

Organic Growth from Clearbridge's Continuing Operations Propels Revenue to S\$16.41 Million in FY2022; Net Asset Value per Share Stood at 6.71 Singapore Cents

- *The Group's medical centres and clinics business unit posted strong business performance with revenue increasing by S\$4.98 million to S\$16.37 million in FY2022*
- *The Group's healthcare system business operations in Indonesia, comprising the provision of laboratory services and renal care services, have been divested in October 2022 and are separately classified as discontinued operations in FY2022*
- *Significant reduction in borrowings to S\$5.89 million as at 31 December 2022 as compared to S\$10.95 million as at 31 December 2021*
- *As at 31 December 2022, the Group's net asset value per share stood at 6.71 Singapore cents*
- *The Group disposed of an aggregate of 40,512,100 ordinary shares in the capital of Biolidics during FY2022, reducing its stake from 22.7% to 4.0% as at 31 December 2022**
- *Continual focus on the organic growth of the Group's healthcare product offerings through channel expansion and increased product portfolio enhancement*

Financial Year End – 31 December

(S\$ million)	FY2022	FY2021 (Re-presented) **	Change (%)
Revenue from continuing operations	16.41	11.44	+43.4
Fair value loss on associate	(8.77)	(6.62)	+32.6
Net (Loss) before taxation from continuing operations	(8.92)	(13.57)	(34.3)
Adjusted EBITDA***	0.61	(1.36)	Not Meaningful

*On 28 February 2023, the Group and Biolidics agreed to a partial settlement of the remaining deferred consideration from the sale in FY2020 of the entire issued and paid-up ordinary share capital of Biomedics Laboratory Pte. Ltd., by entering into a partial settlement deed dated 28 February 2023 ("**Partial Settlement Deed**"). Pursuant to the terms of the Partial Settlement Deed, S\$1,161,250 of the remaining deferred consideration shall be settled with S\$550,000 in cash and S\$611,250 in the issue of ordinary shares in Biolidics. The Group further agreed to receive and Biolidics agreed to issue 37,500,000 ordinary shares in Biolidics at the volume weighted average price of shares traded on the SGX-ST on 28 February 2023, being S\$0.0163 per share. The Group was subsequently allotted and issued 37,500,000 ordinary shares in Biolidics on 20 March 2023, increasing its shareholdings in Biolidics to 10.22% as at 20 March 2023.

**Due to the Group's disposal in October 2022 of 100% of its shareholding interest in SAM Laboratory Pte. Ltd. And Clearbridge Medical Asia Pte. Ltd. which in turn held (a) PT Indo Genesis Medika, and (b) PT Tirta Medika Jaya and Clearbridge Medicentre Private Limited, as subsidiaries respectively, meeting the criteria and being classified as discontinued operations, FY 2021's financial information is re-presented as if the operations had been discontinued from the start of FY2021



***Excluding fair value losses/gains on associates and derivative financial instruments, gain on disposal of subsidiary, fair value adjustments on contingent consideration, share-based payment, and share option expenses as well as foreign exchange loss/ gain.

SINGAPORE, 7 May 2023 – Asia’s integrated healthcare company, **Clearbridge Health Limited (“Clearbridge” or the “Company” and together with its subsidiaries, the “Group”)** (“明策集团”), has announced today its financial results for the full year ended 31 December 2022 (“FY2022”).

Since its listing on the Singapore Exchange Securities Trading Limited (“SGX-ST”) in December 2017, the Group has quickly pivoted from a technology accelerator into an EBITDA-focused healthcare platform with 4 distinctive strategic business units, comprising healthcare systems, medical clinics/centres and strategic medical technology investments, that aims to operate in nexus of high demand across Asia as well as investments within the global healthcare sector that are EBITDA positive or at an inflection point with a clear line of sight to profitability.

Commenting on the FY2022 results, Mr Jeremy Yee (余斌), Executive Director and Chief Executive Officer of Clearbridge, said, “While there was reduced revenue recognition from the Indonesian business operations with our divestment in October 2022, the broad-based revenue growth across the geographical markets of our medical centres and clinics business unit highlights the resiliency of our business model.

Over the past twelve months, the Group’s borrowings have also been significantly reduced.

At the same time, we have sold approximately 40.5 million ordinary shares in the capital of Biolidics Limited that has generated additional liquidity resources.

Moving ahead, we will continue with our EBITDA-focused business strategy to generate more cash flow and drive growth organically within our business model.”

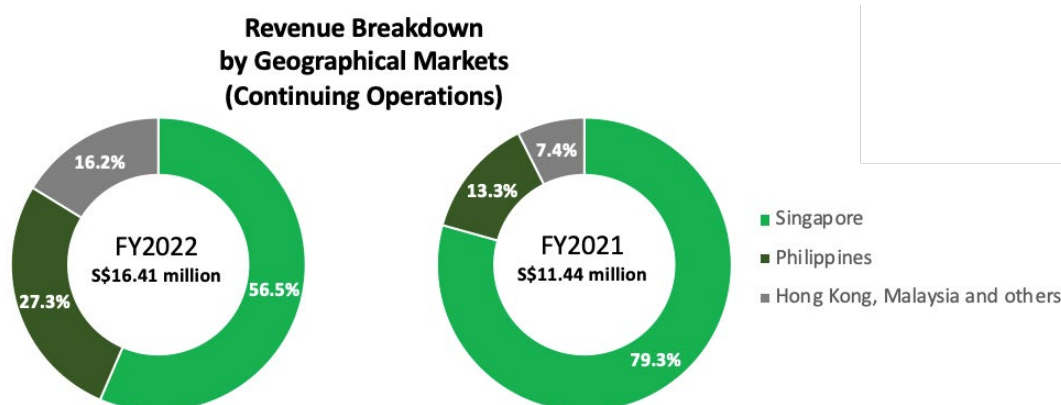
Key Highlights of Financial Performance in FY2022 from Continuing Operations

Overall revenue increased by 43.4% to S\$16.41 million in FY2022 that was primarily driven by its medical centres and clinics business unit: The Group’s medical centres and clinics business unit registered strong revenue growth of 43.7%, with revenue increasing by S\$4.98 million to S\$16.37 million in FY2022, mainly due to improved business performance of medical clinics/centres in Singapore, Hong Kong and the Philippines and an increase in revenue from distribution of Labnovation Technologies, Inc.’s (“**Labnovation**”) COVID-19 Antigen Rapid (“**ART**”) Test Kits in Hong Kong and the Philippines

Since the COVID-19 pandemic unfolded, the management team has responded with business agility, utilising its business networks and medical touchpoints in Asia to procure and distribute COVID-19 related medical supplies to do its part towards the fight against COVID-19. Such opportunistic trading opportunities have led the Group to strengthen its in-house capabilities in scaling up its product portfolio and medical distribution network within Asia.

In Asia, the Group's medical centres and clinics business unit comprises ten dental clinics operating under the "Dental Focus" brand name and a medical clinic in Singapore, Medic Surgical Pte Ltd ("**Medic Surgical**"), a medical clinic in Hong Kong as well as a medical centre and clinics in the Philippines.

Geographically, revenue contribution from Singapore remained relatively stable with S\$9.27 million in FY2022, while revenue from the Philippines market surged to S\$4.48 million in FY2022 from S\$1.52 million in FY2021. Revenue contribution from Hong Kong, Malaysia and others increased to S\$2.62 million in FY2022 from S\$0.79 million in FY2021.



Corresponding to the growth in revenue in FY2022, the Group's purchases increased by 34.6% or S\$1.76 million, from S\$5.08 million in FY2021 to S\$6.84 million in FY2022. The Group's employee benefits expense decreased by 9.7% or S\$0.66 million, from S\$6.75 million in FY2021 to S\$6.09 million in FY2022 mainly due to an absence of bonus payments made in FY2022 pursuant to the performance bonus scheme based on prior period performance in FY2021.

The Group's other income dipped by 15.8% or S\$0.58 million, from S\$3.65 million in FY2021 to S\$3.07 million in FY2022, mainly due to the absence of the gain on disposal of Clearbridge Biophotonics Pte. Ltd., of S\$2.01 million recorded in FY2021, the absence of the gain on loan extinguishment of S\$0.97 million in relation to the fair value changes of the redeemable option and convertible options of the convertible bonds ("**Convertible Bonds**") issued by the Company on 8 March 2019 and 17 May 2019 respectively, subsequent to the partial redemption in October 2021 and a decrease in grant income of S\$0.21 million from government grants relating to the Jobs Support Scheme, Enterprise Singapore Grant and other grants from government agencies. These were partially offset by the gain on disposal of the healthcare system business operations in Indonesia of S\$2.30 million recorded in FY2022, the gain on disposal of the Group's property at MAPEX of S\$0.08 million which was completed on 7 March 2022, and the gain on disposal of Biolidics' nil paid rights of S\$0.10 million on 14 and 15 November 2022.

The Group incurred other operating expenses of S\$3.54 million in FY2022, as compared to S\$3.25 million in FY2021, mainly due to expenses related to the distribution of Labnovation

ART Test Kits, rental expenses, travelling expenses, impairment of plant and equipment, and trade and other receivables written off, which were partially offset by a reversal of provision on other receivables arising from the disposal of Biomedics Laboratory Pte. Ltd. and decrease in inventories written off.

The Group's finance costs decreased by 49.7% or S\$0.85 million, from S\$1.72 million in FY2021 to S\$0.87 million in FY2022 mainly due to a decrease in interest expense incurred on the bank loans taken up by the Group for its acquisitions and working capital purpose as some of the bank loans were fully repaid in FY2022 and decrease in interest charged on the Convertible Bonds issued by the Company due to partial redemption of Convertible Bonds in October 2021.

Reduction in the Group's equity stake of Biolidics from 22.7% to 4.0% as at 31 December 2022: During FY2022, the Group disposed of an aggregate of 40,512,100 ordinary shares in the capital of Biolidics Limited ("**Biolidics**") during FY2022. Following these disposals, Biolidics ceased to be an associate of the Group, and the remaining investment in Biolidics is recorded as Other Investments.

However, the decline in the share price and market value of Biolidics resulted in a fair value loss of S\$8.77 million in FY2022 (FY2021: fair value loss of S\$6.62 million).

In addition, the Group recorded a fair value loss on derivative financial instruments of S\$0.76 in FY2022, as compared to a loss of S\$3.50 million in FY2021.

Fair value changes are non-cash components and it does not affect the Group's liquidity position.

Excluding the abovementioned fair value losses on an associate and derivative financial instruments, the loss before taxation recorded by the Group would have been S\$1.71 million in FY2022, which is lower than the loss before taxation of S\$4.48 million registered in FY2021.

With an EBITDA-focused business strategy, the Group was adjusted EBITDA positive of S\$0.61 million in FY 2022 (Re-presented FY2021: negative S\$1.36 million).

Net asset value per share of 6.71 Singapore cents and lowering borrowings as at 31 December 2022: The Group generated operating cash flows (before changes in working capital) of S\$1.52 million during FY2022.

As at 31 December 2022, the Group had total assets of S\$58.18 million, of which non-current assets and current assets stood at S\$47.34 million and S\$10.83 million respectively. The Group's total liabilities reduced from S\$25.41 million to S\$12.51 million as at 31 December 2022, of which non-current liabilities and current liabilities stood at S\$7.41 million and S\$5.10 million respectively.



Key Business Updates in FY2022

Building on initiatives during the COVID-19 pandemic period and to grow its recurring revenue streams by harnessing new opportunities in Asia's healthcare market, the Group has been expanding its channels to its product offerings through traditional and digital initiatives, including resellers and third-party e-commerce platforms. The Group also continued to enhance its product offering scale and scope, especially in the area of consumer healthcare, relating to chronic disease and expects these products to be synergistic to the services that the Group offers through its clinics and medical centres.

On 7 October 2022, the Group announced the divestment of its healthcare system business operations in Indonesia, comprising the provision of laboratory services and renal care services, for a consideration of S\$11.0 million via convertible exchangeable bonds (which were revalued at S\$10.63 million as at 31 December 2022), and the Group has recognised a gain on Disposal of an aggregate of approximately S\$2.32 million on its books in FY2022.

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This press release is to be read in conjunction with Clearbridge's exchange filings on 7 May 2023, which can be downloaded via www.sgx.com.

Issued on behalf of Clearbridge Health Limited by 8PR Asia Pte Ltd.

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About Clearbridge Health Limited

(Bloomberg Code: CBH:SP / Reuters Code: CLEA.SI / SGX Code: 1H3)

Aligning with the emerging healthcare trends in Asia, Clearbridge Health Limited is a healthcare group with 4 distinctive strategic business units, comprising healthcare systems, medical clinics/centres and strategic medical technology investments, that aims to operate in nexus of high demand across Asia as well as investments within the global healthcare sector that are EBITDA positive or at an inflection point with a clear line of sight to profitability.

For more information, please visit us at www.clearbridgehealth.com.



This press release has been prepared by the Company 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. This press release has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release. The contact person for the Sponsor is Mr David Tham, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.