is Mr Chia Beng Kwan, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.*