Clearbridge Health Limited
Company Reg. No 201001436C
37 Jalan Pemimpin
#08-05 Mapex
Singapore 577177
t: +65 6251 0136 f: +65 6251 0132
www.clearbridgehealth.com

CLEARBRIDGE HEALTH LIMITED ANNUAL REPORT 2017

REDEFINING HEALTHCARE IN ASIA WITH PRECISION
EMPOWERING PATIENT CARE WITH CLARITY

ANNUAL REPORT 2017

CONTENTS

01 Corporate Profile
02 About Precision Medicine
03 Business Overview
05 Corporate Structure
06 Our Footprint
07 Chairman's Message
08 CEO's Message
10 Operations & Financial Review
14 Corporate Information
15 Board of Directors
18 Executive Officers
20 Financial Contents

CORPORATE PROFILE

Clearbridge Health Limited ("**Clearbridge**" or the "**Company**" and together with its subsidiaries, the "**Group**") is a healthcare company with a focus on the delivery of precision medicine in Asia. Our business comprises laboratory testing services, ownership and operation of medical clinics/centres and strategic equity participation in precision medical technology companies. Through the delivery of precision medicine in Asia, we seek to empower clinicians and healthcare professionals to make more reliable and accurate diagnoses, provide insights to disease management, and tailor personalised prevention and timely treatment programmes for patients. In 2017, the Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (Stock symbol: 1H3).

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

VISION

To empower clinicians and healthcare professionals to make more reliable and accurate diagnoses, provide insights to disease management and tailor personalised prevention and treatment programmes for patients.

MISSION

To improve patient care by making precision medicine solutions readily available to clinicians and patients in Asia.

ABOUT
PRECISION MEDICINE

The development of precision medicine was made possible through medical science advancements which provided the medical industry with the ability to provide rapid, accurate and earlier detection capabilities in personalised and preventive treatment options for many diseases such as cancer and diabetes. Our Group aims to build on these capabilities and provide precision medicine services in Asia.

Precision medicine is the practice of identifying the individual characteristics of each patient, such as their genomic and metabolomics profile, and potentially providing targeted intervention. Precision medicine also includes targeted treatments and laboratory tests that determine drug sensitivity associations and individual disease risk. These can help guide treatment decisions and create preventive strategies for the patient. They can also predict which patients are likely to have an adverse reaction to a drug which will help a physician decide whether to use a particular drug on a specific patient.

Through the additional insights obtained from analysing each individual's unique genetic variations, healthcare providers will be able to better predict conditions a person may be predisposed to and how such individuals may respond to any given treatment. The benefits from the use of precision medicine include the ability to provide better clinical outcomes with reduced side effects, provide individuals with more control to prevent illnesses, and may in some instances, result in less invasive procedures. Individuals can also gain easier access to their health information, thereby empowering them to take greater responsibility for their healthcare decisions.

The use of precision medicine has increased survival rates for many diseases:

- Advances in the area of precision medicine has improved the outlook for blood cancer patients by providing a deeper understanding of the molecular basis of such diseases, thus allowing the categorisation of "diseases of the blood" into multiple sub-types of lymphomas and leukaemias. For certain types of lymphomas, molecularly targeted therapy has allowed the development of a drug that can target the abnormal proteins found in certain cancer cells to inhibit division and multiplication of such cells, resulting in increased survival rates for such patients.
- The identification of genetic mutations that result in diseases such as late stage lung cancer and cystic fibrosis has also paved the way for the development of targeted therapies. The targeted drugs for late stage lung cancer are able to target proteins that prevent the immune system from attacking cancer cells as well as interrupt the molecular pathway of late stage lung cancer, thus disrupting the growth of cancer cells. The identification of a gene mutation that is the primary cause of cystic fibrosis has given rise to the development of drugs that specifically target the resulting defective protein, allowing for treatment of the cause compared with traditional treatments that have generally only been able to provide symptomatic relief.

BUSINESS OVERVIEW

LABORATORY TESTING SERVICES

We provide a suite of laboratory services for precision medicine to customers, augmented through third-party collaborations, that comprise of clinics, pharmaceutical companies and other third-party laboratories.

CLINICAL DIAGNOSTICS

Our laboratory, Sam Laboratory Pte. Ltd. ("**Sam Lab**"), offers a range of clinical diagnostic tests and services such as:

- Health screening and management
- Cancer diagnosis
- Biomarker diagnostics
- Treatment monitoring and prognosis

Sam Lab is licensed by the Ministry of Health of Singapore and accredited by the College of American Pathologists – the leading organisation of board-certified pathologists, which helps laboratories achieve the highest standards of excellence in patient care.

LIFESTYLE AND WELLNESS MANAGEMENT

We provide lifestyle and wellness management services with a focus on metabolomics, measurement of metabolites, and the monitoring of an individual's health and well-being. We offer a total metabolic health assessment package which analyses hundreds of metabolites to survey for 138 possible conditions, including the most common metabolic deficiencies. Our lifestyle and wellness management testing services are catered to anyone to assist them in reaching their wellness goals. In January 2018, we entered into a business collaboration with MILS International ("**MILS**"), a Japanese-based metabolomics institution of research and medical examination established in 1997. We are now the exclusive distributor for MILS' diagnostic tests in 11 countries including Singapore, India, Indonesia, Malaysia, the Philippines, Korea, Taiwan, Thailand, Vietnam, Australia and Hong Kong. These tests include screening urine samples for Inborn Errors of Metabolism, which can detect many metabolic disorders. MILS was also amongst the first institutions to apply Gas Chromatography-Mass Spectrometry ("**GCMS**") technology to analyse body fluids for metabolic disorder screening and diagnosis in Asia. Leveraging more than 20 years of experience and a comprehensive database of metabolic profiles, MILS is amongst the leaders in the field of metabolomics in Asia. MILS' research and development focus is in the areas of health-screening, diabetes mellitus and the evaluation of new drugs.

OWNERSHIP AND OPERATION OF MEDICAL CLINICS/CENTRES

We currently own and operate medical clinics/centres in Singapore, Hong Kong and, most recently, the Philippines. As Clearbridge adopts a data-driven approach to healthcare, these medical clinics/centres function as channels that provide market access for our laboratory testing services. This comprehensive medical ecosystem allows us to constantly innovate and achieve efficiencies in cost, diagnoses and treatment strategies, thus benefiting our patients. Our competitive strengths include having an experienced management team, while our technology agnostic approach allows us to take advantage of the best-in-class technologies and workflows to provide a wide range of products and/or services. Our holistic and patient-centric approach to healthcare ensures that our business segments are complementary. In addition, we bring the scientific and medical communities closer to the patients who seek care and the practitioners who provide it.

BUSINESS **OVERVIEW**

STRATEGIC INVESTMENTS IN PRECISION MEDICAL TECHNOLOGY COMPANIES

We hold strategic interests in 3 medical technology companies which are complementary to our focus in precision medicine. This gives us access to new products and/or services, while strengthening market awareness of the Clearbridge brand through our relationships with various industry participants and key opinion leaders.

CLEARBRIDGE BIOPHOTONICS PTE. LTD. ("CBBP")

- A subsidiary that is developing an algorithm-powered imaging technology that allows for more efficient location and classification of rare cells and particles. It is an early stage start-up whose goal is to utilise ground-breaking microscope technology from Caltech to revolutionise clinical diagnostics and biological research. The Biophotonics Laboratory team at Caltech remains closely involved with development efforts at Clearbridge.
- The Group has included the financial position and performance of CBBP in "Laboratory Testing Services" segment in the monthly financial review segment.

CLEARBRIDGE BIOMEDICS PTE. LTD. ("CBB")

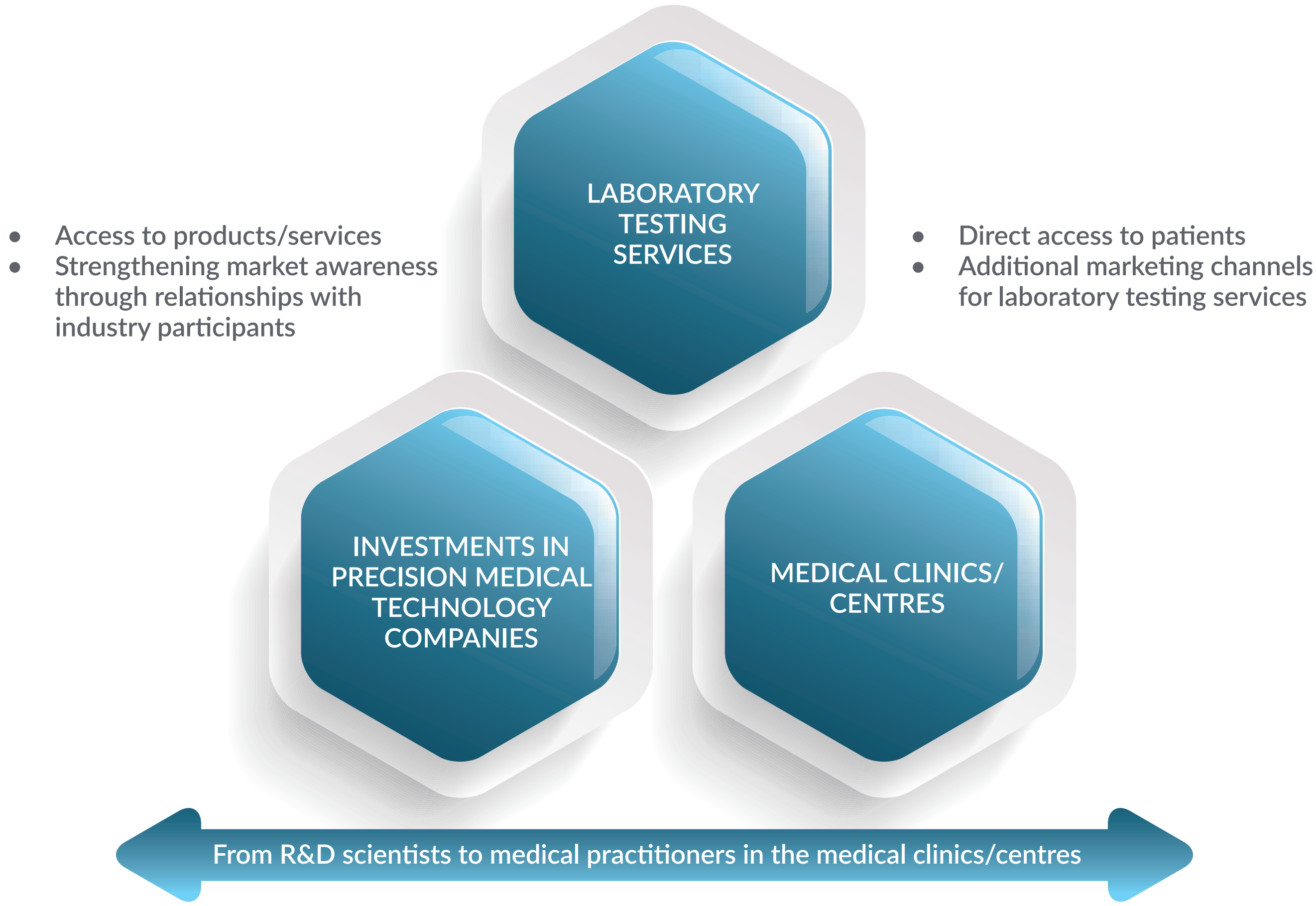
- An associated company headquartered in Singapore with customers across Asia, Europe and North America. CBB developed the ClearCell® FX System, one of the world's first fully automated cell retrieval systems that augments our Circulating Tumour Cell clinical tests.

SINGAPORE INSTITUTE OF ADVANCED MEDICINE HOLDINGS PTE. LTD. ("SIAMH")

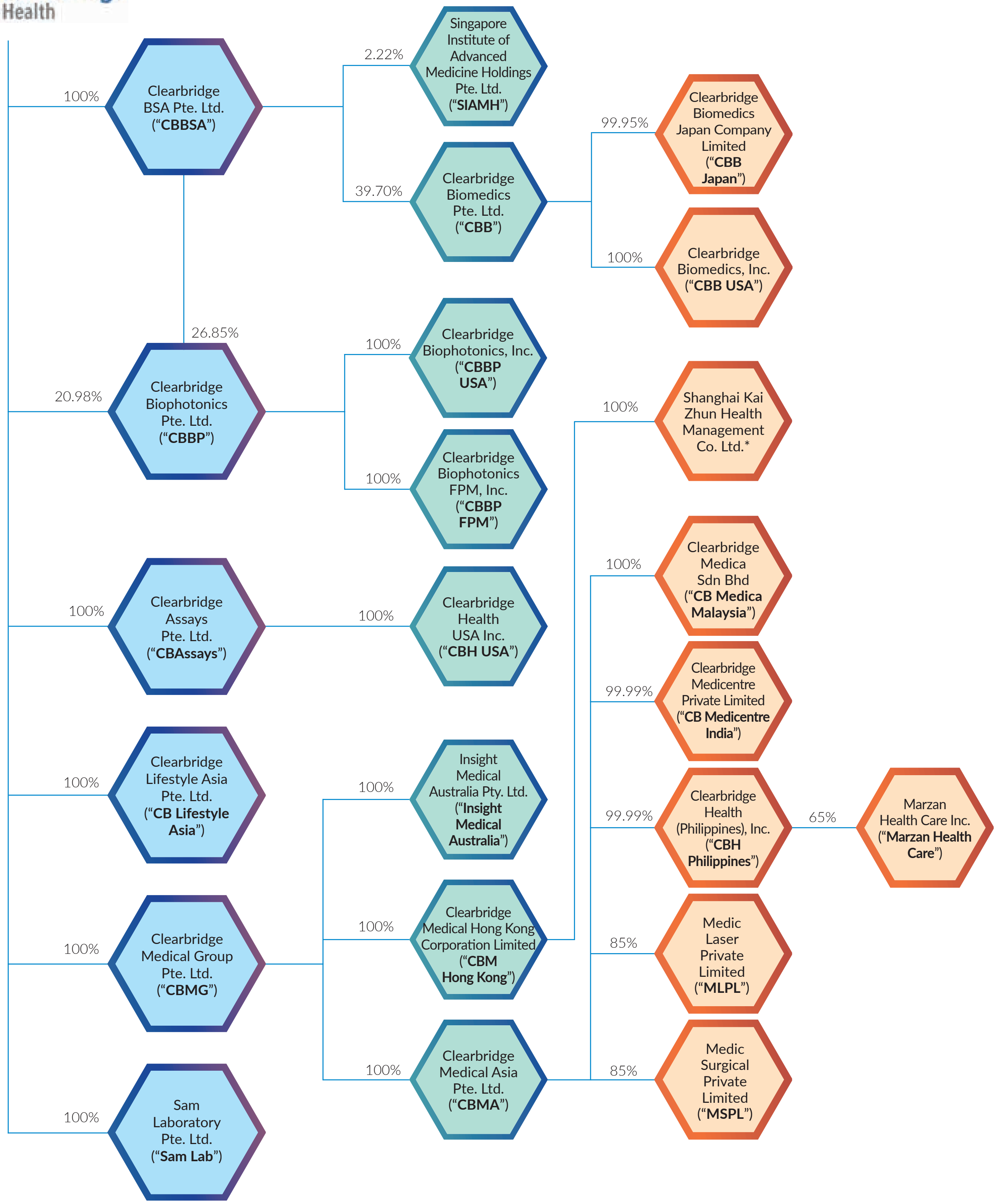
- A company that owns and operates a medical centre offering services in wellness, aesthetic, digital radiology and specialist management of gastrointestinal and liver disorders. SIAMH is now collaborating with Varian Medical Systems and IBA Worldwide to build an oncology centre with the first installation of a compact proton therapy system in Singapore.

COMPLEMENTARY BUSINESS SEGMENTS

One of the first companies in Asia to cater to different segments of the medical industry



CORPORATE STRUCTURE



* Shanghai Kai Zhun Health Management

OUR FOOTPRINT

Medical Clinics/Centres

Upcoming Medical Clinics/Centres

Exclusive distributor for MILS' full range of diagnostics tests

CHAIRMAN'S MESSAGE

DEAR SHAREHOLDERS

It is our pleasure to present Clearbridge's inaugural annual report for the financial year ended 31 December 2017 ("**FY2017**"). I want to take this opportunity to thank all investors for their support of our initial public offering ("**IPO**") that led to a very successful listing on 18 December 2017.

Clearbridge began life in 2010 as an incubator of global deep-technology companies with a focus on healthcare. We were among the first entities in Singapore to be supported by the National Research Foundation, through its Technology Incubation Scheme, and SPRING Singapore, through the SPRING BioScience Accelerator (BSA) Scheme, under their efforts to nurture start-up companies in Singapore. This gave us access to some of the world's top research institutions, hospitals and intellectual properties.

We were able to harness these relationships and combine them with our internal know-how to develop Clearbridge into a healthcare company that is focused on the delivery of precision medicine in Asia. Our strategies and growth plans include the expansion of our medical clinics/centres and laboratory testing services business organically or through acquisition and/or partnership.

Over the years, Clearbridge has taken great strides to deepen our ability to invest and build our capabilities in the medical technology and healthcare field. Today, our Group is involved in game-changing medical technologies that we believe will greatly enhance the accuracy of diagnostic tests, which will potentially lead to more targeted treatment for patients.

Just to name a few, CBBP is currently developing an algorithm-powered imaging technology with the ability to have both wide field of view and high resolution with more precise imaging. This imaging technology permits more efficient location and classification of rare cells and particles.

CBB has one of the world's first fully automated cell retrieval systems, which can retrieve wholly intact and viable circulating tumour cells ("**CTC**") from a single tube of patient blood within an hour. Called the ClearCell® FX System, it was launched globally in 2013, and has achieved registration on CE IVD (European In-Vitro Diagnostic Devices), US FDA (United States Food and Drug Administration), China FDA via our Chinese partner MGI (a subsidiary of Beijing Genome Institute (BGI)). Since then, CBB has deployed about 70 ClearCell® FX Systems, with its installed base including oncology centres, hospitals and medical centres located globally.

When we founded Sam Lab in 2011, it marked the start of our business of providing laboratory tests, which also provided a distribution channel for our products and/or services under development. Sam Lab offers the market leading clinical CTC CellSearch® test for the prognosis of breast, prostate and colorectal cancer patients, which also serves to complement CBB's ClearCell® FX System. In 2015, Sam Lab received accreditation by the College of American Pathologists Laboratory Accreditation Program – an internationally recognised laboratory inspection programme, which helps laboratories achieve the highest standards of excellence in patient care.

In 2017, we acquired CBMG, which marked the commencement of our business in the ownership and operation of medical clinics/centres, and is intended to complement our laboratory testing services business. We now have medical clinics/centres in Singapore, Hong Kong and the Philippines and one more pending completion of an acquisition in Indonesia. In the same year, CBAssays and CB Lifestyle Asia were incorporated as our wholly-owned subsidiaries, with the aim to also expand our business to include the provision of complementary lifestyle and wellness services.

We are proud of all that we have achieved in 8 years, but the horizon is filled with even more exciting prospects and developments that our Group is well-positioned for.

In closing, I want to thank all our business partners and investors who have supported and believed in us over the years. I also want to thank my fellow Board members for their contribution. Our Board is committed to working with the management team to uphold the highest standards of corporate governance.

Much credit must go to the management team and all the staff of Clearbridge for their hard work and dedication to our Group. Lastly, a big thank you once again to our shareholders for investing in us. I hope that you will share in the growth of our Company for many years to come.

Chen Johnson
Non-Executive Non-Independent Chairman

CEO'S MESSAGE

DEAR SHAREHOLDERS

We believe that exciting times are ahead for translational medicine breakthroughs that will enable individuals to adopt more preventive and precise approaches to health and disease management. As more of these medical technologies turn into standard mainstream medical treatments, we aim to be the first in Asia to bring such diagnostics and therapy treatments to patients.

BUSINESS STRATEGY

As part of our business strategy, Clearbridge adopts a holistic and patient-centric approach to healthcare that goes beyond disease management and focuses on the total well-being of the patient.

We believe Clearbridge is one of the first companies in Asia to bridge different segments of the medical industry, from scientists involved in research and development ("**R&D**") to medical practitioners.

Our technology-agnostic approach allows us to take advantage of the best-in-class technologies and workflows to provide a wide range of better purpose-suited products and services to cater to healthcare concerns in Asia without being overly reliant on any specific market segment or exposing ourselves to concentration risk. We are challenging the norm where growing numbers of healthcare professionals are leaning on evidence-based medicine. Enabling these evidence-based medicine are new tests and technologies that are being made available and cleared by regulatory bodies such as the United States ("**US**") Food and Drug Administration ("**FDA**"). We intend to leverage Clearbridge's position in the industry to bring these technologies to our medical centres and our laboratories to deliver these relevant and timely tests and technologies to the market quickly.

Part of our growth strategy is to increase our scale (geographically) and deepen our scope (offerings). We plan to expand our medical clinics and centres as well as our laboratory testing services regionally to Asia's crowded markets that have potentially high demand for our products and services. In the coming years, we aim to expand regionally to markets including Indonesia, Myanmar, India, Malaysia and the People's Republic of China. We may do this through mergers and acquisitions, joint ventures and/or strategic alliances with parties that create synergistic value with our existing businesses and are investments that are earnings accretive and grow revenues, bringing enhanced value to our shareholders.

We aim to attain scale and speed in the execution of our growth plans to bring healthcare services to meet anticipated demand in target markets, rather than wait for demand to come to us. Our focus on preventive healthcare helps patients manage medical costs in the long-term. Economic costs of preventive healthcare can be further reduced when we achieve economies of scale through broadening our mass-market offerings and making our services more affordable for patients.

While expansion is utmost on our minds, we intend to remain asset light outside of Singapore, thus maximising stakeholders' value. We will remain conscious of maintaining an optimal capital structure whilst growing.

We are also continually looking at our businesses carefully to ensure our stakeholders recognise the intrinsic value of the Company. Linked to maximising stakeholders' value, we are aware of the potential ill-effects of conglomerate discount effect within our balance sheet and will therefore explore avenues to unlock the value of some of our technology assets that are currently entrapped within CBBSA.

RAPID EXPANSION

In November 2017, Clearbridge and Nanostring Technologies partnered to provide Prosigna Breast Cancer Prognostic Gene Signature Assay in Asia. We are the first and exclusive provider of the Prosigna Breast Cancer Prognostic Gene Signature Assay to patients in Singapore, Malaysia, Indonesia, and the Philippines, as well as on a non-exclusive basis throughout Asia, pending applicable local regulatory approvals. Breast cancer is growing in Asia, and Clearbridge is focused on addressing this clinical need by delivering molecular diagnostics to improve disease management and patient outcomes.

Right after our IPO on 18 December 2017, we hit the ground running to set in motion some of our expansion plans. We kicked off 2018 by announcing our entry into the Philippines through the acquisition of Marzan Health Care, which owns and operates a medical centre, located in Quezon City, Metro Manila.

CEO'S MESSAGE

Marzan Health Care operates Marzan Health Care Diagnostic Centre, a modern and well-equipped facility which provides a wide range of services including pathology services, imaging diagnostics, dental care, as well as dialysis and renal care. In addition to being a platform for the Group's expansion into the Philippines, we intend to tap on Marzan Health Care's existing network to distribute our suite of precision medicine products and services.

In January, we also announced a two-year business collaboration with MILS to be the exclusive distributor for the full range of their diagnostic tests in 11 countries including Singapore, India, Indonesia, Malaysia, the Philippines, Korea, Taiwan, Thailand, Vietnam, Australia and Hong Kong.

Headquartered in Kanazawa, Japan, MILS is an institution of research and medical examination established in 1997 with the primary purpose of diagnosing metabolic diseases in the early stages. It was the first to apply human body fluid metabolites analysis using GCMS. By processing samples from urine, MILS's laboratory can provide reports to guide individuals to start taking preventive health measures and address disorders that can result in early mortality or lifelong disability. Its tests include screening for Inborn Errors of Metabolism, which has been shown to detect a significantly higher number of metabolic disorders as compared to other current existing tests.

This partnership with MILS is in line with our strategy to take advantage of the best-in-class technologies through collaborations with different third-party partner institutions and technology companies to expand our product offering and to gain access to cutting-edge research and development.

As we will be relocating Sam Lab from its current location in Lucky Plaza to our Mapex office building in the second quarter of 2018, we expect to see rental cost savings. Sam Lab provides precision diagnostics in partnership with several third-party institutions, to empower better patient care. It is a wholly-owned subsidiary of Clearbridge and licensed by the Ministry of Health (Singapore) and accredited by the College of American Pathologists since 2015. Sam Lab uses advanced diagnostics technologies for patient care, provide comprehensive diagnostic services for precision oncology, and a full range of health screening packages. It offers the CellSearch CTC test, the only the US FDA-approved blood test for enumerating circulating tumour cells.

Continuing the momentum, the Group has acquired a stake in MSPL and MLPL that collectively operates a general medicine, surgical and aesthetics services treatment clinic in Singapore – Medic Surgery and Laser Clinic ("**MSLC**"). The group is also in the process of acquiring a renal care services provider – PT Tirta Medika Jaya ("**PT Tirta**") in Indonesia. Located on the outskirts of the Singapore central business district, MSLC caters mainly to working professionals seeking general medicine services, health checks and high-end dermatology treatments at affordable prices. Through joint operation agreements with hospitals, PT Tirta operates renal dialysis facilities co-located with partnering hospitals and to-date has a network comprising 15 hospitals throughout Indonesia. The coverage of these hospitals is slated to increase within the next year.

These proposed acquisitions are in line with our plans to expand our medical clinics and medical centres business, and in building our channels. Through this, the Group will be able to enhance its position in the Singapore healthcare market and also, grow its revenue base and achieve cost synergies. This strategy allows us to deploy other wellness products and laboratory testing services within the Group through the expanded network of clinics, particularly in medical aesthetics, and potentially realising economies of scale and remaining asset light.

LOOKING AHEAD

We believe the sustainability of our business is supported by the regional macro environment. For a start, Singapore's growing population prolonged life expectancy and the prevalence of conditions that are linked to an ageing population such as cardiovascular diseases and cancer will drive demand for more and better healthcare services[1].

With an increasingly affluent and educated populace around the region, we expect increasing acceptance of precision medicine as a preventive approach to healthcare as it encourages better lifestyle and wellness choices among individuals. It also ensures early intervention through more accurate and timely diagnosis and better information.

We expect Singapore's reputation as a medical tourism hub in Southeast Asia to remain and ensures a ready supply of well-heeled international patients, and sequentially follow up in their home countries. At the same time, our plans for regional expansion is fuelled by our optimism that demand for healthcare services will only increase as Asians become more aware and increasingly well insured.

In recent years, there has been an increase in investment by both the public and private sectors in health and medical technologies. We believe that this bodes well for our industry as it will lead to emerging applications for precision medicine as these technologies mature and become available for clinical use.

APPRECIATION

In closing, I would like to thank all our stakeholders for their continued support, confidence and trust in our growth and future. I would also like to thank all our business partners who have given us their unwavering support and all our employees for their hard work and dedication in our journey of growth and transformation. I look forward to forging ahead and sharing our unfolding growth story with all our stakeholders for many years to come.

Yee Pinh Jeremy
Executive Director and Chief Executive Officer

Notes:
[1] Information obtained from an article published on 26 February 2016 entitled "Re-inventing Singapore's Medical Tourism Industry" on the website of the Singapore Management University. (https://www.smu.edu.sg/perspectives/2016/02/26/re-inventing-singapores-medical-tourism-industry)

OPERATIONS & FINANCIAL **REVIEW**

OPERATIONS REVIEW

Corporate Developments in FY2017

Clearbridge was listed on Catalist in December 2017. Prior to its IPO, the Group underwent a restructuring exercise to rationalise and streamline its corporate and shareholding structure that included, among others, the disposal and acquisition of certain entities[1].

In May 2017, it acquired CBMG and its subsidiaries, which operate 2 medical centres/clinics in Hong Kong and Singapore, marking the Group's entry into the ownership and operation of medical clinics/centres. Strategically, this move also expanded the Group's presence in the precision medicine industry by enabling it to provide a wider range of services while augmenting its distribution network for its laboratory testing services.

In August 2017, the Group increased its shareholding in Sam Lab to 100%. Sam Lab was established in 2009 and is in the business of providing medical laboratory services such as standard health screening tests and cancer-related tests through its laboratory.

In November 2017, the Group purchased a freehold office unit at Mapex Building ("**Mapex Property**") for S$2.05 million. Sam Lab will be relocating to the Mapex Property in the second quarter of 2018.

In January 2018, the Group completed the acquisition of a 65% stake in Marzan Health Care, a Philippine healthcare services provider, for S$1.87 million.

To-date, the Group has 3 business segments comprising the provision of laboratory testing services ("**Lab Testing Services**"), ownership and operation of medical clinics/centres ("**Medical Clinics/Centres**"), and strategic equity participation in precision medical technology companies ("**Strategic Investments**").

FINANCIAL REVIEW

Revenue

For FY2017, the Group reported revenue of S$0.29 million, underpinned by contributions from the Medical Clinics/Centres segment as well as the Lab Testing Services segment through its 2 newly acquired 100%-owned subsidiaries – CBMG and Sam Lab.

[1] Please refer to the Company's offer document dated 11 December 2017 for details of the restructuring exercise.

OPERATIONS & FINANCIAL REVIEW

Under the Medical Clinics/Centres segment, revenue contribution from CBMG amounted to S$0.10 million and was mainly derived from the medical centre in Hong Kong, which commenced operations in July 2017. Under the Lab Testing Services segment, 4-month revenue contribution from Sam Lab amounted to S$0.19 million. In comparison, revenue in FY2016 was derived from the provision of management services to the Company's associates.

Purchases

There was an increase in purchases to S$0.24 million in FY2017 from S$3,000 in FY2016. The increase in purchases, attributable to the acquisition of CBMG and Sam Lab, amounted to S$0.09 million and S$0.15 million respectively.

Operating Expenses

Employee benefits expense decreased by 7.5% to S$3.50 million in FY2017, from S$3.78 million in FY2016, due to the disposal of a subsidiary in FY2016 arising from the Group's restructuring exercise and streamlining of R&D activities. The decrease was partially offset by an increase in employee benefits expense attributed to the acquisitions of CBMG and Sam Lab.

Other operating expenses increased by 75.9% to S$4.91 million in FY2017 as compared to S$2.79 million in FY2016. The increase was mainly due to professional fees and other miscellaneous expenses of S$1.71 million associated with the IPO and other operating expenses of S$1.33 million attributable to the acquisitions of CBMG and Sam Lab, which were in turn, partially offset by other operating expenses amounting to S$0.74 million incurred by entities which the Group disposed of in FY2016.

Depreciation expenses increased by 125.6% to S$0.09 million in FY2017 as compared to S$0.04 million in FY2016 mainly due to the acquisitions of CBMG and Sam Lab and partially offset by fixed assets disposed in FY2017.

Amortisation expenses decreased by 65.2% from S$0.07 million in FY2016 to S$0.02 million in FY2017 due to the disposal of a subsidiary in FY2016 in relation to the Group's restructuring exercise.

Previously, the Group carried out R&D in relation to the fourier ptychographic microscope ("**FPM**") technology, and concurrently developed biomarkers and reagents complementary to the technology. However, in early 2017, after having completed certain stages of development of biomarkers and reagents, the Group decided to focus solely on the FPM technology. The streamlining process resulted in a 78.3% decrease in its R&D expenses to S$0.20 million in FY2017, compared to S$0.93 million in FY2016.

Non-recurring Expenses

Out of the S$3.50 million employee benefits expense incurred in FY2017, the Group assessed S$1.47 million to be non-recurring expense as it resulted mainly from the rationalisation and streamlining of its corporate structure during the year.

Out of the S$4.91 million other operating expenses, S$2.87 million is deemed by the Group to be non-recurring. It comprised professional fees and other miscellaneous expenses associated with the IPO of S$1.71 million, legal and professional fees of S$0.45 million associated with the restructuring exercise, a one-off consultancy fee of S$0.29 million incurred for R&D activities which were streamlined in FY2017 and other administrative expenses of S$0.42 million incurred in relation to the operations of a subsidiary in the US which was wound down and became dormant in FY2017.

OPERATIONS & FINANCIAL REVIEW

Fair Value Gains and Losses

In accordance with the financial reporting standards, the Group measures its interests in its associated companies at fair value through profit or loss, with changes in fair value of the Group's interests in the associated companies being recorded in the statements of comprehensive income.

In FY2017, the Group recorded a fair value loss on associates of S$1.82 million compared to a fair value gain of S$3.87 million in FY2016. This was primarily due to changes in the valuation of an associated company, CBB, which was arrived at based on the indicative price derived from convertible loans issued to unrelated third parties in FY2017. In addition, the fair value gain recorded in FY2016 was also due to an increase in the fair value of investment in Treebox Solutions Pte. Ltd. ("**Treebox Solutions**") of S$1.14 million. The interest in Treebox Solutions was disposed of in FY2017 as part of the Group's restructuring exercise.

Fair value loss on derivative financial instruments mainly pertains to changes in the fair value of call options granted by SPRING SEEDS Capital Pte. Ltd. ("**Spring Seeds Capital**") to the Group to acquire Spring Seeds Capital's interests in the Group's associated companies, CBB (the "**CBB Call Options**") and SIAMH.

The Group recorded a fair value loss on derivative financial instruments of S$0.21 million in FY2017, as compared to a fair value gain of S$1.17 million in FY2016 mainly due to a decrease in the fair value of the CBB Call Options. Fair value of the call options was arrived at based on an option pricing model which took into account, among others, the fair value of CBB and volatilities in the valuation of comparable companies. The decrease in fair value was primarily due to a decrease in the volatilities of the valuation of comparable companies and a decrease in fair value of CBB.

Compared to a fair value gain of S$0.07 million in FY2016, the Group recorded a fair value loss on other investments of S$0.30 million in FY2017 which was mainly due to valuation loss of investment in Invitrocue Ltd (a ASX-listed entity) prior to the Group's restructuring exercise.

Loss for the Year

The Group recorded an income tax credit of S$2.98 million in FY2017, as compared to an income tax expense of S$0.74 million in FY2016. This was primarily due to the reversal of deferred tax expense, as a result of fair value losses on investment in associates and derivative financial instruments recognised in FY2017 and disposal of investment in Treebox Solutions and other investments following the Group's restructuring exercise.

Consequently, the Group posted a loss before taxation of S$10.91 million in FY2017 compared to S$2.21 million in FY2016. Overall, the Group's net loss increased by 169.7% to S$7.93 million in FY2017 from S$2.94 million in FY2016.

However, excluding the non-recurring expenses in employee benefits expense, other operating expenses as well as fair value changes in other investments, associates and derivative financial instruments, which amounted to approximately S$6.67 million, the Group's loss before taxation in FY2017 was S$4.24 million.

REVIEW OF FINANCIAL POSITION

Non-current Assets

The Group's non-current assets decreased by 13.4% or S$5.62 million, from S$41.77 million as at 31 December 2016 to S$36.15 million as at 31 December 2017.

Goodwill on consolidation which arose from the acquisitions of CBMG and Sam Lab amounted to S$9.0 million and S$2.0 million respectively.

Property, plant and equipment increased by S$2.55 million, from S$0.05 million as at 31 December 2016 to S$2.60 million as at 31 December 2017, mainly due to the acquisition of the Mapex Property for an aggregate cost of S$2.25 million (including all relevant taxes and costs directly associated with the acquisition).

Investment in associates decreased by 46.6% or S$13.12 million, from S$28.17 million as at 31 December 2016 to S$15.05 million as at 31 December 2017, mainly due to the disposal of 24.9% shareholding interest in Treebox Solutions pursuant to the Group's restructuring exercise. There was also a decrease in the fair value of investment in an associated company, CBB, in FY2017. There were no new investments made during the year.

Other investments decreased by 78.8% or S$5.53 million, from S$7.02 million as at 31 December 2016 to S$1.49 million as at 31 December 2017, mainly due to reclassification of the CBB convertible bonds to current assets, the disposal of a 8.5% equity interest in Invitrocue Ltd. in March 2017 and interest in convertible bonds issued by Banff Cyber Technologies Pte Ltd in June 2017, pursuant to the Group's restructuring exercise. These were partially offset by an increase in the fair value of other investments in FY2017.

OPERATIONS & FINANCIAL REVIEW

Current Assets

The Group's current assets increased by 565.0% or S$27.74 million, from S$4.91 million as at 31 December 2016 to S$32.64 million as at 31 December 2017.

The increases in trade and other receivables, prepayments and inventories were mainly due to the acquisitions of CBMG and Sam Lab, while the increase in other investments was due to reclassification of the CBB convertible bonds from non-current to current assets.

Cash and cash equivalents increased by 543.9% or S$23.43 million, from S$4.31 million as at 31 December 2016 to S$27.74 million as at 31 December 2017, mainly due to net proceeds from the IPO and net cash inflow from the acquisitions of CBMG and Sam Lab. This was partially offset by the loan extended to an entity which was disposed of pursuant to the Group's restructuring exercise and the acquisition of the Mapex Property.

Current Liabilities

The Group's current liabilities increased by 33.5% or S$1.44 million, from S$4.29 million as at 31 December 2017 to S$5.73 million as at 31 December 2017.

The increase was mainly due to an increase in other payables, comprising accrued professional fees and expenses incurred in relation to the IPO, and accrued interest expense on the call options granted by Spring Seeds Capital to the Group to acquire Spring Seeds Capital's interest in CBBP.

Non-current Liabilities

The Group's non-current liabilities decreased by 28.0% or S$1.33 million, from S$4.75 million as at 31 December 2016 to S$3.42 million as at 31 December 2017.

The decrease was mainly due to a decrease in deferred tax liabilities recognised in FY2016 for the Group's unrealised fair value gain on associates, which were reversed in FY2017 due to disposed associates carried at fair value. This was partially offset by recognition of the non-current interest-bearing borrowings, which relates to the bank loan secured to finance the acquisition of the Mapex Property in FY2017.

REVIEW OF CASH FLOW STATEMENT

The net cash flows used in operating activities for FY2017 amounted to S$6.77 million.

Cash outflow before changes in working capital was S$6.70 million. Net cash used in working capital was S$0.08 million mainly due to increase in other payables of S$1.16 million and partially offset by increase in trade and other receivables of S$0.84 million, increase in prepayments of S$0.27 million, increase in inventories of S$0.05 million and decrease in trade payables of S$0.09 million.

Net cash generated from investing activities for FY2017 was S$8.06 million, mainly due to net cash inflow from the acquisition of subsidiaries and partially offset by the acquisition of the Mapex Property.

Net cash generated from financing activities for FY2017 was S$22.09 million. This was primarily due to net proceeds from the IPO of S$22.00 million, partially offset by the disposal of subsidiaries, repayment of bank loan and waiver of loans extended by the Group to an entity which was disposed of pursuant to the Group's restructuring exercise.

As a result, after adjusting for the effects of foreign exchange rate changes, there was a net increase in cash and cash equivalents by S$23.43 million, from S$4.31 million as at 31 December 2016 to S$27.74 million as at 31 December 2017.

CORPORATE INFORMATION

BOARD OF DIRECTORS
Chen Johnson
Non-Executive Non-Independent Chairman
Yee Pinh Jeremy
Executive Director and Chief Executive Officer
Andrew John Lord
Lead Independent Director
Mark Benedict Ryan
Independent Director
Tan Soon Liang (Chen Shunliang)
Independent Director
Mah How Soon (Ma Haoshun)
Independent Director

AUDIT COMMITTEE
Mark Benedict Ryan (Chairman)
Andrew John Lord
Tan Soon Liang (Chen Shunliang)

NOMINATING COMMITTEE
Tan Soon Liang (Chen Shunliang) (Chairman)
Yee Pinh Jeremy
Andrew John Lord

REMUNERATION COMMITTEE
Andrew John Lord (Chairman)
Chen Johnson
Mark Benedict Ryan

COMPANY SECRETARY
Selena Leong Siew Tee, ACIS

REGISTERED OFFICE
37 Jalan Pemimpin
#08-05 Mapex
Singapore 577177

SPONSOR
United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

SHARE REGISTRAR
Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte. Ltd.)
80 Robinson Road
#02-00
Singapore 068898

AUDITOR
Ernst & Young LLP
One Raffles Quay
Level 18 North Tower
Singapore 048583
Partner-in-charge: Tan Swee Ho (since financial year ended 31 December 2017)
(Member of the Institute of Singapore Chartered Accountants)

INVESTOR RELATIONS
August Consulting
101 Thomson Road
#30-02 United Square
Singapore 307591

BOARD OF DIRECTORS

Left to Right: Mark Benedict Ryan, Andrew John Lord, Yee Pinh Jeremy, Chen Johnson, Tan Soon Liang (Chen Shunliang), Mah How Soon (Ma Haoshun)

BOARD OF DIRECTORS

CHEN JOHNSON

Non-Executive Non-Independent Chairman
Date of First Appointment | 20 April 2017
Member | Remuneration Committee

Johnson is the founder of Clearbridge. He was appointed as the Group's Non-Executive Non-Independent Chairman in April 2017. He has been the Executive Director of 1Bridge Partners Limited since 2002, where he oversees its investment management. Concurrently, he has been an Executive Director and Chief Executive Officer of CapBridge Pte. Ltd. ("**CapBridge**"), a global private financing platform and entity regulated by the Monetary Authority of Singapore, since June 2017. At Capbridge, he is responsible for overall strategic planning and business execution. From 1999 to 2002, he was the President of CyberWorks Ventures, the venture capital arm of Pacific Century Cyberworks in Hong Kong. Johnson was awarded the prestigious Sword of Honour by the President of Singapore for being the top graduate in the officer cadet course during his National Service with the Singapore Armed Forces.

Present and past directorships in other listed companies: Nil

Academic/Professional Qualification(s)

- Bachelor of Arts (Honours) (Manufacturing Engineering Tripos), University of Cambridge, United Kingdom ("**UK**")
- Master of Manufacturing Engineering, University of Cambridge, UK

YEE PINH JEREMY

Executive Director and Chief Executive Officer
Date of First Appointment | 15 May 2017
Member | Nominating Committee

Jeremy is the Group's Executive Director and Chief Executive Officer. Prior to this, from 2011 to 2016, he was the Chief Executive Officer of Cordlife Group Limited, a company listed on the SGX-ST, where he was responsible for identifying and implementing company-wide business growth strategies. From 2002 to 2011, he was the Director of Corporate Development then Chief Operating Officer and subsequently, Executive Director and Group Chief Financial Officer of Cordlife Limited (now known as Life Corporation Limited), a company listed on the Australian Securities Exchange ("**ASX**"). During his tenure, he was responsible for the group's overall corporate development activities and financial functions, including statutory filings, accounting audits, finance controls and treasury matters. Jeremy spent the early part of his career in the banking and finance industry.

Present directorships in other listed companies: Nil

Past directorships in other listed companies:

- Cordlife Group Limited (SGX-ST)
- Cordlife Limited (now known as Life Corporation Limited) (ASX)

Academic/Professional Qualification(s)

- Bachelor of Arts (Economic and Social Studies), Victoria University of Manchester, UK
- Bachelor of Commerce (Professional Accounting), Murdoch University, Australia
- Master of Commerce (Finance with Banking/Management), University of Sydney, Australia
- Master of Business Administration, Nanyang Technological University, Singapore
- Master of Business Administration, University of Chicago Booth School of Business, US
- Master of Arts, Columbia University, US
- Nanyang Advanced Management Program, University of California, Berkeley, US

ANDREW JOHN LORD

Lead Independent Director
Date of First Appointment | 20 November 2017
Chairman | Remuneration Committee
Member | Nominating Committee and Audit Committee

Andrew is the Lead Independent Director of Clearbridge. He began his career as a solicitor in the general commercial and property as well as the banking and finance practices. Andrew ran his own firm, Campbell Lord Commercial Lawyers, between 1999 to 2006 and later founded Lovegrove and Lord Commercial and Construction Lawyers in 2006, where he served as a director specialising in joint ventures, venture capital funding, property financing, business acquisitions, corporate governance, capital markets equity fundraising, and compliance matters related to the ASX and the Australian Securities and Investments Commission. Since 2010, he has been a director at Lord Commercial Lawyers.

Present and past directorships in other listed companies: Nil

Academic/Professional Qualification(s)

- Bachelor of Science, Monash University, Australia
- Bachelor of Laws, Monash University, Australia
- Member of the Law Institute of Victoria, Australia

MARK BENEDICT RYAN

Independent Director
Date of First Appointment | 20 November 2017
Chairman | Audit Committee
Member | Remuneration Committee

Mark is an Independent Director of Clearbridge. Since 1996, he has been the Non-Executive Director and Company Secretary of KBR E&C Australia Pty. Ltd, an engineering and construction company. From 1994 to 1996, he was the Financial Controller at CAPE PLC (formerly ASX-listed PCH Group Limited), where he was responsible for all financial management and reporting functions. He was a Senior Accountant at Schroder Ventures from 1993 to 1994 where he specialised in management accounting for offshore investment trusts including the preparation of statutory financial statements. Prior to this, he was a Corporate Tax Advisory Supervisor at PricewaterhouseCoopers Australia from 1988 to 1993 where he provided tax consulting and corporate tax compliance advisory services.

BOARD OF DIRECTORS

Present directorships in other listed companies: Nil

Past directorships in other listed companies:
- Cordlife Limited (now known as Life Corporation Limited) (ASX)

Academic/Professional Qualification(s)
- Bachelor of Commerce, University of Western Australia, Australia
- Associate of Chartered Accountants, Australia and New Zealand

TAN SOON LIANG (CHEN SHUNLIANG)

Independent Director
Date of First Appointment | 20 November 2017
Chairman | Nominating Committee
Member | Audit Committee

Soon Liang is an Independent Director of Clearbridge. He is currently the Founder and Managing Director of Ti Ventures Pte. Ltd., which invests in growing businesses and partnering business owners through leading its corporate development, business transformation and mergers and acquisitions functions. He is also the Managing Director of Omnibridge Capital Pte. Ltd., which focuses on early-stage angel and venture capital investments in start-ups and fast-growing companies in Asia. Between 2006 and 2010, Soon Liang was Head of Business Advisory and later, an Advisor at BDO Raffles Advisory Pte Ltd. He was responsible for corporate advisory work for Asian family businesses and corporations, including business transformation advisory work. Early in his career, he held various positions in companies within the financial industry.

Present directorships in other listed companies:
- Wong Fong Industries Limited (SGX-ST)
- ISDN Holdings Limited (SGX-ST and SEHK)

Past directorships in other listed companies:
- Jubilee Industries Holdings Ltd (SGX-ST)

Academic/Professional Qualification(s)
- Bachelor of Business (Honours) (Financial Analysis), Nanyang Technological University, Singapore
- Master of Business Administration, University of Hull, UK
- CFA® charterholder, CFA Institute, US
- Member of the Singapore Institute of Directors

MAH HOW SOON (MA HAOSHUN)

Independent Director
Date of First Appointment | 23 March 2018

How Soon is an Independent Director of Clearbridge. He is presently the Managing Director of RHT Capital Pte. Ltd.. He has many years of transactional and management experience in corporate finance in international and local financial institutions, and boutique advisory firms. How Soon has played a key role in advising companies from many industries and countries on a wide range of transactions relating to both equity capital markets, and mergers and acquisitions. He is the Lead Independent Director of Katrina Group Ltd and the Chairman of its Audit Committee. In addition, he is an Independent Director of 800 Super Holdings Limited and the Chairman of its Nominating Committee. Both companies are listed on the Catalist Board of the SGX-ST.

Present directorships in other listed companies:
- Katrina Group Ltd. (SGX-ST)
- 800 Super Holdings Limited (SGX-ST)

Past directorships in other listed companies:
- None

Academic/Professional Qualification(s)
- Bachelor of Accountancy (Honours), Nanyang Business School, Singapore
- Master of Business Administration, Chicago Booth School of Business, US
- Chartered Accountant, Institute of Singapore Chartered Accountants, Singapore
- CFA® charterholder, CFA Institute, US

EXECUTIVE OFFICERS

SIMON HOO KIA WEI

Chief Business Officer

Simon joined the Group as Chief Business Officer in April 2017 and assists the Chief Executive Officer ("**CEO**") in strategic planning and implementation, evaluation and monitoring of business strategies and business units of its subsidiaries in the Asia Pacific region.

Prior to joining the Group, Simon was the Chief Business Officer of CBMG. He was the Chief Executive Officer of Life Corporation Limited (formerly known as Cordlife Limited), a company listed on the ASX, from 2014 to 2016 where he led the restructuring of the group's businesses in India, Philippines and Indonesia and the re-listing of the group's new business on the ASX. From 2004 to 2014, he was the Business Development Director of Cordlife Services (S) Pte. Ltd. (now known as Life Corporation Services (S) Pte Ltd) and was involved in the set up and initial business operations of the group in Hong Kong, Indonesia and the Philippines, and spearheaded its business operations in India from 2008. He started his career in 2001 as an auditor with KPMG Singapore.

Academic/Professional Qualification(s)

- Bachelor of Accountancy, Nanyang Technological University, Singapore
- Master of Business Administration, University of Manchester, UK
- Chartered Accountant, Institute of Singapore Chartered Accountants
- Certified Public Accountant, CPA Australia

WU EN-TZU ANDREW (WU ENCI ANDREW)

Chief Product Officer

Andrew was appointed Chief Product Officer of the Group in June 2017 and is responsible for the management of the Group's clinical diagnostics service laboratories, the conduct of business development of new diagnostic technologies and the development of innovative precision medicine diagnostics.

Before assuming his current role, he was the Chief Operating Officer of CBB from 2016 to 2017, where he established partnerships with world leading industry partners, led corporate business development activities and expanded its commercial footprint and distribution network to the People's Republic of China, Japan, US and Europe.

Between 2011 and 2016, he held various senior management positions in CBB and his achievements include the development and commercialisation of the ClearCell® FX System from a laboratory prototype and led efforts to obtain clinical CE IVD approval; setting up the company structure and go-to-market plan for the novel circulating tumour cells capture microfluidic system; as well as leading the Group in obtaining the ISO 13485 quality management system certification. Under his leadership, annual revenues of CBB grew to more than US$1.0 million.

From 2007 to 2011, he was the Technical Director of Cordlife Limited (now known as Life Corporation Limited) and oversaw laboratory operations for the group in five markets across the region and led its ISO and AABB quality accreditation activities. He was also involved in developing its technology leadership strategy and introduced automated cord blood processing and umbilical cord tissue storage services within the group.

Academic/Professional Qualification(s)

- Bachelor of Engineering (Biochemical Engineering), University College London, UK
- Doctor of Philosophy, University College London, UK
- Allied member of the American Society of Clinical Oncology

EXECUTIVE OFFICERS

LIAU YEN SAN, JONATHAN

Chief Commercial Officer

Jonathan joined the Group as Chief Commercial Officer in August 2017 and is responsible for overseeing the commercial strategy and development of the Group.

He was previously Vice President (Investments) at EDBI Pte. Ltd., the corporate investment arm of the Singapore Economic Development Board, from 2016 to 2017 where he led investments in biomedical sciences and oversaw portfolio management in the medical technology and biopharmaceutical fields. Between 2013 and 2016, he was the Senior Director of Corporate Development at Cordlife Group Limited, a company listed on the SGX-ST. He was responsible for corporate development, new products and general management at several of the Group's subsidiaries. He was with Cordlife Services (S) Pte. Ltd. (now known as Life Corporation Services (S) Pte. Ltd.) from 2004 to 2013. His last held position was Chief Operating Officer and he was responsible for the overall operations of the company.

Academic/Professional Qualification(s)

- Master of Biochemical Engineering (Bioprocess Management), University College London, UK
- Master of Business Administration, University of Chicago, US

FEXLICIA LEE PEI YUE

Financial Controller

Fexlicia was appointed as the Group's Financial Controller in April 2017 and is responsible for overseeing the financial strategy and management, taxation, regulatory and financial reporting, as well as the development of internal control policies and procedures of the Group.

Prior to this, she was the Financial Controller of CBMG from 2016 to 2017 where she took on similar responsibilities. From 2012 to 2016, Fexlicia was the Senior Group Finance Manager and subsequently, Financial Controller of Cordlife Services (S) Pte. Ltd. (now known as Life Corporation Services (S) Pte. Ltd. and a subsidiary of ASX-listed Life Corporation Limited) where she was involved in all aspects of the company's finance and accounting functions, including financial planning, management reporting, budgeting, corporate restructuring, and ensuring compliance with the reporting and filing requirements of the ASX for Life Corporation Limited (being the holding company of Life Corporation Services (S) Pte. Ltd).

She was with KPMG Singapore for four years beginning 2008. Her last held position was Audit Assistant Manager, responsible for financial and compliance audits for non-profit organisations as well as clients in industries such as manufacturing, construction and healthcare. She started her career with SKW Associates in Malaysia in 2006, where her last held position was Audit Associate, responsible for assisting in financial and compliance audits for clients in industries such as trading, manufacturing and transportation.

Academic/Professional Qualification(s)

- Bachelor of Business, University of Technology, Sydney, Australia

FINANCIAL CONTENTS

21	Corporate Governance Report
44	Directors' Statement
48	Independent Auditor's Report
52	Consolidated Statement of Comprehensive Income
53	Statements of Financial Position
54	Statements of Changes In Equity
57	Consolidated Cash Flow Statement
59	Notes to the Financial Statements
105	Statistics of Shareholdings
107	Notice of Annual General Meeting
	Proxy Form

CORPORATE GOVERNANCE REPORT

The board of directors (the "**Board**" or the "**Directors**") of the Company is committed to achieving and maintaining high standards of corporate governance principles and processes in managing its business and affairs, so as to improve the performance, accountability, and transparency of the Group.

For FY2017, the Board has reviewed its corporate governance practices and ensured that they are in compliance with the applicable provisions of the Code of Corporate Governance 2012 (the "**Code**") issued by the Monetary Authority of Singapore and the disclosure guide ("**Disclosure Guide**") issued by the SGX-ST.

This corporate governance report sets out how the Company has applied the principles of good corporate governance in a disclosure-based regime where the Board's accountability to the Company's shareholders ("**Shareholders**"), and the Company's management's ("**Management**") accountability to the Board provides a framework for achieving a mutually beneficial tripartite relationship aimed at creating, enhancing and growing sustainable Shareholders' value.

The Company has substantially complied with the principles and guidelines as set out in the Code and the Disclosure Guide. Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code and/or the Disclosure Guide.

BOARD MATTERS

Principle 1 **The Board's Conduct of its Affairs**

Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and Management remains accountable to the Board.

Role of the Board

As at the date of this annual report, the Board comprises:

Chen Johnson	Non-Executive Non-Independent Chairman
Yee Pinh Jeremy	Executive Director and Chief Executive Officer
Andrew John Lord	Lead Independent Director
Mark Benedict Ryan	Independent Director
Tan Soon Liang (Chen Shunliang)	Independent Director
Mah How Soon (Ma Haoshun)	Independent Director

The Board is committed to achieving and maintaining high standards of corporate governance principles and processes in managing its business and affairs, so as to improve the performance, accountability, and transparency of the Group. The Company sets out principles and general guidelines for the Directors who are required to abide by any applicable laws or legislation, including the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "**Catalist Rules**") and the Companies Act (Chapter 50) of Singapore (the "**Companies Act**"). This set of principles and guidelines covers aspects such as Board composition and balance, Board diversity, tenure and maximum number of directorships, Board member selection, and code of conduct for the avoidance of conflicts of interest and dealing in the shares of the Company.

CORPORATE GOVERNANCE REPORT

The Board is entrusted to lead and oversee the Company, with the fundamental principle to objectively discharge their duties and responsibilities at all times as fiduciaries in the best interests of the Company. In addition to its statutory duties, the Board's principal functions are to:

- provide entrepreneurial leadership and set the corporate strategies of the Group. This includes setting the direction and goals for the Management;
- establish a framework of prudent and effective controls, which enables risks to be assessed and managed, including safeguarding of Shareholders' interest and the Company's assets;
- supervise, monitor and review the Management's performance against the goals set to enhance Shareholders' value;
- identify the key stakeholders groups and recognise that their perceptions affect the Company's reputation;
- set the Company's values and standards (including ethical standards), and ensure that obligations to Shareholders and other stakeholders are understood and met;
- consider sustainability issues, e.g. environmental and social factors, as part of its strategy formulation process; and
- oversee the overall corporate governance of the Group.

Delegation by the Board

The Board has delegated certain responsibilities to the Audit Committee (the "**AC**"), the Remuneration Committee (the "**RC**") and the Nominating Committee (the "**NC**") (collectively, the "**Board Committees**"). The Board accepts that while these Board Committees have the authority to examine specific issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board. The composition of the Board Committees are as follows:

Composition of the Board Committees

Board Committee Designation	AC	NC	RC
Chairman	Mark Benedict Ryan	Tan Soon Liang (Chen Shunliang)	Andrew John Lord
Members	Andrew John Lord Tan Soon Liang (Chen Shunliang)	Yee Pinh Jeremy Andrew John Lord	Mark Benedict Ryan Chen Johnson

Board Meetings and Attendance

The Company was admitted to the Official List of the Catalist of the SGX-ST on 18 December 2017. In FY2017, the number of meetings held and the attendance of each Board member are as follows:

Board and Board Committees Meetings in FY2017

	Board	AC	NC	RC
Number of meetings held	1	–	–	–
Name of Director				
Chen Johnson	1	–	–	–
Yee Pinh Jeremy	1	–	–	–
Mark Benedict Ryan	1	–	–	–
Andrew John Lord	1	–	–	–
Tan Soon Liang (Chen Shunliang)	1	–	–	–
Ma How Soon (Ma Haoshun)*	–	–	–	–

* Appointed on 23 March 2018

CORPORATE GOVERNANCE REPORT

All Board and Board Committee meetings are scheduled well in advance of each year in consultation with the Directors. To ensure meetings are held regularly with maximum Directors' participation, the Company's constitution (the "**Constitution**") allows for meetings to be held through telephone and video conference. The Company ensures that telephonic and screen sharing facilities are made available for Directors to attend the meetings.

Regular meetings are held by the Board to deliberate the strategic policies of the Company including significant acquisitions and disposals, review and approve annual budgets, review the performance of the business and approve the public release of periodic financial results. The Board will also convene additional meetings for particular matters as and when they are deemed necessary.

While the Board considers Directors' attendance at Board meetings to be important, it is not the only criterion which the Board uses to measure Directors' contributions. The Board also takes into account the contributions by Board members in other forms including periodical reviews, provision of guidance and advice on various matters relating to the Group.

The day-to-day operations are entrusted to the Executive Director and CEO who is assisted by an experienced and qualified team of executive officers.

Material Transactions Requiring Board Approval

The Company has in place policies for the approval of, *inter alia*, investments and divestments, related persons transactions and cash management. Such material transactions are specifically reserved for the Board's consideration and approval. The Company has also set out clear directions to the Management in relation to such material transactions that are subject to the Board's approval.

In this regard, matters that require the Board's approval include, amongst others, the following:

- overall Group business and budget strategy;
- capital expenditures exceeding certain material limits;
- investments or divestments;
- all capital-related matters including capital issuance;
- significant policies governing the operations of the Company;
- corporate strategic development and restructuring;
- interested person transactions exceeding the S$100,000 threshold; and
- risk management strategies.

Board Induction and Training

All newly appointed Directors will undergo an orientation programme where the Directors are briefed on the Group's strategic direction, governance practices, business and organisation structure as well as the expected duties of a director of a listed company. To get a better understanding of the Group's business, the Directors will also be given the opportunity to visit the Group's operational facilities and meet with the Management, whenever required.

All new first-time Directors (who have no prior experience as a director of a listed company) are required to attend appropriate Listed Company Directors (LCD) Programme offered by the Singapore Institute of Directors.

The Board values on-going professional development and recognises that it is important that all Directors receive regular training so as to be able to serve effectively on and contribute to the Board. To this end, the Company encourages continuous professional development for its Directors. The Company is responsible for arranging and funding the training of Directors.

Furthermore, Directors are regularly updated with the latest professional developments in relation to the Catalist Rules and other applicable regulatory updates or amendments to relevant laws, rules and regulations to ensure compliance.

CORPORATE **GOVERNANCE REPORT**

Formal Appointment Letter to Each Director

The Company will provide each Director with a formal letter of appointment setting out the Director's duties and obligations.

Principle 2 **Board Composition and Balance**

There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

Independent Directors

Currently, the Board comprises 6 Directors, 4 of whom are independent, which complies with the Code's guideline on the proportion of independent directors on the Board.

Mr Andrew John Lord has also been appointed as the Lead Independent Director to represent the views of Independent Directors, and to facilitate a two-way flow of information between Shareholders, the Chairman and the Board. He also makes himself available at all times when Shareholders have concerns and for which normal channels of the Chairman, CEO or Financial Controller (the "**FC**") have failed to resolve or are inappropriate. The Lead Independent Director makes himself available to Shareholders at the Company's general meetings.

Review of Directors' Independence

The Company has in place a policy for the Board whereby Directors should refrain from having any conflicts of interests with the Company to ensure that their duty to act in the best interests of the Company is not compromised. Directors must immediately report any conflicts of interests that have occurred or may possibly occur as soon as the Director is aware of such potential or actual conflict of interest. This ensures that Directors continually meet the stringent requirements of independence under the Code.

The NC reviews the independence of the Independent Directors annually. The Board and the NC takes into account the existence of relationships or circumstances, including those identified by the Code, that are relevant in its determination as to whether a Director is independent.

The NC has reviewed and confirmed the independence of Independent Directors in accordance with the Code. The Independent Directors do not have any immediate relationships with the Executive Director and the Non-Executive Non-Independent Chairman, the Company, its related corporations, its 10% Shareholders and its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgment in the best interests of the Company.

Duration of Independent Directors' Tenure

There is no Independent Director who has served beyond 9 years since the date of his first appointment.

Board Diversity

The Board comprises 6 Directors: 1 Non-Executive Non-Independent Chairman, 1 Executive Director and 4 Independent Directors, who have the appropriate mix of core competencies and diversity of experience, to direct and lead the Company. There is a good balance between the Executive Director and the Non-Executive Directors, with a strong and independent element on the Board.

CORPORATE GOVERNANCE REPORT

The composition of the Board will be reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision making.

The Board's objective in identifying director nominees is primarily to have an appropriate mix of members with complementary skills, core competencies and experience for the Group, regardless of gender, ethnicity or nationality. The current 6 Board members are of 2 different nationalities. The Company is also receptive to achieving gender diversity on the Board with the appointment of a woman to the Board if there are suitable candidates.

The Board is of the view that the current board size is appropriate to effectively facilitate decision making in relation to the operations of the Group, taking into account the nature and scope of the Company's operations. The Board believes that the current Board members comprise persons whose diverse skills, experience and attributes provide for effective direction for the Group. The NC is also of the view that the current Board members comprise persons with a broad range of expertise and experience in diverse areas including accounting, finance, legal, business and management, technology, strategic planning and medical related business experience.

The Board will take the following steps to maintain or enhance its balance and diversity:

- annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and

- annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.

To meet the challenges of the changing landscapes in which the Group operates in, such reviews and evaluations, which include considering factors such as the expertise, skills and perspectives which the Board needs against the existing competencies, would be done on a periodic basis to ensure that the Board dynamics remain optimal.

The NC will consider the results of these exercises in its recommendation for the appointment of new Directors and/or the re-appointment of incumbent Directors.

Non-Executive Director Meetings in Absence of Management

Non-Executive Directors constructively challenge and help develop proposals on strategies and review the performance of the Management in meeting agreed goals and objectives and monitor the reporting of performance. In addition, the Non-Executive Directors meet regularly in the absence of the Management to discuss concerns or matters such as overall business strategies and investments.

Principle 3 **Chairman and Chief Executive Officer**

There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

Segregation of the Role of Chairman and the CEO

The roles of the Chairman and the CEO are separate to ensure a clear division of their responsibilities, increased accountability and greater capacity of the Board for independent decision making. The Chairman is not related to the CEO.

The Chairman leads the Board discussions and ensures that Board meetings are convened when necessary. He sets the Board meeting agenda and ensures the quality, adequacy and timeliness of the flow of information between the Board and the Management to facilitate efficient decision making. He chairs the Board meetings and encourages the Board members to present their views on topics under discussion at the meetings. He also assists in ensuring compliance with the Group's guidelines on corporate governance.

CORPORATE GOVERNANCE REPORT

The CEO is responsible for identifying and implementing company-wide business growth strategies and overseeing all aspects of the Group's growth and operating functions. He also oversees the execution of the Group's corporate strategy as set out by the Board and ensures that the Directors are kept updated and informed of the Group's businesses.

Lead Independent Director

Given that the Chairman is not independent, the Board has appointed Mr Andrew John Lord as the Lead Independent Director. The Lead Independent Director is a key member of the Board, representing the views of the Independent Directors and facilitating a two-way flow of information between Shareholders, the Chairman and the Board.

The Board is of the view that given the current composition of the Board, there are sufficient safeguards and checks to ensure that the process of decision making by the Board is independent and based on shared agreement without any individual exercising any significant power or influence.

Independent Director Meetings in Absence of Other Directors

To facilitate well-balanced viewpoints on the Board, the Lead Independent Director will, where necessary, chair meetings with the Independent Directors without the involvement of other Directors, and the Lead Independent Director will provide feedback to the Chairman after such meetings.

Principle 4 **Board Membership**
There should be a formal and transparent process for the appointment and re-appointment of Directors to the Board.

Nominating Committee

The NC comprises 3 members, a majority of whom including the chairman, are Independent Directors. The members of the NC are as follows:

Tan Soon Liang (Chen Shunliang)	Chairman	Independent Director
Andrew John Lord	Member	Lead Independent Director
Yee Pinh Jeremy	Member	Executive Director

The NC is guided by written terms of reference, of which the key terms of reference are as follows:

(a) reviewing and recommending the appointment of new Directors and executive officers and re-nomination of Directors having regard to each Director's contribution, performance and ability to commit sufficient time, resources and attention to the affairs of the Group, and each Director's respective commitments outside the Group including his principal occupation and board representations on other companies, if any. The NC will conduct such reviews at least once a year, or more frequently as it deems fit;

(b) determining annually, and as and when circumstances require, whether or not a Director is independent;

(c) deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director;

(d) developing a process for evaluating the performance of the Board as a whole and its committees, and for assessing the contribution of each Director to the effectiveness of the Board;

(e) reviewing the Directors' mix of skills, experience, core competencies and knowledge of the Group that the Board requires to function competently and efficiently;

(f) reviewing succession plans for the Directors, in particular, the Chairman and the CEO;

(g) reviewing the training and professional development programs for the Board;

CORPORATE GOVERNANCE REPORT

(h) determining and recommending to the Board the maximum number of listed company board representations which any Director may hold and disclosing this in the Company's annual report; and

(i) reviewing and approving the employment of persons related to the Directors or substantial Shareholders and the proposed terms of their employment.

Board Representations

The NC is of the view that the effectiveness of each of the Directors is best assessed by a qualitative assessment of the Director's contributions, after taking into account his other listed company board directorships and other principal commitments. The NC also believes that it is for each Director to assess his own capacity and ability to undertake other obligations or commitments together with serving on the Board effectively, whilst taking into consideration the maximum number of listed company board representations each Director may hold.

The considerations in assessing the capacity of Directors include the following:

- expected and/or competing time commitments of Directors;
- geographical location of Directors;
- size and composition of the Board; and
- nature and scope of the Group's operations and size.

The NC takes into consideration the following measures and evaluation tools in its assessment of competing time commitments of Directors:

- declarations by individual Directors of their other listed company board directorships and principal commitments;
- annual confirmations by each Director on his ability to devote sufficient time and attention to the Company's affairs, having regard to his other commitments; and
- assessment of the individual Director's performance based on pre-determined criteria.

The NC has reviewed the time spent and attention given by each of the Directors to the Company's affairs, taking into account the multiple directorships and other principal commitments of each of the Directors (if any), and is satisfied that the Directors have been able to devote sufficient time and resources to the matters of the Group and as such, the Board deemed that it is not necessary to set a limit on the number of listed board representations that any Director may hold.

Alternate Directors

None of the Directors has appointed an alternate director in FY2017.

CORPORATE
GOVERNANCE REPORT

Board Nomination Process

The Board has adopted the following nomination process for the Company for selecting and appointing new Directors and re-electing incumbent Directors:

Process for the selection and appointment of new Directors:

1.	Determination of selection criteria	• The NC, in consultation with the Board, will identify the current needs of the Board in terms of skills, experience, knowledge and gender to complement and strengthen the Board and increase its diversity.
2.	Search for suitable candidates	• The NC will consider candidates drawn from the contacts and networks of existing Directors and may approach relevant institutions such as the Singapore Institute of Directors, professional organisations or business federations to source for a suitable candidate.
3.	Assessment of shortlisted candidates	• The NC will meet and interview the shortlisted candidates to assess their suitability.
4.	Appointment of Director	• The NC will recommend the selected candidate to the Board for consideration and approval.

Process for the re-election of incumbent Directors:

1.	Assessment of Director	• The NC will assess the performance of the Director in accordance with the performance criteria set by the Board; and • The NC will also consider the current needs of the Board.
2.	Re-appointment of Director	• Subject to the NC's satisfactory assessment, the NC will recommend the proposed re-appointment of the Director to the Board for its consideration and approval.

The Constitution requires that at least one-third of the Board (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation at each annual general meeting ("**AGM**"). A retiring Director is eligible for re-election by Shareholders at the AGM. Accordingly, the Directors will submit themselves for re-nomination and re-election at regular intervals of at least once every 3 years.

The NC has reviewed and recommended the re-nomination and re-election of Mr Chen Johnson, Mr Andrew John Lord, Mr Mark Benedict Ryan, Mr Tan Soon Liang (Chen Shunliang) and Mr Mah How Soon (Ma Haoshun) who will be retiring as Directors at the forthcoming AGM. Mr Chen Johnson will be retiring pursuant to Regulation 98 of the Constitution. Mr Andrew John Lord, Mr Mark Benedict Ryan, Mr Tan Soon Liang (Chen Shunliang) and Mr Mah How Soon (Ma Haoshun) will be retiring pursuant to Regulation 102 of the Constitution. All of them have offered themselves for re-election. The Board has accepted the recommendations of the NC.

Each member of the NC has abstained from voting on any resolutions and making recommendations and/or participating in respect of matters in which he has an interest.

Directors' Key Information

Key information regarding the Directors, including their appointment date and directorship held presently and in the past 3 preceding years in listed companies are set out on pages 16 to 17 of this annual report.

CORPORATE GOVERNANCE REPORT

Principle 5 **Board Performance**

There should be a formal assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each director to the effectiveness of the Board.

Performance Criteria

The Board has established processes to be carried out by the NC, including taking into consideration the attendance record at the meetings of the Board and the Board Committees for monitoring and evaluating the performance of the Board as a whole and effectiveness and contribution of individual Directors. At the same time, the processes also identify areas where improvements can be made. This will then allow the Board and individual Directors to direct more effort in those areas for achieving better performance of the Board and better effectiveness of individual Directors.

The NC has been tasked to evaluate the Board's performance covering areas that include, *inter alia*, size and composition of the Board, Board's access into information, Board processes, strategic planning and accountability.

The NC shall also review the overall performance of the Board in terms of its role and responsibilities and the conduct of its affairs as a whole. The Board is of the opinion that a separate assessment on the effectiveness of the Board Committees is not necessary as the Board Committees share common members.

The NC may also engage an external facilitator for the evaluation process where necessary.

The review of the performance of the Board is conducted by the NC annually. The review of the performance of each director is also conducted annually and when the individual Director is due for re-election.

It is envisaged that the review process of the performance of the Board and the individual Directors will be based on the following:

1. each Director will complete a board evaluation questionnaire on the effectiveness of the Board based on the Board's pre-determined criteria;
2. the Company Secretary collates and submits the questionnaire results to the NC chairman in the form of a report;
3. each Director will send the duly completed confidential individual Director self-assessment checklist to the NC chairman for review; and
4. the NC discusses the report and concludes the performance results during the NC meeting.

As the NC was newly established on 20 November 2017, the NC is still in the midst of finalising the criteria for the evaluation of the Board's and individual Director's performance. The NC will take into consideration that such performance criteria should be subject to the approval of the Board and should address how the Board has enhanced long-term Shareholders' value.

All NC members will abstain from the voting or review process of any matters in connection with the assessment of their individual performance. The assessment criteria for individual Director evaluation includes, *inter alia*, Director's attendance, commitment of time, candour, participation, knowledge and ability, teamwork, and overall effectiveness.

The NC will review the aforementioned criteria on a periodic basis to ensure that the criteria is able to provide an accurate and effective performance assessment taking into consideration industry standards and the economic climate with the objective to enhance long-term Shareholder value. Where circumstances deem it necessary for any of the criteria to be changed, the NC will propose amendments to the Board for approval.

As the Company was listed on the Catalist Board of the SGX-ST on 18 December 2017, no Board and individual Director evaluations were conducted by the NC for FY2017. Such Board and individual Director evaluations will be conducted for the financial year ending 31 December 2018.

CORPORATE GOVERNANCE REPORT

Principle 6 **Access to Information**

In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

Provision of Information

All Directors are furnished at least on a quarterly basis with information concerning the Company to enable them to be fully cognisant of the decisions and actions of the Management. Information provided to the Board includes board papers, copies of disclosure documents, budgets, forecasts, business strategies, risk analyses and assessments, financial statements and reports from the internal and external auditors. The Board has unrestricted access to the Company's records and information.

The Management recognises the importance of circulating information on a timely basis to ensure that the Board has adequate time to review the materials to facilitate a constructive and effective discussion during the scheduled meetings. As such, the Management endeavours to circulate information for the Board meetings at least one week prior to the meetings to allow sufficient time for the Directors' review.

The Board has separate and independent access to the Management at all times. The Management is available to provide explanatory information in the form of briefings to the Directors or formal presentations in attendance at Board meetings, or such information can also be provided by external consultants engaged on specific projects. The Directors are also provided with the contact details of key management personnel to facilitate direct and independent access to the Management.

The Management will also provide any additional material or information that is requested by the Directors or that is necessary to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects. In addition, the Management keeps the Board apprised of regulatory updates and implications, as well as significant project updates.

Meetings with subsidiaries, partners and consultants through overseas trips will be arranged, where necessary. Frequent information updates are provided by the Chairman through emails, telephone conferences and informal meetings.

Company Secretary

The role of the Company Secretary, the appointment and removal of whom is a matter for the Board as a whole, is as follows:

- ensuring that Board procedures are observed and that the Constitution, relevant rules and regulations, including requirements of the Securities and Futures Act (Chapter 289 of Singapore), the Companies Act and the Catalist Rules, are complied with;
- assisting the Chairman and the Board to implement and strengthen corporate governance practices, with a view to enhancing long-term Shareholder value;
- assisting the Chairman to ensure good information flow within the Board, the Board Committees and the Management;
- facilitating orientation and assisting with professional development as required;
- training, designing and implementing a framework for the Management's compliance with the Catalist Rules, including timely disclosure of material information;
- attending and preparing minutes for all Board and Board Committee meetings;
- assisting to ensure coordination and liaison between the Board, the Board Committees and the Management; and
- assisting the Chairman, the chairman of each Board Committees and the Management in the development of the agenda for the various Board and Board Committee meetings.

The Directors have separate and independent access to the Company Secretary.

CORPORATE GOVERNANCE REPORT

Independent Professional Advice

Each Director has the right to seek independent legal and other professional advice, at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to fulfil their duties and responsibilities as Directors.

REMUNERATION MATTERS

Principle 7 **Procedures for Developing Remuneration Policies**

There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No directors should be involved in deciding his own remuneration.

Remuneration Committee

The RC comprises 3 members, a majority of whom including the chairman, are Independent Directors:

Andrew John Lord	Chairman	Lead Independent Director
Chen Johnson	Member	Non-Executive Non-Independent Chairman
Mark Benedict Ryan	Member	Independent Director

All members of the RC are Non-Executive Directors.

The RC recommends to the Board a framework of remuneration for the Directors and key management personnel, and determines specific remuneration packages for each Executive Director as well as for the key management personnel. The recommendations will be submitted for endorsement by the Board.

All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and benefits-in-kind, will be covered by the RC. The RC will also review annually the remuneration of employees related to the Directors and substantial Shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. The RC will also review and approve any bonuses, pay increases and/or promotions for these employees. The RC's recommendations will be submitted for endorsement by the Board.

Each RC member will abstain from participating in the deliberations of and voting on any resolution in respect of his remuneration package or that of employees related to him.

The RC is guided by written terms of reference, of which the key terms of reference are as follows:

(a) To recommend to the Board a framework of remuneration for the Directors, CEO and executive officers, and determine specific remuneration packages for each Executive Director and the key management personnel.

(b) To be responsible for the administration of the Company's performance share plan.

(c) To review the remuneration of employees who are related to the Directors, CEO or substantial Shareholders who hold managerial positions to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities.

(d) To annually review the remuneration of the key management personnel including the terms of renewal for their service agreements.

(e) To consider, review and approve and/or to vary (if necessary) the entire remuneration package, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind.

(f) To seek expert advice inside and/or outside the Company on remuneration of all Directors.

CORPORATE **GOVERNANCE REPORT**

(g) To review the Company's obligations arising in the event of termination of the Executive Director and key management personnel's contracts of service and to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

(h) To review and ensure that the level and structure of remuneration should be aligned with the long-term interest and risk policies of the Company, and should be appropriate and commercially competitive to attract, retain and motivate (i) the Directors to provide good stewardship of the Company; and (ii) key management personnel to successfully manage the Company.

(i) To structure a significant and appropriate proportion of the Executive Director's and key management personnel's remuneration so as to link rewards to corporate and individual performance. Such performance-related remuneration should be aligned with the interests of Shareholders and promote the long-term success of the Company. It should take account of the risk policies of the Company, be symmetric with risk outcomes and be sensitive to the time horizon of risks. There should be appropriate and meaningful measures for the purpose of assessing Executive Directors' and key management personnel's performance.

(j) To review and consider whether the Executive Director and key management personnel should be eligible for benefits under long-term incentive schemes. The costs and benefits of long-term incentive schemes should be carefully evaluated. In normal circumstances, offers of shares or grants of options or other forms of deferred remuneration should vest over a period of time. The use of vesting schedules, whereby only a portion of the benefits can be exercised each year, is also strongly encouraged.

(k) To review and ensure the remuneration of Non-Executive Directors should be appropriate to the level of contribution, taking into account factors such as effort and time spent, and responsibilities of the Directors. Non-Executive Directors should not be over-compensated to the extent that their independence may be compromised. The RC will also consider implementing schemes to encourage Non-Executive Directors to hold shares in the Company so as to better align the interests of such Non-Executive Directors with the interests of Shareholders.

(l) To consider the various disclosure requirements for Directors' remuneration, particularly those required by regulatory bodies such as the SGX-ST.

(m) To carry out such other duties as may be agreed to by the RC and the Board.

Remuneration Consultant

The RC may from time to time, where necessary or required, seek advice from external consultants in framing the remuneration policy and determining the level and mix of remuneration for the Directors and the Management, so that the Group remains competitive in this regard.

No remuneration consultant was appointed during FY2017.

Principle 8 **Level and Mix of Remuneration**

The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) the key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

Remuneration Structure

In setting remuneration packages, the RC will take into consideration the pay and employment conditions within the industry and in comparable companies. The RC also seeks to ensure that the structure of remuneration packages for the Executive Director and key management personnel are appropriate in linking rewards with performance and that is aligned with the interests of Shareholders and promote the long-term success of the Group. The remuneration of the Non-Executive Director is also reviewed by the RC to ensure that the remuneration is commensurate with the contribution and responsibilities of the Non-Executive Directors.

CORPORATE **GOVERNANCE REPORT**

The Company has entered into a service agreement with the Executive Director, Mr Yee Pinh Jeremy, for an initial period of 3 years (the "**Initial Term**") and renewable automatically upon expiry of the Initial Term for 1 year periods, unless otherwise agreed. The Executive Director receives a monthly salary and is entitled to an annual performance bonus. The Company is entitled to recover from the Executive Director the relevant portion of any performance bonus paid to the Executive Director under the service agreement in the event that there is a restatement of the financial statements of the Company made to reflect the correction of a misstatement due to error or fraud during the financial year of the Company, or misconduct of the Executive Director resulting in financial loss to the Company. Please refer to the Company's offer document dated 11 December 2017 ("**Offer Document**") for further details.

Each Non-Executive Director receives a Director's fee which takes into account factors such as effort and time spent and scope of responsibilities. The fees for Non-Executive Directors are subject to Shareholders' approval at the forthcoming AGM.

Principle 9 **Disclosure on Remuneration**

Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

Directors' Remuneration

The Company's remuneration policy is one that seeks to attract, retain and motivate talent to achieve the Company's business vision and create sustainable value for its stakeholders. Total compensation is pegged to the achievement of organisational and individual performance objectives, and is benchmarked against relevant and comparative compensation in the market.

The remuneration (including salary, bonuses, contributions to the Central Provident Fund, allowances and benefits-in-kind) of each of the Directors and key management personnel are linked to the financial performance of the Group and the individual's performance so as to promote the long-term sustainability of the Group.

The breakdown of the total remuneration of the Directors for FY2017 is as follows:

Name of Director	Salary (%)	Benefits (%)	Bonus (%)	Directors' Fee (%)	Total (%)
Below S$250,000					
Chen Johnson	86	4	–	10	100
Yee Pinh Jeremy	83	6	11	–	100
Andrew John Lord	–	–	–	100	100
Mark Benedict Ryan	–	–	–	100	100
Tan Soon Liang (Chen Shunliang)	–	–	–	100	100
Mah How Soon (Ma Haoshun)*	–	–	–	–	–

* Appointed on 23 March 2018

No compensation was paid or is to be paid in the form of share awards to any of the Directors. There were no termination, retirement or post-employment benefits granted to the Directors and the CEO in FY2017.

CORPORATE GOVERNANCE REPORT

Key Management Personnel's Remuneration

The breakdown of the total remuneration of the Group's key management personnel (who are not Directors or the CEO) for FY2017 is as follows:

Name of Key Management	Salary %	Benefits %	Bonus %	Total %
Below S$250,000				
Simon Hoo Kia Wei	81	8	11	100
Wu En-Tzu Andrew (Wu Enci Andrew)	86	8	6	100
Liau Yen San, Jonathan	93	7	–	100
Fexlicia Lee Pei Yue	78	12	10	100

No compensation was paid or is to be paid in the form of share awards to any of the key management personnel of the Group. There were no termination, retirement or post-employment benefits granted to the Group's key management personnel in FY2017.

In considering the disclosure of remuneration of the Directors and key management personnel of the Group, the Board has decided not to disclose the full details of the remuneration of each Director and key management personnel due to the sensitive nature of such information and to prevent the poaching of key executives.

The aggregate remuneration paid to the key management personnel of the Group (excluding the CEO) for FY2017 was approximately S$381,000.

Parties Related to a Director or the CEO

There is no employee who is an immediate family member of a Director and/or the CEO, whose remuneration exceeded S$50,000 during FY2017.

Clearbridge Health Performance Share Plan

The Company has implemented the Clearbridge Health Performance Share Plan (the "**Plan**"). The objective of the Plan is to:

(a) foster an ownership culture within the Group which aligns the interests of any eligible person selected by the RC to participate in the Plan (the "**Participants**") with the interests of Shareholders;

(b) motivate Participants to achieve key financial and operational goals of the Company and/or their respective business divisions and encourage greater dedication and loyalty to the Group; and

(c) make total employee remuneration sufficiently competitive to recruit new Participants and/or retain existing Participants whose contributions are important to the long-term growth and profitability of the Group, and whose skills are commensurate with the Company's ambition to become a world class company.

The Plan is administered by the RC. The RC may decide the number of shares to be granted (the "**Awards**") to the Participants as the RC may select, in its absolute discretion, at any time during the period when the Plan is in force.

The number of shares which are the subject of each Awards to be granted to a Participant in accordance with the Plan shall be determined at the absolute discretion of the RC, which shall take into account criteria such as his rank, job performance, years of service and potential for future development, his contribution to the success and development of the Group and the extent of effort and resourcefulness with which the performance conditions may be achieved within the performance period.

CORPORATE GOVERNANCE REPORT

The performance conditions shall be determined at the discretion of the RC, which may comprise factors such as (but are not limited to) the market capitalisation or earnings of the Company at specified times.

As at the date of this annual report, no Awards have been granted under the Plan.

Please refer to the Offer Document for further details.

Performance Criteria for Remuneration

The remuneration received by the Executive Director and key management personnel takes into consideration his or her individual performance and contribution towards the overall performance of the Group. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary, fixed allowance and annual wage supplement. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives.

The performance criteria to assess the remuneration of Executive Director and key management personnel includes, among others, the profitability of the Group, leadership skills, as well as the Executive Directors' and key management personnel's compliance with all audit matters. The short-term incentive scheme would be the performance-related variable component of remuneration while the long-term incentive scheme would be the Plan.

As the Company was listed on Catalist on 18 December 2017, the RC is still in the process of finalising the performance criteria. As such, there are no agreed upon performance conditions for assessment for FY2017. Such performance conditions will be evaluated in 2018.

ACCOUNTABILITY AND AUDIT

Principle 10 **Accountability**
The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

Assessment of Company's Performance, Position and Prospects

The Board is accountable to Shareholders and is mindful of its obligations to furnish timely information and to ensure full disclosure of material information to Shareholders in compliance with legislative and regulatory requirements, including the Catalist Rules.

Price sensitive information will be publicly released either before the Company meets with any group of investors or analysts or simultaneously with such meetings. Financial results and annual reports will be announced or issued within regulatory prescribed periods.

The Management provides the Board with updates covering operational performance, financial results, marketing and business developments and other relevant information on a quarterly basis and as and when the Board may require from time to time, enabling the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

The Board also acknowledges its responsibility in relation to the preparation of the financial statements of the Group. The Board ensures that the preparation of the financial statements of the Group is in accordance with statutory requirements and applicable accounting standards.

All material information are released in a timely manner through various media, including announcements and press releases posted on the Company's website and disclosure via SGXNET.

CORPORATE GOVERNANCE REPORT

Principle 11 **Risk Management and Internal Controls**

The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

Risk Management and Internal Controls

The Board, with the assistance from the AC, is responsible for risk governance and ensuring that the Management maintains a sound system of risk management and internal controls to safeguard Shareholders' interests and the Company's assets. The Board acknowledges that risk management is an on-going process in which the Management continuously participates to evaluate, monitor and report to the Board and the AC on significant risks. The Board is cognizant, however, that risk management policies and internal control systems are designed to manage identifiable risks and limit the Group's exposure to risk of errors and irregularities and can only provide reasonable mitigation and not absolute assurance against material misstatement or loss.

The Board will, at least annually, review the adequacy and effectiveness of the Company's risk management and internal control systems, including financial, operational, compliance and information technology controls.

Adequacy and Effectiveness of Internal Controls

The Management is responsible for the design and implementation of internal control systems addressing financial, operational, compliance and information technology risks. The review of the adequacy and effectiveness of such risk management and internal controls systems is under the purview of the AC. The AC carries out the review at least annually with the assistance of the internal auditors, KPMG Services Pte. Ltd ("**KPMG**"). The AC reviews the audit plans and the findings of the external auditors and the internal auditors and ensures that appropriate measures are implemented to address those issues and any weaknesses in the internal controls are highlighted.

The Board has obtained the following assurance from the CEO and the FC in respect of FY2017 that:

(a) the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

(b) the Company's risk management and internal control systems are adequate and effective in addressing financial, operational, compliance and information technology risks.

Based on the internal control policies and procedures established and maintained by the Group, work performed by the internal auditors and the external auditors, assurance from the CEO and the FC, as well as reviews performed by the Board, the AC and the Management, the Board with the concurrence of the AC, is of the opinion that the Group's internal controls and risk management systems addressing financial, operational, compliance, and information technology controls, were adequate and effective for FY2017.

CORPORATE GOVERNANCE REPORT

Audit Command

Principle 12 ***The Board should establish an Audit Committee with written terms of reference, which clearly set out its authority and duties.***

Audit Committee

The AC comprises 3 members, all of whom, are Independent Directors:

Mark Benedict Ryan	Chairman	Independent Director
Tan Soon Liang (Chen Shunliang)	Member	Independent Director
Andrew John Lord	Member	Lead Independent Director

The AC will meet with the internal auditors and the external auditors without the presence of the Management at least once a year, to, *inter alia*, ascertain if there are any material weaknesses or control deficiency in the Group's financial reporting and operational systems.

The members of the AC do not have any management and business relationships with the Company or any substantial Shareholder.

None of the AC members were previous partners or directors of the Company's existing external auditing firm and none of the AC members hold any financial interest in the external auditing firm.

The AC is guided by written terms of reference, including:

(a) review, with the internal auditors and the external auditors, the audit plans, scope of work, their evaluation of the system of internal controls, audit reports, their management letters and the Management's response, and the results of audits compiled by the internal auditors and the external auditors, and will review at regular intervals with the Management the implementation by the Group of the internal control recommendations made by the internal auditors and the external auditors;

(b) review the periodic consolidated financial statements and any formal announcements relating to the Group's financial performance before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments arising from the audit, compliance with accounting standards, compliance with the Catalist Rules and any other statutory and regulatory requirements, concerns and issues arising from their audits including any matters which the auditors may wish to discuss in the absence of the Management, where necessary, before submission to the Board for approval;

(c) review and report to the Board, at least annually, the effectiveness and adequacy of the internal control procedures addressing financial, operational, information technology and compliance risks and discuss issues and concerns, if any, arising from the internal audits;

(d) review and discuss with the internal auditors and the external auditors, any suspected fraud, irregularity or infringement of any relevant laws, rules and regulations, which has or is likely to have a material impact on the Group's results of operation, financial performance or financial position and the Management's response;

(e) review the key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual report or if the findings are material, to be immediately announced via SGXNET;

(f) review and approve hedging policies that may be implemented by the Group and conduct periodic review of such policies, including review of foreign exchange transactions and hedging policies and procedures;

(g) review the co-operation given by the Management to the internal auditors and the external auditors, where applicable;

(h) review the independence and objectivity of the internal auditors and the external auditors as well as consider the appointment or re-appointment of the internal auditors and the external auditors, including approving the remuneration and terms of engagement of the internal auditors and the external auditors;

(i) review and approve any interested person transactions falling within the scope of Chapter 9 of the Catalist Rules and review procedures thereof;

(j) review potential conflicts of interests (if any) and set out a framework to resolve or mitigate any potential conflicts of interests;

CORPORATE GOVERNANCE REPORT

(k) review the procedures by which employees of the Group may, in confidence, report to the chairman of the AC, possible improprieties in matters of financial reporting or other matters and ensure that there are arrangements in place for independent investigation and follow-up actions thereto;

(l) review transactions falling within the scope of Chapter 10 of the Catalist Rules, if any;

(m) undertake such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and requiring the attention of the AC; and

(n) undertake generally such other functions and duties as may be required by law or the Catalist Rules, and by such amendments made thereto from time to time.

In addition, the AC shall commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's results of operations or financial position.

Qualifications of AC

The Board is of the view that the AC chairman and members are appropriately qualified, with the necessary accounting, financial advisory, business management, corporate and finance, investment and corporate legal expertise and experience to discharge the AC's functions.

Mark Benedict Ryan is a Chartered Accountant and has extensive accounting and financial management knowledge and exposure. Tan Soon Liang (Chen Shunliang) is a Chartered Financial Analyst® with many years of accounting and financial management expertise and experience.

Authority of AC

Apart from the duties listed above, the AC has the power to conduct or authorise investigations into any matters within the AC's terms of reference. The AC has full access to and co-operation of the Management and has full discretion to invite any Director or executive officer to attend its meetings, and has been given reasonable resources to enable it to discharge its functions.

The AC is authorised to obtain independent professional advice as it deems necessary in the discharge of its responsibilities. Such expenses are to be borne by the Company.

Meeting between Audit Committee and Auditors

The AC met with the external auditors in the absence of the Management in FY2017. The AC met the external auditors to discuss the results of the audit of the Group for FY2017 in 2018. The AC has also reviewed the full year financial statements of the Company and the consolidated financial statements of the Group prior to making its recommendations to the Board to approve the financial statements.

Independence of External Auditor

A breakdown of the fees paid to the external auditors of the Group for FY2017 is as follows:

	S$	% of total fees
Audit fees	190,000	33
Non-audit fees	380,000	67
Total	**570,000**	**100**

The non-audit fees of S$380,000 was in relation to the IPO and such fees are one-off. The AC has undertaken a review of all non-audit services that are provided by the external auditors and is satisfied that the provision of such services has not affected the independence of the external auditors.

CORPORATE GOVERNANCE REPORT

Having undertaken a review of the non-audit services provided during the year, the AC believes that the objectivity and independence of the external audits are not in any way impaired by reason of the non-audit services which they provide to the Group as these services were provided solely in connection with the IPO. The AC has recommended to the Board the nomination of Ernst & Young LLP for re-appointment as the Company's external auditors at the forthcoming AGM.

The Company confirms that it complies with Rules 712 and 716 of the Catalist Rules on the appointment of auditing firms for the Company, subsidiaries and significant associated companies.

The AC periodically receives updates on changes in accounting standards shared by the external auditors and circulated to members of the AC.

Whistle-blowing Policy

The Company has in place a whistle-blowing policy. The Company's staff and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters by submitting to the AC a whistle-blowing report through the whistle-blowing channels of the Company, immediate supervisors or the admin manager of the Company. The Company will consider and decide whether or not to conduct an investigation and acknowledge the receipt of the report within 5 working days.

Depending on the nature of the concern raised, the investigation may be conducted with the assistance of experts or advisers, such as the internal auditors and the external auditors, forensic professionals, and the police or Commercial Affairs Department.

The Lead Independent Director together with the AC will ensure that any disciplinary, civil and/or criminal action that is initiated following completion of the investigation is appropriate and impartial. All investigation reports will be properly documented.

The details of the policy have been disseminated and made available to all parties concerned in the Company's code of conduct.

Principle 13 **Internal Audit**
The Company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

Internal Audit

The AC reviews and approves the internal audit plan on an annual basis to ensure the adequacy of the scope of audit. The AC also ensures that the internal audit function is adequately resourced and has appropriate standing within the Group.

The internal audit plan complements that of the external auditors and together forms a robust risk-based audit approach to facilitate the AC's review of the adequacy and effectiveness of the Group's risk management and internal control systems.

The Company's internal audit function is outsourced to KPMG and they report directly to the AC chairman and administratively to the CEO. The AC is responsible for the hiring, removal, evaluation and compensation of the accounting or auditing firm or corporation which the internal audit function of the Company is outsourced to.

The internal auditors report their findings to the AC and the Board. The Management is responsible for ensuring that appropriate measures are implemented to address the internal control weaknesses highlighted by the internal auditors.

CORPORATE
GOVERNANCE REPORT

The AC is satisfied that KPMG is able to discharge its duties effectively as it:

- is appropriately staffed with persons of relevant qualifications and experience, given that the partner/head of the internal audit and staff assigned to the internal audit of the Company are members of the Institute of Internal Auditors;
- the functions performed by the internal auditors conform with the Institute of Internal Auditor's International Standards for the Professional practice of Internal Auditing; and
- is adequately resourced and has the appropriate standing in the Company, given, *inter alia*, its involvement in AC meetings and its unfettered access to all the Group's documents, records, properties and personnel, including direct access to the AC.

Based on the scope of work performed by the internal auditors for FY2017, there were no material weaknesses identified.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Principle 14 **Shareholder Rights**
Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

Shareholder Rights

The Company treats all Shareholders fairly and equitably, and recognises, protects and facilitates the exercise of Shareholders' rights and continually reviews and updates such governance arrangements.

The Company is committed to making timely, full and accurate disclosures to Shareholders and the public. All information on the Company's new initiatives which would be likely to materially affect the price or value of the Company's shares will be promptly disseminated via SGXNET to ensure fair communication with Shareholders. The Company does not practice selective disclosure.

All Shareholders are informed of general meetings through notices contained in annual reports or circulars sent to them. Shareholders will be given the opportunity to participate effectively in and vote at the general meetings.

The Constitution allows members of the Company to appoint 2 proxies to attend, speak and vote at the general meetings on their behalf. A relevant intermediary (as defined in Section 181 of the Companies Act) is entitled to appoint more than 2 proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member.

Supplementary Retirement Scheme Investors ("**SRS Investors**") may attend and cast their vote(s) at the general meetings in person. SRS Investors who are unable to attend the general meetings but would like to vote, may inform their Supplementary Retirement Scheme approved nominees to appoint the chairman of the general meetings to act as their proxy.

CORPORATE GOVERNANCE REPORT

Communication with Shareholders

Principle 15 ***Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.***

Communication with Shareholders

The Company commits itself to disclose and convey pertinent information to all stakeholders in a timely manner.

General meetings are the principal forum for dialogue with Shareholders and Shareholders are encouraged to participate in such meetings. During these meetings, Shareholders are able to engage with the Board and the Management in discussions on the Group's business activities, financial performance and other business-related matters. This enables the Company to solicit feedback from the investment community on a range of strategic and topical issues which provide valuable insights to the Company on investors' views.

The Group's financial results and annual reports are announced or issued within the period specified under the Catalist Rules, and are also made available to the public via the Company's website, http://clearbridgehealth.com. The website is also updated regularly and contains various other investor-related information on the Company which serves as an important resource for investors.

As and when necessary, the Executive Director and the key management personnel will meet analysts and fund managers who wish to seek a better understanding of the Group's business and operations.

The Company has appointed an investor relations firm, August Consulting Pte Ltd, to manage communication with its stakeholders and to ensure that their queries and concerns are promptly addressed by the relevant management personnel.

Dividend Policy

The Company does not have a fixed dividend policy. The form, frequency and amount of future dividends that the Directors may recommend or declare in respect of any particular financial year or period will be subject to the factors such as the level of cash and accumulated profits, actual and projected financial performance, projected levels of capital requirements and general financing condition, restrictions on payment of dividends imposed on the Group by its financing arrangements (if any), general economic and business conditions in countries the Group operates and other relevant factors as the Board may deem appropriate.

Dividends declared prior to the IPO

Pursuant to the restructuring exercise, the Company had declared an interim tax-exempt one-tier dividend of S$9,633,283 in March 2017, arising from the disposal of its investment in Treebox Solutions to Inbridge Ventures Pte. Ltd. The dividend was satisfied via the assignment of the consideration receivables by the Company from Inbridge Ventures Pte. Ltd. for the abovementioned disposal, to the then shareholders of the Company. Please refer to the Offer Document for further details on the restructuring exercise.

Conduct of Shareholder Meetings

Principle 16 ***Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the Company.***

Conduct of Shareholder Meetings

Shareholders are encouraged to attend the general meetings to ensure a high level of accountability and to stay apprised of the Group's strategy and goals. Shareholders are given the opportunity to raise questions and clarify any issues that they may have relating to the resolutions to be passed. Notice of the general meetings will be advertised in newspapers and announced on SGXNET.

CORPORATE GOVERNANCE REPORT

The Constitution allows for abstentia voting (including but not limited to the voting by mail, electronic mail or facsimile). A Shareholder is entitled to attend and vote or to appoint not more than 2 proxies who need not be a Shareholder, to attend and vote at the general meetings on his behalf.

An independent polling agent will be appointed by the Company for general meetings who will explain the rules, including the voting procedures that govern the general meeting. The Company ensures that Shareholders are given the opportunity to participate effectively in and vote at general meetings.

The Company ensures that there are separate resolutions at general meetings on each distinct issue. Separate resolutions are proposed for substantially separate issues at Shareholders' meetings for approval. "Bundling" of resolutions is done only where the resolutions are interdependent and linked so as to form one significant proposal and only where there are reasons and material implications involved.

All Directors (including the respective chairmen of the Board Committees) will be present at general meetings to address Shareholders' queries. The external auditors are also required to be present to address Shareholders' queries about the conduct of audit and the preparation and content of the independent auditor's report.

All minutes of general meetings including the questions raised by Shareholders in relation to the meeting agenda and the responses from the Board and/or the Management, will be made available to Shareholders on their request.

All resolutions are put to vote by poll, and their detailed results will be announced via SGXNET after the conclusion of the general meetings. Electronic poll voting will be adopted so as to better reflect Shareholders' interest and ensure greater transparency. Votes cast for and against each resolution will be tallied and displayed live-on-screen to Shareholders immediately at the general meeting.

Material Contracts

Save for the service agreement between the Company and the Executive Director, there were no other material contracts of the Company and its subsidiaries involving the interests of the CEO, any Director or controlling Shareholder which is either subsisting at the end of FY2017 or, if not then subsisting, entered into since the end of FY2016.

Interested Persons Transaction ("IPT")

Save as disclosed in the Offer Document, there were no IPTs during FY2017. The Group does not have a general mandate for IPT.

The Company has implemented an internal policy in respect of any transactions with an interested person (as defined in the Catalist Rules) and has established procedures for the review and approval of all IPTs entered into by the Group. In the event that a potential conflict of interest arises, the Director concerned will not participate in discussions, abstain from decision making, and refrain from exercising any influence over other members of the Board.

The Company has also established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and the transactions will not be prejudicial to the interest of the Group and its minority Shareholders. To ensure compliance with Chapter 9 of the Catalist Rules, the Board and the AC will review, on a quarterly basis, IPTs entered into by the Group (if any).

Dealing in Securities

The Company and its subsidiaries have adopted an internal policy which prohibits the Directors and officers of the Group from dealing in the securities of the Company while in possession of price-sensitive information. All Directors and officers of the Group are expected to observe insider trading laws at all times.

The Company, the Directors and officers of the Group are discouraged from dealing in the Company's securities on short-term considerations and are prohibited from dealing in the Company's securities during the period beginning 2 weeks before the announcement of the Company's quarterly financial statements and 1 month before the announcement of the Company's full-year financial statements, and ending on the date of the announcement of the relevant results.

CORPORATE GOVERNANCE REPORT

Non-sponsor Fees

Save for the fees incurred in relation to the IPO, no non-sponsor fees were paid to the Company's sponsor, United Overseas Bank Limited, for FY2017.

Use of IPO Proceeds

The Company received net proceeds from the IPO of approximately S$22.0 million.

	Amount allocated (as disclosed in the Offer Document) (S$'000)	Amount utilised as at the date of this annual report (S$'000)	Balance (S$'000)
Expansion of medical clinics/centres business organically or through, *inter alia*, investments, mergers and acquisitions, joint ventures and/or strategic collaborations	11,000	(523)	10,477
Expansion of laboratory testing services business organically or through, *inter alia*, investments, mergers and acquisitions, joint ventures and/or strategic collaborations	3,000	(267)	2,733
Working capital and general corporate purposes[1]	8,000	(3,164)	4,836
Total	22,000	(3,954)	18,046

Note:

(1) Comprises operating expenses

DIRECTORS' STATEMENT

The Directors are pleased to present their statement to the members together with the audited consolidated financial statements of Clearbridge Health Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2017.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2017 and the financial performance and changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The Directors of the Company in office at the date of this statement are:

Chen Johnson
Yee Pinh Jeremy
Mark Ryan Benedict
Andrew John Lord
Tan Soon Liang
Mah How Soon

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Except as described in paragraph 5 below, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The following Directors who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Cap. 50, an interest in shares of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest		Deemed interest	
Name of Director	**At the beginning of financial year/ date of appointment**	**At the end of financial year**	**At the beginning of financial year/ date of appointment**	**At the end of financial year**
Chen Johnson	81,913	75,529,100	–	–
Yee Pinh Jeremy	–	385,000	–	–
Mark Ryan Benedict	–	–	–	–
Andrew John Lord	–	–	–	–
Tan Soon Liang	–	–	–	–

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2018.

5. SHARE OPTIONS

By a subsidiary

(a) Clearbridge Biophotonics Pte. Ltd. ("CBBP") employee share option scheme (the "Scheme")

CBBP had an Employee Share Option Scheme (the "Scheme") for its employees. The Scheme was administered by the Board of Directors (the "Board") of CBBP. Options were exercisable at a price based on 20% of the post-money valuation price per share prevailing at the last completed third party financing exercise before the grant date. The options would be forfeited if the employee leaves CBBP before the options vest.

The employee share option plan contained the following key items:

(i) Only awards of share options (the "Awards") may be granted to continuing employee, director, advisor or consultant of CBBP.

(ii) The maximum aggregate number of shares that may be issued under the CBBP employees' share option plan shall not exceed 15% of the total issued and paid up share capital of CBBP.

(iii) The share options were exercisable only upon the following events:

(1) Trade sale of CBBP.

(2) A sale of all or substantially all of the assets of CBBP.

(3) Initial public offering of CBBP's shares on an internationally recognised stock exchange.

(iv) The scheme shall terminate or discontinue as shall be determined by the Board of CBBP with the approval of any relevant authorities which may then be required.

(b) Options granted under the Scheme

No option was granted under the CBBP employees' share option plan during the financial year under review. During the year, CBBP has cancelled all outstanding share options granted and cancelled the Scheme. Details of the options to subscribe for Ordinary Shares in CBBP are as follows:

Date of grant	Exercise price per Ordinary Share S$	Balance at 1 January 2017	Options granted	Options exercised	Options cancelled/ lapsed	Balance at 31 December 2017
27 June 2011	0.07	3,528	–	–	(3,528)	–
14 May 2013	0.08	1,176	–	–	(1,176)	–
14 August 2013	0.08	1,084	–	–	(1,084)	–
9 January 2014	0.08	450	–	–	(450)	–
3 March 2014	0.09	2,353	–	–	(2,353)	–
4 April 2014	0.09	1,000	–	–	(1,000)	–
		9,591	–	–	(9,591)	–

DIRECTORS' STATEMENT

5. SHARE OPTIONS (CONTINUED)

By a subsidiary (Continued)

(b) Options granted under the Scheme (Continued)

The above options were subject to a vesting period of three years from the date of grant with one-third of the options vesting on each 12-month anniversary of the date of grant.

The option holders were not granted any right to participate by virtue of the options, in any share issue of any other company.

Details of the option to subscribe for ordinary shares of the subsidiary granted to directors of the Company pursuant to the Scheme are as follows:

Name of director	Balance at 1 January 2017	Options granted	Options exercised	Options cancelled/ lapsed	Balance at 31 December 2017
Chen Johnson	1,176	–	–	(1,176)	–

Except as disclosed above, during the financial year, there were:

(i) no options granted by the Company or its subsidiaries to any person to take up unissued shares of the Company or its subsidiaries; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company or its subsidiaries.

6. AUDIT COMMITTEE

The audit committee (AC) carried out its functions in accordance with section 201B (5) of the Singapore Companies Act, Chapter 50, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and the Company, and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the external and internal auditors
- Reviewed the annual financial statements and the auditor's report on the annual financial statements of the Group and the Company before their submission to the board of directors
- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor
- Met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC
- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators
- Reviewed the cost effectiveness and the independence and objectivity of the external auditor
- Reviewed the nature and extent of non-audit services provided by the external auditor
- Recommended to the board of directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit

DIRECTORS' STATEMENT

6. AUDIT COMMITTEE (CONTINUED)

- Reported actions and minutes of the AC to the board of directors with such recommendations as the AC considered appropriate

- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual

The AC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor. The AC has also conducted a review of interested person transactions.

The audit committee was formed by the Board of Directors on 20 November 2017. From the date of forming the Audit committee until the date of this report. The AC convened 1 meeting with full attendance from all members. The AC has also met with the external auditors without the presences of the Company's management. The AC plans to meet with the internal auditors without the presence of the Company's management during the financial year ending 31 December 2018.

Further details regarding the AC are disclosed in the Report on Corporate Governance.

7. AUDITOR

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,

Chen Johnson
Director

Yee Pinh Jeremy
Director

Singapore
3 April 2018

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Clearbridge Health Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 December 2017, the statements of changes in equity of the Group and the Company and the consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2017 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

(1) Valuation of Financial instruments

The Group is measuring the following financial instruments at fair value through profit or loss:

(i) investments in associate amounting to S$15,052,000;

(ii) convertible loans extended to an associate, amounting to S$3,543,000;

(iii) other investments amounting to S$1,485,000; and

(iv) derivative financial instruments amounting to S$5,907,000.

Determining the fair value of the above investments and instruments is inherently subjective in nature as they comprise unquoted equity instruments, debt instruments and derivatives whereby the fair valuation required the use of valuation models. The valuation models are dependent on unobservable inputs which is subject to high estimation uncertainty. The use of different valuation models and assumptions could produce significantly different estimates of fair value. Given that the valuation of these instruments involve the application of unobservable inputs such as IPO probability, projected stock price volatility, rate of successful equity financing, discount rates, equity valuation and terminal growth rate, amongst others, there is greater estimation uncertainty in the determination of these values. As such, the valuation of the financial instruments is considered to be a key audit matter.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Key audit matters (Continued)

(1) Valuation of Financial instruments (Continued)

Management engaged an external valuation specialist to determine the fair value of the financial instruments and the fair value changes are recorded in the profit or loss in the current year.

Our audit procedures included, amongst others, evaluating the reasonableness of management key estimates and key assumptions, discussion with the management and valuer on the appropriateness of the key assumptions. We considered the independence, objectivity and the relevant experience of the external valuation specialist. In addition, we involved our internal valuation specialist to assist in testing the appropriateness of the valuation methodologies and certain key assumptions used by the external valuation specialist such as IPO probability, projected stock price volatility, rate of successful equity financing discount rates, terminal growth rates and equity valuation. We also considered the adequacy of the disclosures required with regard to the nature and valuation of the financial instruments in Note 33 to the consolidated financial statements.

(2) Accounting for business combination

During the financial year, the Group completed the acquisition of 100% equity interest in Clearbridge Medical Group ("CBMG") and Sam Laboratory Pte. Ltd. ("Sam Lab") for S$19,815,000 and S$2,120,000 respectively. The consideration for these acquisitions was settled via newly issued shares of the Company. These acquisitions were accounted for using the acquisition method where the Group performed a purchase price allocation ("PPA") exercise as disclosed in Note 12 to the financial statements. The PPA exercise have been carried out by management with the assistance of a valuer, who has also assisted management in determining the fair value of the purchase considerations.

We have identified this matter as a key audit matter as the acquisitions are significant events that occurred during the year, and management judgement and estimates was involved in the PPA, including the measurement of the fair value of new shares issued as the purchase consideration.

Our audit procedures included, amongst others, reading the purchase agreements to obtain an understanding of the transactions and the key terms, review the valuation of purchase consideration and the PPA performed. An important element of our audit relate to management's identification of acquired assets and liabilities and their fair value. We have corroborated this identification with our knowledge of the business, our understanding of management's business plans, and management's explanations on the rationale of the acquisition and future plans. We involved our internal specialists in reviewing the valuation methodologies adopted by management and the valuer, and assessing the key assumptions and inputs used in measuring the fair values of acquired assets and liabilities, as well as the fair value of the considerations. We further assessed the adequacy of the disclosures on these business combinations in Note 12 to the consolidated financial statements.

(3) Impairment assessment of goodwill

As disclosed in Note 12, the Group completed the acquisitions of CBMG and Sam Lab. Consequent to the acquisitions, the Group recorded goodwill amounted to S$11,002,000 which was allocated to cash generating units ("CGU") for impairment testing as disclosed in Note 17 to the financial statements. The recoverable amount of the CGU was determined based on value-in-use calculations by using discounted cash flow models.

Due to the level of management judgement involved and sensitivity of assumptions used in the cash flow projections, as well as the significant carrying amount of the goodwill, which represent 16% of the Group's total assets, we have considered this matter as a key audit matter.

Our procedures included, amongst others, understanding management's impairment assessment process which include their basis in the identification of CGU to which goodwill have been allocated to, and preparation of the budget upon which the value-in-use calculation is based on. We assessed the reasonableness of the key assumptions and methodologies used by the Group in their value-in-use calculations, by comparing to market available data such as revenue of similar clinics of public listed entities and our expectations of key inputs like projected revenue growth, projected profit margin and discount rates. We also tested the sensitivity of certain key assumptions by performing break-even analysis of the recoverable amounts. We involved our internal valuation specialists in evaluating the reasonableness of the method and certain key assumptions used in the determination of the recoverable amount of the CGUs. Further, we assessed the adequacy of the disclosures in Note 17 to the consolidated financial statements concerning goodwill.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Other information

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Auditor's responsibilities for the audit of the financial statements (Continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The financial statements of the Group and statement of financial position and the statement of changes in equity of the Company for the year ended 31 December 2016 were audited by another auditor who expressed an unmodified opinion on those financial statements on 5 May 2017.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Tan Swee Ho.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
3 April 2018

CONSOLIDATED STATEMENT OF **COMPREHENSIVE INCOME**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	Note	2017 S$'000	2016 (Restated) S$'000
Revenue	4	**288**	123
Purchases		**(241)**	(3)
Employees benefits expense	5	**(3,499)**	(3,782)
Depreciation expense		**(88)**	(39)
Amortisation expense		**(23)**	(66)
Research and development expenses	6	**(202)**	(933)
Other income	7	**346**	366
Fair value (loss)/gain on other investments		**(301)**	67
Fair value (loss)/gain on associates		**(1,818)**	3,869
Fair value (loss)/gain on derivative financial instruments		**(210)**	1,173
Other operating expenses		**(4,908)**	(2,791)
Finance costs	8	**(250)**	(193)
Loss before taxation	9	**(10,906)**	(2,209)
Income tax credit/(expense)	10	**2,981**	(735)
Loss for the year		**(7,925)**	(2,944)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Exchange difference on translation of foreign operations		**197**	(152)
Total comprehensive income for the year		**(7,728)**	(3,096)
Loss attributable to:			
Owners of the Company		**(7,470)**	(1,951)
Non-controlling interests		**(455)**	(993)
		(7,925)	(2,944)
Total comprehensive income attributable to:			
Owners of the Company		**(7,323)**	(2,065)
Non-controlling interests		**(405)**	(1,031)
		(7,728)	(3,096)
Loss per share (cents per share)			
– Basic and diluted	11	**(2.33)**	(0.94)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

		Group			Company	
	Note	31.12.2017 S$'000	31.12.2016 (Restated) S$'000	1.1.2016 (Restated) S$'000	31.12.2017 S$'000	31.12.2016 S$'000
Non-current assets						
Investments in subsidiaries	12	**–**	–	–	**33,181**	372
Investments in associates	13	**15,052**	28,174	24,305	**–**	21,112
Derivative financial instruments	14	**5,907**	6,229	5,055	**–**	112
Property, plant and equipment	15	**2,597**	48	53	**6**	22
Intangible assets	16	**106**	95	1,377	**3**	3
Goodwill on consolidation	17	**11,002**	–	61	**–**	–
Other investments	18	**1,485**	7,020	4,168	**–**	3,852
Other receivables	21	**–**	200	–	**–**	–
		36,149	41,766	35,019	**33,190**	25,473
Current assets						
Cash and cash equivalents	19	**27,740**	4,308	2,695	**23,294**	2,806
Trade receivables	20	**71**	25	4	**–**	25
Prepayments		**282**	12	11	**101**	9
Other receivables	21	**942**	560	92	**487**	559
Amounts due from subsidiaries	22	**–**	–	–	**15,420**	11,466
Inventories	66	**–**	–	–	**–**	–
Other investment	18	**3,543**	–	2,036	**–**	–
		32,644	4,905	4,838	**39,302**	14,865
Current liabilities						
Borrowings	25	**9**	–	–	**–**	–
Trade payables		**183**	69	4	**–**	–
Other payables	23	**5,540**	4,225	2,648	**1,185**	431
Amounts due to subsidiaries	24	**–**	–	–	**2,396**	20
		5,732	4,294	2,652	**3,581**	451
Net current assets		**26,912**	611	2,186	**35,721**	14,414
Non-current liabilities						
Borrowing	25	**1,632**	–	502	**–**	–
Deferred lease liabilities	–	**–**	–	11	**–**	–
Deferred tax liabilities	26	**1,786**	4,748	4,014	**–**	2,774
		3,418	4,748	4,527	**–**	2,774
Net assets		**59,643**	37,629	32,678	**68,911**	37,113
Equity attributable to owners of the Company						
Share capital	27	**73,897**	28,495	19,495	**73,897**	28,495
Capital reserve	28	**(2,179)**	3,803	1,181	**(6,716)**	–
Share option reserve		**165**	170	148	**–**	–
Currency translation reserve		**(85)**	(232)	(118)	**–**	–
(Accumulated losses)/retained earnings		**(10,858)**	6,245	11,732	**1,730**	8,618
Equity attributable to owners of the Company		**60,940**	38,481	32,438	**68,911**	37,113
Non-controlling interests		**(1,297)**	(852)	240	**–**	–
Total equity		**59,643**	37,629	32,678	**68,911**	37,113

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF **CHANGES IN EQUITY**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Group	Note	Share capital S$'000	Capital reserve S$'000	Share option reserve S$'000	Currency translation reserve S$'000	Retained earnings/ (accumulated losses) S$'000	Equity attributable to owners of the Company S$'000	Non-controlling interests S$'000	Total S$'000
Balance as at 1 January 2017		**28,495**	**3,803**	**170**	**(232)**	**6,245**	**38,481**	**(852)**	**37,629**
Total comprehensive income for the year									
Loss for the year		–	–	–	–	(7,470)	(7,470)	(455)	(7,925)
Other comprehensive loss for the year		–	–	–	147	–	147	50	197
Total comprehensive income for the year		–	–	–	147	(7,470)	(7,323)	(405)	(7,728)
Transactions with owners, recognised directly in equity									
Dividend during the year	1.2 (iv)	–	–	–	–	(9,633)	(9,633)	–	(9,633)
Share based payment – equity settled		–	–	(5)	–	–	(5)	(2)	(7)
Disposal of subsidiaries	1.2 (iii)	–	(87)	–	–	–	(87)	(38)	(125)
Disposal of investments	1.2 (iv) (v) (viii)	–	(3,934)	–	–	–	(3,934)	–	(3,934)
Waiver of loans to a related party	28	–	(1,961)	–	–	–	(1,961)	–	(1,961)
Issuance of ordinary shares pursuant to an Initial Public Offering ("IPO")		24,640	–	–	–	–	24,640	–	24,640
Share issuance expenses		(1,174)	–	–	–	–	(1,174)	–	(1,174)
Issuance of shares pursuant to the Restructuring Exercise (Note 1.2)		21,936	–	–	–	–	21,936	–	21,936
Total		45,402	(5,982)	(5)	–	(9,633)	29,782	(40)	29,742
Balance as at 31 December 2017		**73,897**	**(2,179)**	**165**	**(85)**	**(10,858)**	**60,940**	**(1,297)**	**59,643**

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Group	Note	Share capital S$'000	Capital reserve S$'000	Share option reserve S$'000	Currency translation reserve S$'000	Retained earnings S$'000	Equity attributable to owners of the Company S$'000	Non-controlling interests S$'000	Total S$'000
Balance as at 1 January 2016 (restated)		19,495	1,181	148	(118)	11,732	32,438	240	32,678
Total comprehensive income for the year									
Loss for the year		–	–	–	–	(1,951)	(1,951)	(993)	(2,944)
Other comprehensive income for the year		–	–	–	(114)	–	(114)	(38)	(152)
Total comprehensive income for the year		–	–	–	(114)	(1,951)	(2,065)	(1,031)	(3,096)
Transactions with owners, recognised directly in equity									
Issuance of preference shares		9,000	–	–	–	–	9,000	–	9,000
Dividend during the year	1.2 (i)	–	–	–	–	(3,536)	(3,536)	–	(3,536)
Share based payment – equity settled		–	–	22	–	–	22	7	29
Disposal of a subsidiary	1.2 (i)	–	2,225	–	–	–	2,225	2	2,227
Conversion of accrued interest on convertible bonds to ordinary shares in a subsidiary		–	–	–	–	–	–	102	102
Effects of dilution of interest in subsidiaries		–	397	–	–	–	397	(397)	–
Issuance of preference shares by a subsidiary		–	–	–	–	–	–	171	171
Issuance of ordinary shares by subsidiaries		–	–	–	–	–	–	54	54
Total		9,000	2,622	22	–	(3,536)	8,108	(61)	8,047
Balance as at 31 December 2016 (restated)		28,495	3,803	170	(232)	6,245	38,481	(852)	37,629

STATEMENTS OF **CHANGES IN EQUITY**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	Note	Share capital S$'000	Capital Reserve S$'000	Retained Earnings S$'000	Total S$'000
Company					
Balance at 1 January 2016		19,495	–	10,860	30,355
Issuance of preference shares		9,000	–	–	9,000
Dividend during the year		–	–	(3,536)	(3,536)
Profit for the year, representing total comprehensive income for the year		–	–	1,294	1,294
Balance at 31 December 2016		28,495	–	8,618	37,113
Dividend during the year		–	–	(9,633)	(9,633)
Effects on disposal of investments	1.2 (iv) (v) (viii)	–	(3,934)	–	(3,934)
Effects on disposal of subsidiaries		–	(17)	–	(17)
Effects on waiver of loans to a related party		–	(1,961)	–	(1,961)
Effects on waiver of loans to subsidiaries		–	(804)	–	(804)
Issuance of shares pursuant to the Restructuring Exercise (Note 1.2)		21,936	–	–	21,936
Issuance of ordinary shares pursuant to an IPO		24,640	–	–	24,640
Share issuance expenses		(1,174)	–	–	(1,174)
Profit for the year, representing total comprehensive income for the year		–	–	2,745	2,745
Balance at 31 December 2017		73,897	(6,716)	1,730	68,911

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	Note	2017 S$'000	2016 (Restated) S$'000
Operating activities			
Loss before taxation		**(10,906)**	(2,209)
Adjustments for:			
Share issuance expense charged to profit or loss		**1,463**	–
Depreciation expense		**88**	39
Amortisation expense		**23**	66
Goodwill written off		**–**	61
Intangible assets written off		**151**	601
Plant and equipment written off		**23**	–
Share based payment – equity settled		**–**	29
Gain on disposal of property, plant and equipment		**(3)**	–
Interest income		**(257)**	(167)
Interest expense		**250**	193
Fair value loss/(gain) on derivative financial instruments		**210**	(1,173)
Fair value loss/(gain) on associates		**1,818**	(3,869)
Fair value loss/(gain) on other investments		**301**	(67)
Unrealised foreign exchange loss/(gain)		**144**	(95)
Operating cash flows before changes in working capital		**(6,695)**	(6,591)
Increase in trade receivables		**(44)**	(21)
Increase in prepayments		**(268)**	(3)
Increase in other receivables		**(791)**	(6)
Increase in inventories		**(50)**	–
(Decrease)/increase in trade payables		**(85)**	577
Increase in other payables		**1,159**	292
Cash flows used in operations		**(6,774)**	(5,752)
Income tax paid		**(3)**	(1)
Interest paid		**(2)**	(1)
Interest received		**13**	–
Net cash flows used in operating activities		**(6,766)**	(5,754)
Investing activities			
Purchase of property, plant and equipment		**(2,560)**	(208)
Increase in other receivables due to disposal of property, plant and equipment		**(13)**	–
Acquisition of intangible assets		**(96)**	(1,564)
Net cash inflow from acquisition of subsidiaries		**10,731**	–
Advances to a related party		**–**	(668)
Investment in convertible loan issued by an associate		**–**	(750)
Net cash flows generated from/(used in) investing activities		**8,062**	(3,190)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED
CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	Note	2017 S$'000	2016 (Restated) S$'000
Financing activities			
Proceeds from bank loan		**1,641**	–
Loans received from a third party		**–**	500
Disposal of subsidiaries		**(102)**	(635)
Proceeds from issuance of shares		**24,640**	–
Share issuance expense capitalised against share capital		**(1,174)**	–
Share issuance expense charged to profit or loss		**(1,463)**	–
Issuance of equity shares in subsidiaries		**–**	53
Issuance of preference shares A of a subsidiary		**–**	171
Issuance of preference shares C of the Company		**–**	9,000
Proceeds from convertible loan		**–**	1,000
Proceeds from borrowings		**–**	500
Repayment of loan and borrowings		**(4)**	–
Non-trade balances with a related party and subsequently waived (Note A)		**(1,451)**	–
Net cash flows generated from financing activities		**22,087**	10,589
Net increase in cash and cash equivalents		**23,383**	1,645
Effect of foreign exchange rate changes, net		**49**	(32)
Cash and cash equivalents at the beginning of the year		**4,308**	2,695
Cash and cash equivalents at the end of the year		**27,740**	4,308

Note A: During the financial year ended 31 December 2017, the Group continued to finance the operations of a related company, disposed in the previous year and extended loans in aggregate of S$1,451,230. These loans were subsequently waived off on 31 March 2017.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

1. CORPORATE INFORMATION

1.1 The Company

The Company (Registration No. 201001436C) is incorporated in Singapore with its principal place of business and registered office at 37 Jalan Pemimpin, #08-05 Mapex, Singapore 577177. The financial statements are expressed in Singapore dollars.

The principal activities of the Company for the financial year ended 31 December 2016 were that of an investment holding company, providing business and management consultancy services, and also acting as an incubation firm that invests and manages a portfolio of deep-technology incubatees specialising in healthcare and information security. As disclosed in Note 1.2, the Group undertook a restructuring exercise which have enabled the Group to better pursue its long term objectives in precision medicine. Consequent to the restructuring, the principal activities of the Company are that of investment holding company.

The principal activities of the subsidiaries and associates are disclosed in Notes 12 and 13 to the financial statements, respectively.

On 12 April 2017, the name of the Company has been changed from Clearbridge Accelerator Pte. Ltd. to Clearbridge Health Pte. Ltd.

On 20 November 2017, the Company was converted into a public company limited by shares and changed its name to Clearbridge Health Limited.

On 18 December 2017, the Company's ordinary shares were listed on the Catalist Board of Singapore Exchange Securities Trading Limited (the "Listing").

1.2 The Restructuring Exercise

In preparation for the Listing, the Group undertook a restructuring exercise (the "**Restructuring Exercise**") which involved, *inter alia*, the following:

(i) In December 2016, the Group completed the disposal of its entire interest in 1Exchange Pte. Ltd. and its subsidiary, CapBridge Pte. Ltd., by declaring a dividend of S$3,536,000 via an in-specie share distribution to the shareholders of the Company. The carrying value of the assets and liabilities of 1Exchange Pte. Ltd. and its subsidiary as at the date of disposal and the effects of the disposal were:

	S$'000
Non-current assets	2,344
Other receivables	175
Cash and cash equivalents	635
	3,154
Trade and other payables	(842)
Borrowings	(1,003)
Carrying value of net assets	1,309
Impact to Capital reserves and non-controlling interest on disposal:	
Dividend declared	3,536
Fair value of net assets derecognised	(1,309)
	2,227
Changes to capital reserves	2,225
Changes to non-controlling interest	2
Total changes to equity attributable to owners of the Company and non-controlling interest	2,227

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

1. CORPORATE INFORMATION (CONTINUED)

1.2 The Restructuring Exercise (Continued)

(ii) In August 2016, the Group completed the deregistration of a subsidiary, ePetri Pte. Ltd.

In February 2017, the Group completed the deregistration of some of its subsidiaries namely Clearbridge Bioloc Pte. Ltd., Clearbridge Nanomedics Pte. Ltd., Clearbridge Vitalsigns Pte. Ltd. and Singapore Genome Medicine Pte. Ltd.

(iii) In March 2017 and June 2017, the Group disposed its entire interest in its subsidiaries, Clearbridge mFluidics Pte. Ltd. and Clearbridge Technologies Pte. Ltd. respectively. The disposals were made to a related company owned by the shareholders for a consideration of S$1 each.

As these are transactions with the shareholders of the Group, these disposals are treated as equity transactions. Differences between the consideration and the fair value of the disposed entities are accounted for as changes to Capital Reserves.

Consequently the Group recorded changes to capital reserve of S$87,000.

(iv) In March 2017, the Group completed the disposal of its interest in an associate, Treebox Solutions Pte. Ltd. by declaring a dividend of S$9,633,000 via an in-specie share distribution to the shareholders of the Company. The fair value of the investment as at the date of disposal and the effects of the disposal were:

	S$'000
Fair value of investment	9,819
Impact to capital reserves on disposal:	
Dividend declared	9,633
Fair value of investment derecognised	(9,819)
Changes to capital reserves	(186)

(v) In March 2017, the Group completed the disposal of its entire interest in an investee, classified as other investment as at 31 December 2016 to a related company owned by the shareholders for a consideration of S$1. The fair value of the investment as at the date of disposal and the effects of the disposal were:

	S$'000
Fair value of investment	3,455
Impact to capital reserves on disposal:	
Cash received	–*
Fair value of investment derecognised	(3,455)
Changes to capital reserves	(3,455)

* The cash received is S$1.

As these are transactions with the shareholders of the Group, these disposals are treated as equity transactions. Differences between the consideration and the fair value of the disposed entities are accounted for as changes to Capital Reserves.

(vi) In May 2017, the Group completed the acquisition of 100% equity interest of Clearbridge Medical Group Pte. Ltd. and its subsidiaries (formerly known as Insight Medica Pte. Ltd.). CBMG was established in 2016 and is in the business of providing healthcare and other general medical services through its clinics/centres. Details of the acquisition is disclosed in Note 12.

1. CORPORATE INFORMATION (CONTINUED)

1.2 The Restructuring Exercise (Continued)

(vii) In June 2017, the Group entered into a sale and purchase agreement with Singapore Institute of Advanced Medicine Holdings Pte. Ltd. ("**SIAMH**") to acquire 100% interest in Sam Laboratory Pte. Ltd. ("**Sam Lab**"). Sam Lab was established in 2009 and is in the business of providing medical laboratory services such as standard health screening tests and cancer-related tests through its laboratory. The acquisition has been completed on 30 August 2017. Details of the acquisition is disclosed in Note 12.

(viii) In June 2017, the Group novated the following financial instruments to a related company owned by the shareholders for a consideration of S$1:

(a) all its interest in the S$125,000 convertible bond issued by a third party classified as other investments; and

(b) call option granted by NRF to the Company entitling the Company to acquire NRF interest's in similar convertible bonds.

As this is a transaction with the shareholders of the Group, this disposal is treated as an equity transaction. Differences between the consideration and the fair value of the disposed financial instruments are accounted for as changes to Capital Reserve.

Consequently, the Group recorded changes to Capital Reserve of S$293,000.

(ix) In September 2017, the Company transferred all the shareholdings in an associate Clearbridge Biomedics Pte. Ltd. ("CBB") to another subsidiary, Clearbridge BSA Pte. Ltd.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group, the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or S$) and all values in the tables are rounded to the nearest thousand (S$'000), except when otherwise indicated.

Convergence with International Financial Reporting Standards

The Accounting Standards Council announced on 29 May 2014 that Singapore-incorporated companies listed on the Singapore Exchange will apply a new financial reporting framework identical to the International Financial Reporting Standards. The Group will adopt the new financial reporting framework on 1 January 2018.

The Group has performed an assessment of the impact of adopting the new financial reporting framework. Other than the adoption of the new standards that are effective on 1 January 2018, the Group expects that the adoption of the new framework will have no material impact on the financial statements in the year of initial application. The Group expects that the impact of adopting the new standards that are effective on 1 January 2018 will be similar to that as disclosed in Note 2.3.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2017, Amendments to FRS 7 *Disclosure Initiative*. The adoption of these standards did not have any effect on the financial performance or positions of the Group and the Company.

2.3 Standards issued but not yet effective

The Group has not adopted the following standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 28 *Measuring an Associate or Joint Venture at fair value*	1 January 2018
FRS 115 *Revenue from Contracts with Customers*	1 January 2018
FRS 109 *Financial Instruments*	1 January 2018
Amendments to FRS 115 *Clarifications to FRS 115 Revenue from Contracts with Customers*	1 January 2018
Amendments to FRS 102 *Classification and Measurement of Share-based Payment Transactions*	1 January 2018
Amendments to FRS 109 *Prepayment Features with Negative Compensation*	1 January 2019
Amendments to FRS 28 *Long-term Interests in Associates and Joint Ventures*	1 January 2019
INT FRS 123 *Uncertainty over Income Tax Treatments*	1 January 2019
Amendments to FRS 110 & FRS 28 *Sale or Contribution of Assets between an investor and its Associate or Joint Ventures*	Date to be determined

Except for FRS 109 and FRS 116, the directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 109 and FRS 116 are described below.

FRS 109 Financial Instruments

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting, and is effective for annual periods beginning on or after 1 January 2018. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in FRS 109 are based on an expected credit loss model and replace the FRS 39 incurred loss model.

The Group plans to adopt the new standard on the required effective date without restating prior periods' information and recognises any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening retained earnings.

The Group has performed a preliminary impact assessment of adopting FRS 109 based on currently available information. This assessment may be subject to changes arising from ongoing analysis, until the Group adopts FRS 109 in 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Standards issued but not yet effective (Continued)

FRS 109 Financial Instruments (Continued)

(a) Classification and measurement

The Group has preliminarily assessed that the convertible loans issued by an associate amounting to S$3,543,000 as at 31 December 2017 are debt instruments and will continue to be measured at fair value though profit or loss ("FVTPL"). The Group does not expect any significant impact arising from these changes.

The Group has preliminarily assessed that the Group's equity interest in investment in associates and unquoted equity shares amounting to $16,536,000 as at 31 December 2017 are equity instruments. The Group intends to elect to measure the instruments at fair value through other comprehensive income ("FVOCI").

The Group has preliminary assessed and determined that the Group will continue to measure its derivative financial instruments amounting to S$5,907,000 as at 31 December 2017 at FVTPL.

(b) Impairment

FRS 109 requires the Group to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. The Group expects to apply the simplified approach and record lifetime expected losses on its trade receivables.

The Group plans to adopt the new standard on the required effective date.

FRS 116 *Leases*

FRS 116 requires lessees to recognise most leases on balance sheets to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemption for lessees – leases of 'low value' assets and short term leases. The new standard is effective for annual periods beginning on or after 1 January 2019.

The Group is currently assessing the impact of the new standard and plans to adopt the new standard on the required effective date. The Group expects the adoption of the new standard will result in increase in total assets and total liabilities and EBITDA.

2.4 Basis of consolidation and business combinations

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting periods. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting dates as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

– De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;

– De-recognises the carrying amount of any non-controlling interest;

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Basis of consolidation and business combinations (Continued)

(a) Basis of consolidation (Continued)

- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(b) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Basis of consolidation and business combinations (Continued)

(b) Business combinations and goodwill (Continued)

Call option to acquire additional interest in a subsidiary

The Group has been granted call option by a shareholder of the subsidiary to acquire the shareholder's interest in the subsidiary.

The call option provides the Group present access to returns over all of the shares held by the shareholder. The Group accounts for the effect of the call option as though it owns the shareholder's interest in the subsidiary. The proportion allocated to the Group and non-controlling interests in preparing consolidated financial statement is determined by taking into account the eventual exercise of those potential rights and call options that currently give the entity access to the returns. The Group also recognize a financial liability to the shareholder under the call option.

2.5 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.6 Foreign currency

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) ***Transactions and balances***

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiary companies and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

(b) ***Consolidated financial statements***

For consolidation purpose, the assets and liabilities of foreign operations are translated into Singapore dollar at the rate of exchange ruling at the end of reporting periods and the profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Computer equipment	–	3 years
Furniture and fittings	–	3 years
Office equipment	–	3 to 5 years
Testing and trial equipment	–	3 years
Renovation	–	3 to 6 years
Freehold property	–	50 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit or loss in the financial year the asset is derecognised.

2.8 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets that are not yet available for use are tested for impairment annually, if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Intangible assets (Continued)

(a) Research, development costs and patent rights

Research costs are expensed as incurred. Development costs and patent rights relating to development expenditures on individual project are recognised as an intangible asset when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during the development.

Following initial recognition of the development costs and patent rights as an intangible asset, it is carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation of the development costs begins when development is complete and the asset is available for use.

Amortisation of the patent rights begins when the patents have been granted. Patent rights have a finite useful life and are amortised over the estimated economic life of 10 years.

(b) Platform development costs

Platform development cost relates to development expenditures incurred for an online platform. The cost has been recognised as an intangible asset when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during the development.

Following initial recognition of the platform development costs as an intangible asset, it is carried at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation of the platform development costs begins when development is complete and the asset is available for use. Platform development costs have a finite useful life of 5 years and are amortised over the period on a straight line basis.

(c) CAP accreditation

The CAP Laboratory Accreditation (“CAP Accreditation”) relates to an accreditation attained by a clinical lab certifying that the lab’s quality has complied with certain requirements. The useful life of the cap accreditation is estimated to be two years as our laboratory is required to undergo re-inspection every two (2) years to maintain the CAP Accreditation.

(d) Customer relationship

Customer relationship acquired was initially recognised at cost and was subsequently carried at cost less accumulated amortization and accumulated impairment losses. These costs are amortised to the income statement using the straight line method over 9 years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously.

2.10 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.11 Associates

Investments in associates which are held as part of the Group's investment portfolio are designated upon initial recognition as investments at fair value through profit or loss as their performance is managed and evaluated on a fair value basis. This treatment is permitted by FRS 28 Investments in Associates (''FRS 28") which allows investments held indirectly by venture capital organisation, or mutual fund, unit trust and similar entities to be recognised and measured at fair value through profit or loss and accounted for in accordance with FRS 39 Financial Instruments: Recognition and Measurement ("FRS 39"), with changes in fair value recognised in the profit or loss in the period of change.

2.12 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Financial instruments (Continued)

(a) Financial assets (Continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

(ii) Financial assets designated at fair value through profit or loss

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised directly in other comprehensive income is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

2.15 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. The Group's subsidiary operating in the United States makes contribution to the Social Security System, a defined contribution plan. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee share option plans

Employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled share based payment transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted which takes into account market conditions and non-vesting conditions. This cost is recognised in profit or loss, with a corresponding increase in the employee share option reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The employee share option reserve is transferred to retained earnings upon expiry of the share option.

(c) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period.

2.17 Leases

As lessee

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.18 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable taking into account contractually defined terms of payment and excluding taxes or duty.

(a) Rendering of medical, clinical and diagnostic services

Revenue from the provision of consultations, clinical treatments, medical tests and diagnostic services are recognised upon the completion of the services rendered.

2.19 Income taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Income taxes (Continued)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.21 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's 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 reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimates, which has the most significant effect on the amounts recognised in the financial statements.

(a) Control over investees

The Group made investments in entities by investing in equity instruments issued by the investees, such as: ordinary shares or preference shares. Investments are also made by holding convertible bond or convertible loans issued by the investees.

The Group has carried out assessment in accordance with FRS 110 to determine if the Group has control over respective investees. Amongst the factors considered by the Group includes: relevant activities of the investees, power to direct the relevant activities through existing rights or potential voting rights, substantive right or protective right conferred to the shareholders in the reserved matters, exposure or rights to variable returns, etc.

The determination of the relevant activities of the investees and whether reserved matters are substantive in nature or protective in nature requires judgement. In making this judgement, the Group evaluates the memorandum and articles of association of the investees as well as the shareholders agreements.

Based on the assessment, the Group has accounted for some of its investees, for which the Group has control, as subsidiaries of the Group. For investees where the Group does not have control but have significant influence, the Group has accounted for those investees as associates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

3.1 Judgements made in applying accounting policies (Continued)

(b) Purchase price allocation review

The Group has exercised significant judgement regarding the allocation of the purchase price to the assets and liabilities acquired, including judgement made relating to: identification of intangible assets, fair value adjustments to the carrying amount of assets and liabilities of the acquirees during the purchase price allocation review.

Please refer to Section 3.2(b) for the estimate made by the Group during the purchase price allocation review.

3.2 Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Fair value measurement of financial instruments

The valuation of unquoted financial assets and liabilities involves estimates, assumptions and judgement based upon available information and does not necessarily represent amounts which might ultimately be realised, since such amounts depend on future events. Due to the inherent uncertainty of valuation, the estimated fair values for the unquoted financial instruments may differ significantly from the amounts that might ultimately be realised and the differences could be material.

When the fair values of financial instruments cannot be derived from active markets, fair value is determined using valuation techniques and processes such as income approach, market comparable approach, Option Pricing Model ("OPM") and Probability Weighted Expected Return Method ("PWERM").

These financial instruments include unquoted equity shares in associates, convertible loan from an associate and call options granted by a shareholder over investments in associates and other investments.

Inputs into these models are derived from observable markets where possible, but if this is not feasible, significant estimates is required to establish fair values. The significant estimates include IPO probability, projected stock price volatility, rate of successful equity financing, discount rates, terminal growth rates and equity valuation. Changes in assumptions used in these estimates could affect the fair values of the financial instruments.

The valuation approach, significant estimates used and the sensitivity analysis are disclosed in Note 33.

(b) Purchase price allocation review

Purchase accounting require extensive use of accounting estimates to allocate the purchase price to the fair market values of the assets and liabilities purchased as well as the fair value of the consideration (i.e. the fair value of the shares issued to acquire the acquirees).

As mentioned in 3.1(b) above, the Group has exercised judgement to determine the fair value adjustments required during the purchase price allocation review. Significant estimates have been made to determine the fair value adjustments amount.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

3.2 Key source of estimation uncertainty (Continued)

(c) Impairment of goodwill on consolidation

As disclosed in Note 17 to the financial statements, the recoverable amounts of the cash generating units, which goodwill have been allocated to, are determined based on value in use calculations. The value in use calculations are based on a discounted cash flow models. 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 key assumptions applied in the determination of the value in use, are disclosed and further explained in Note 17 to the financial statements.

The carrying amount of the goodwill on consolidation as at 31 December 2017 is S$11,002,000 (2016: Nil).

4. REVENUE

	Group	
	2017	**2016**
	S$'000	**S$'000**
Rendering of medical, clinical and diagnostic services	**288**	–
Sales of goods	**–**	5
Incubator services rendered	**–**	118
	288	123

5. EMPLOYEES BENEFITS EXPENSE

	Group	
	2017	**2016**
	S$'000	**S$'000**
Directors' remuneration	**306**	372
Salaries and bonuses	**2,754**	3,179
Defined contribution plan	**177**	137
Share based payment – equity settled	**–**	22
Others	**262**	72
	3,499	3,782

6. RESEARCH AND DEVELOPMENT EXPENSES

	Group	
	2017	**2016**
	S$'000	**S$'000**
Laboratory testing consumables or testing kits	**46**	90
Professional research and development service	**111**	3
Prototypes	**–**	239
Intangible assets written off	**45**	601
	202	933

During the year, the Group wrote off intangible assets amounting to S$151,000, of which S$45,000 relates to research and development expenses previously capitalised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

7. OTHER INCOME

	Group	
	2017	**2016**
	S$'000	**S$'000**
Grant income	**30**	25
Interest income	**257**	167
Foreign exchange gain	**–**	155
Others	**59**	19
	346	366

Grant income of the Group mainly relates to grant received under Technology Enterprise Commercialisation Scheme for the Group's work relating to research and Productivity & Innovation Credit Scheme for the Group's investment in productivity and innovation.

Interest income of the Group mainly relates to interest income earned on convertible loan issued by an associate of the Group.

8. FINANCE COSTS

	Group	
	2017	**2016**
	S$'000	**S$'000**
Interest expense on convertible bonds	**–**	23
Interest expense on call options	**240**	170
Interest expense on bank loan	**10**	–
	250	193

9. LOSS BEFORE TAXATION

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

	Group	
	2017	**2016**
	S$'000	**S$'000**
Audit fees – auditors of the Company	**190**	142
IPO audit fees – auditors of the Company	**380**	–
Professional fees	**1,390**	814
Plant and equipment written off (Note 15)	**23**	–
Intangible assets written off (Note 16)	**151**	601
Operating lease expense (Note 31)	**324**	328

10. INCOME TAX (CREDIT)/EXPENSE

The major components of income tax (credit)/expense for the years ended 31 December 2017 and 2016 are:

	Group	
	2017	**2016**
	S$'000	**S$'000**
Current	**1**	1
Deferred tax	**(2,982)**	734
	(2,981)	735

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

10. INCOME TAX (CREDIT)/EXPENSE (CONTINUED)

Domestic income tax is calculated at 17% (2016: 17%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Relationship between tax expense and accounting loss

	Group	
	2017	**2016**
	S$'000	**S$'000**
Loss before taxation	**(10,906)**	(2,209)
Tax at the domestic rates applicable to loss in the countries where the Group operates	**(1,907)**	(891)
Deferred tax assets not recognised	**1,410**	1,513
Effects of expenses not deductible	**650**	105
Effects of tax incentive	**(1,159)**	–
Reversal of temporary differences on fair value of investments and derivative which were disposed to shareholders	**(1,974)**	–
Others	**(1)**	8
Income tax expense	**(2,981)**	735

11. LOSS PER SHARE

As approved by shareholders of the Company in an extraordinary general meeting held on 20 November 2017, every one share in the capital of the Company was sub-divided into 880 shares (the "Share Split"). Accordingly, the number of outstanding shares is adjusted for the Share Split assuming it had occurred in the earliest period presented, for the purpose of the loss per share computation.

Basic loss per share are calculated by dividing loss for the year, net of tax, attributable to the owners of the Company by the weighted average number of shares held by the owners of the Company, as adjusted for the Share Split.

Diluted loss per share are the same as basic earnings per share as there were no potential dilutive ordinary shares existing during the respective financial years.

	Group	
	2017	**2016**
	S$'000	**S$'000**
Loss for the year attributable to owners of the Company	**(7,470)**	(1,951)
Weighted average number of shares as adjusted for the Share Split (Note A)	**320,381**	208,227

Note A: The weighted average number of shares includes ordinary shares, series A convertible preference shares, series B convertible preference shares and series C convertible preference shares as all these shares have the equal rights to receive dividends.

12. INVESTMENTS IN SUBSIDIARIES

	Company	
	2017	**2016**
	S$'000	**S$'000**
Unquoted shares, at cost	**11,245**	372
Issuance of shares for acquisition of subsidiaries	**21,936**	–
	33,181	372

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(a) Composition of the Group

The Group has the following investments in subsidiaries as at the financial years ended 31 December 2017 and 2016:

Name of subsidiary	Principal activities (Country of incorporation and operations)	Proportion of ownership interest 2017 %	2016 %
Held by the Company			
Clearbridge Bioloc Pte. Ltd.(2)	Research and development on biotechnology, life and medical science (Singapore)	**–**	45
Clearbridge Biophotonics Pte. Ltd.(3)	Manufacturing of optical instrument and photographic equipment (Singapore)	**75**	75
Clearbridge Nanomedics Pte. Ltd.(2)	Manufacturing of biological products, medical disposals and surgical supplies (Singapore)	**–**	54
Clearbridge Vitalsigns Pte. Ltd.(2)	Research and development on biotechnology, life and medical science (Singapore)	**–**	48
Clearbridge Technologies Pte. Ltd.(1)	Research and development on chemicals and manufacturing of paints, varnishes and coating (Singapore)	**–**	53
Clearbridge BSA Pte. Ltd.(4)	Investment holding (Singapore)	**100**	100
Clearbridge Lifestyle Asia Pte. Ltd.(4)	Management consultancy for healthcare organisation (Singapore)	**100**	–
Clearbridge Assays Pte. Ltd.(4)	Investment holding (Singapore)	**100**	–
Clearbridge Medical Group Pte. Ltd.(4)	Clinics/centres and other general medicine services (Singapore)	**100**	–
Sam Laboratory Pte. Ltd.(4)	Medical laboratories (Singapore)	**100**	–
Singapore Genome Medicine Pte. Ltd.(2)	Research and experimental development on biotechnology, life and medical science (Singapore)	**–**	100
Clearbridge mFluidics Pte. Ltd.(1)	Research and development on biotechnology, life and medical science (Singapore)	**–**	70

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(a) Composition of the Group (Continued)

Name of subsidiary	Principal activities (Country of incorporation and operations)	Proportion of ownership interest 2017 %	2016 %
Held by Clearbridge Medical Group Pte. Ltd.			
Clearbridge Medical Hong Kong Corporation Limited[5]	Biotechnology and life sciences (Hong Kong)	**100**	–
Clearbridge Medical Asia Pte. Ltd.[4]	Clinics/centres and other general medicine services (Singapore)	**100**	–
Insight Medical Australia Pty. Ltd.[5]	Dormant (Australia)	**100**	–
Held by Clearbridge Assays Pte. Ltd.			
Clearbridge Health USA Inc.[5]	Dormant (United States)	**100**	–
Held by Clearbridge Medical Asia Pte. Ltd.			
Clearbridge Medica Sdn Bhd[5]	Dormant (Malaysia)	**100**	–
Clearbridge Medicentre Private Limited[5]	Clinics/centres and other general medical services. Providing consultancy and sales of specialised and critical care medical services and devices (India)	**99.99**	–
Clearbridge Health (Philippines) Inc.[5]	Dormant (Philippines)	**99.99**	–
Held by Clearbridge Medical Hong Kong Corporation Limited			
Shanghai Kai Zhun Health Management Co. Ltd. (上海凯准健康管理有限公司)[5]	Distribution of medical devices and related services (China)	**100**	–
Held by Clearbridge Biophotonics Pte. Ltd.			
Clearbridge Biophotonics, Inc.[3][5]	Manufacturing of optional instrument and photographic equipment (USA)	**75**	75
Clearbridge Biophotonics, FPM Inc.[3][5]	Biomedical image system research (USA)	**75**	–

(1) In 2017, these subsidiaries were disposed of, as disclosed in Note 1.2.

(2) In 2017, these entities were deregistered, as disclosed in Note 1.2.

(3) The ownership interest of these entities include those held by a shareholder of the subsidiary, who has granted call option to the Group to acquire the shareholder's interest in these subsidiaries. Accordingly, the Group recognised a financial liability to the shareholder under the call option.

(4) Audited by Ernst & Young LLP, Singapore for statutory audit and/or group consolidation purpose

(5) Not material to be audited for group consolidation purpose

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(a) Composition of the Group (Continued)

The following schedule shows the effects of changes in the Group's ownership interest in certain subsidiaries that did not result in change of control, on the equity attributable to owners of the Company in the previous financial year:

	Group	
	2017	2016
	S$'000	S$'000
Effects of dilution gain of interest in subsidiaries (Note A) representing difference recognised in capital reserve	–	397

Note A:

During the financial year ended 31 December 2016, a subsidiary issued ordinary shares amounting to S$854,000 of which S$752,000 were converted from convertible bonds. During the same financial year, another subsidiary issued a further 14,131 Series A convertible preference shares for working capital of S$671,000 which were invested by parties outside the Group. This resulted in the change of proportion held by the controlling and non-controlling interest. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries and the gain on dilution is recognised in capital reserve (Note 28). No such issuance was made in 2017.

(b) Interest in subsidiaries with material non-controlling interest (NCI)

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

Summarised statements of financial position

	Clearbridge Biophotonics Pte. Ltd. and its subsidiaries	
	2017	2016
	S$'000	S$'000
Current assets	53	1,488
Non-current assets	–	10
Current liabilities	(2,880)	(2,193)
Non-current liabilities	(4,495)	(3,709)
Net liabilities	(7,322)	(4,404)
Equity attributable to owners of the Company	(6,025)	(3,288)
Non-controlling interests	(1,297)	(1,116)
Total equity	(7,322)	(4,404)

Summarised statements of comprehensive income

	Clearbridge Biophotonics Pte. Ltd. and its subsidiaries	
	2017	2016
	S$'000	S$'000
Total income	–	150
Total expenses	(3,115)	(5,312)
Loss for the year	(3,115)	(5,162)
Other comprehensive income		
Exchange difference on translation of foreign operations	197	(150)
Total comprehensive income for the year	(2,918)	(5,312)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) Interest in subsidiaries with material non-controlling interest (NCI) (Continued)

Other summarised information

	Clearbridge Biophotonics Pte. Ltd. and its subsidiaries	
	2017	**2016**
	S$'000	**S$'000**
Loss attributable to owners of the Company, representing total comprehensive loss for the year	**(2,179)**	(4,390)
Loss attributable to non-controlling interest, representing total comprehensive loss for the year	**(739)**	(922)
Total comprehensive income for the year	**(2,918)**	(5,312)
Net cash outflow from operating activities	**(1,441)**	(2,618)
Net cash outflow from investing activities	**–**	(51)
Net cash inflow from financing activities	**(7)**	2,604
Net cash outflow	**(1,448)**	(65)

(c) Acquisition of Clearbridge Medical Group Pte. Ltd.

As disclosed in Note 1.2, the Group completed the acquisition of CBMG in May 2017. The fair value of the identifiable assets and liabilities of CBMG as at the acquisition date were:

	S$'000
Non-current assets	110
Trade and other receivables	214
Inventories	2
Cash and cash equivalents	10,651
	10,977
Trade and other payables	(162)
Total identifiable net assets at fair value	10,815
Goodwill arising from acquisition	9,000
	19,815
Consideration transferred for the acquisition of CBMG:	
Fair value of the newly issued share of the Company	19,815

The Group has settled the consideration by issuing the Company's shares to the vendors. The fair value of the consideration has been determined by management, with the assistance of an independent valuer, based on the fair value of the Company as at the date of issuance of shares.

Trade and other receivables

Trade and other receivables acquired comprise trade receivables, other receivables and amounts due from related parties with a fair value which is also the gross amount of S$3,000, S$87,000 and S$124,000 respectively. It is expected that the full contractual amount of receivables can be collected.

Goodwill arising from acquisition

The goodwill of S$9,000,000 represents anticipated value from the synergy created from the CBMG's network within the medical industry.

Impact of the acquisition on profit or loss

From the acquisition date, CBMG has contributed S$6,800 of revenue and S$2,109,000 to the Group's loss for the year. If the business combination had taken place at the beginning of the reporting period, the Group's revenue would have been S$291,000 and the Group's loss, net of tax, would have been S$8,607,000.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(d) Acquisition of Sam Laboratory Pte. Ltd.

As disclosed in Note 1.2, the Group completed the acquisition of Sam Lab in August 2017. The fair value of the identifiable assets and liabilities of Sam Lab as at the acquisition date were:

	S$'000
Non-current tangible assets	7
Intangible assets	122
Trade and other receivables	119
Inventories	14
Cash and cash equivalents	80
	342
Trade and other payables	(204)
Non-current liabilities	(20)
Total identifiable net assets at fair value	118
Goodwill arising from acquisition	2,002
	2,120
Consideration transferred for the acquisition of Sam Lab:	
Fair value of the newly issued share of the Company	2,120

The Group has settled the consideration by issuing the Company's shares to the vendors. The fair value of the consideration has been determined by management, with the assistance of an independent valuer, based on the fair value of the Company as at the date of issuance of shares.

Trade and other receivables

Trade and other receivables acquired comprise trade receivables, prepayments, security deposits, accrued revenue and other debtors with a fair value of S$7,900, S$1,700, S$40,600, S$7,600 and S$61,000. The gross amounts of the receivables are S$9,000, S$1,700, S$40,600, S$7,600 and S$61,000. At the acquisition date, S$1,100 relating to trade receivables are not expected to be collected. It is expected that the full contractual amount of the security deposits, accrued revenue and other debtors can be collected.

Goodwill arising from acquisition

The goodwill of S$2,002,000 represents anticipated value arising from synergy created from the Sam Lab's expertise in the provision of laboratory services.

Impact of the acquisition on profit or loss

From the acquisition date, Sam Lab has contributed S$193,000 of revenue and S$213,000 to the Group's loss for the year. If the business combination had taken place at the beginning of the reporting period, the Group's revenue would have been S$642,000 and the Group's loss, net of tax, would have been S$8,264,000.

13. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2017	2016	2017	2016
	S$'000	S$'000	S$'000	S$'000
Investment designated as FVTPL				
Unquoted equity shares				
– Ordinary shares	**6,348**	15,104	–	11,755
– Preference shares	**8,704**	13,070	–	9,357
	15,052	28,174	–	21,112

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

13. INVESTMENTS IN ASSOCIATES (CONTINUED)

Changes in fair value amounting to a loss of S$1,818,000 (2016: gain of S$3,869,000) have been included in profit or loss for the year.

Details of the Group's associates are as follows:

Name of associate	Principal activities (Country of incorporation and operations)	Proportion of ownership interest 2017 %	2016 %
Clearbridge Biomedics Pte. Ltd.[(3)]	Research and development of biotechnology, life and medical science (Singapore)	**40**	40
Treebox Solutions Pte. Ltd.[(1)]	Hardware consultancy including system consultancy, development of other software and programming activities (Singapore)	**–**	25
Singapore Institute of Advanced Medicine Holdings Pte. Ltd.[(2)]	Investment holding company that includes subsidiaries providing general medical services, and digital imaging service (Singapore)	**–**	5.3

(1) In 2017, this entity was disposed of, as discussed in Note 1.2

(2) In 2017, investment in Singapore Institute of Advanced Medicine Holdings Pte. Ltd. was reclassed to other investment because the Group no longer has significant influence over the entity.

(3) Audited by Deloitte & Touche LLP, Singapore.

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with FRS:

	Clearbridge Biomedics Pte. Ltd.		Treebox Solutions Pte. Ltd.	
	2017 S$'000	**2016 S$'000**	**2017 S$'000**	**2016 S$'000**
Current assets	**4,790**	2,529	**NA**	3,369
Non-current assets	**1,381**	1,196	**NA**	336
Current liabilities	**(17,138)**	(4,611)	**NA**	(852)
Non-current liabilities	**(11,727)**	(16,398)	**NA**	–
Net (liabilities)/assets of the associates	**(22,694)**	(17,284)	**NA**	2,853
Revenue	**2,092**	1,942	**NA**	2,132
Total comprehensive income for the year	**(5,849)**	(7,321)	**NA**	(3,062)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

14. DERIVATIVE FINANCIAL INSTRUMENTS

The Group was granted call options by third parties to acquire the third parties' interest in associates or other investments. The call options are derivative financial instruments accounted for at fair value through profit or loss:

	Group			Company	
	2017	2016 (Restated)	2015 (Restated)	2017	2016
	S$'000	S$'000	S$'000	S$'000	S$'000
Call options issued under the BSA operator agreement to acquire (Note A):					
Unquoted equity shares in:					
– associates	**3,765**	4,598	4,312	**–**	–
– other investee	**570**	–	–	**–**	–
Convertible loans issued by:					
– an associate	**1,572**	1,519	615	**–**	–
Call options issued under the NRF scheme to acquire (Note B):					
Convertible bonds issued by:					
other investee	**–**	112	128	**–**	112
	5,907	6,229	5,055	**–**	112

Note A: In prior years, the Group entered into an investment arrangement with a third party who will coinvest dollar-for-dollar into investments deemed as qualifying investments under the Biomedical Sciences Accelerator ("BSA") operator agreement. As part of the arrangement, the third party has granted written call options to Clearbridge BSA Pte. Ltd. ("CBBSA"), a wholly owned subsidiary of the Group, which represents CBBSA's right to call on investments invested by the said third party during the period from February 2014 to February 2020. The call option exercise consideration is equivalent to the third party's investment cost plus a return at a rate of 8% annual cumulative non-compounding simple interest.

Note B: In prior years, the Group entered into an investment arrangement with a third party that will co-invest S$0.85 for every S$0.15 invested by the Group into investments deemed as qualifying investments under the National Research Foundation Technology Incubation Scheme ("NRF TIS"). As part of the arrangement, the third party has granted written call options to the Company, which represents the right to call on investments held by the said third party. The call option exercise consideration will be at least the third party's investment cost plus a return at a rate of 10% if the Company exercise the call option within the first anniversary of the investment or at a rate of at least 15% if the Company exercise the call option after the first anniversary.

Changes in fair value amounting to a loss of S$210,000 (2016: gain of S$1,173,000) have been included in profit or loss for the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

15. PROPERTY, PLANT AND EQUIPMENT

Group	Computer equipment S$'000	Furniture and fittings S$'000	Office equipment S$'000	Testing and trial equipment S$'000	Renovation S$'000	Freehold Property S$'000	Total S$'000
Cost:							
At 1 January 2016	125	2	17	11	–	–	155
Additions	48	7	9	–	144	–	208
Written off	(1)	–	–	–	–	–	(1)
Disposal of subsidiaries	(22)	(7)	(9)	–	(144)	–	(182)
Translation differences	(1)	–	–	–	–	–	(1)
At 31 December 2016 and 1 January 2017	149	2	17	11	–	–	179
Additions	61	71	23	61	93	2,251	2,560
Acquisition of subsidiary	44	48	21	–	1	–	114
Written off/Disposal	(127)	(2)	(20)	(11)	–	–	(160)
Disposal of subsidiaries	(1)	–	–	–	–	–	(1)
At 31 December 2017	**126**	**119**	**41**	**61**	**94**	**2,251**	**2,692**
Accumulated depreciation:							
At 1 January 2016	77	–	14	11	–	–	102
Charge for the year	29	1	3	–	6	–	39
Written off	(1)	–	–	–	–	–	(1)
Disposal of subsidiaries	(3)	–	–	–	(6)	–	(9)
At 31 December 2016 and 1 January 2017	102	1	17	11	–	–	131
Charge for the year	31	23	6	5	19	4	88
Written off/Disposal	(97)	–	(16)	(11)	–	–	(124)
At 31 December 2017	**36**	**24**	**7**	**5**	**19**	**4**	**95**
Carrying amount:							
At 31 December 2016	47	1	–	–	–	–	48
At 31 December 2017	**90**	**95**	**34**	**56**	**75**	**2,247**	**2,597**

Assets pledged as security

The Group's freehold property with a carrying amount of S$2,247,000 (2016: Nil) are mortgaged to secure the Group's bank loan (Note 25).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Computer equipment and software S$'000	Office equipment S$'000	Testing and trial equipment S$'000	Total S$'000
Cost:				
At 1 January 2016	103	17	11	131
Additions	15	–	–	15
At 31 December 2016 and 1 January 2017	118	17	11	146
Additions	5	–	–	5
Disposal	(100)	(16)	(11)	(127)
At 31 December 2017	**23**	**1**	**–**	**24**
Accumulated depreciation:				
At 1 January 2016	74	14	11	99
Charge for the year	22	3	–	25
At 31 December 2016 and 1 January 2017	96	17	11	124
Charge for the year	11	–	–	11
Disposal	(90)	(16)	(11)	(117)
At 31 December 2017	**17**	**1**	**–**	**18**
Carrying amount:				
At 31 December 2016	22	–	–	22
At 31 December 2017	**6**	**–**	**–**	**6**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

16. INTANGIBLE ASSETS

Group	Patent rights S$'000	Trademark S$'000	CAP Accreditation S$'000	Customer relationship S$'000	Platform development cost S$'000	Capitalised development costs S$'000	Total S$'000
Cost:							
At 1 January 2016	206	8	–	–	729	520	1,463
Additions	72	12	–	–	1,481	–	1,565
Written off	(92)	–	–	–	–	(509)	(601)
Disposal of subsidiaries	–	(17)	–	–	(2,210)	–	(2,227)
Translation differences	1	–	–	–	–	(11)	(10)
At 31 December 2016 and 1 January 2017	187	3	–	–	–	–	190
Additions	96	–	–	–	–	–	96
Acquisition of subsidiary	–	–	105	17	–	–	122
Written off	(151)	–	–	–	–	–	(151)
Disposal of subsidiaries	(35)	–	–	–	–	–	(35)
Translation differences	2	–	–	–	–	–	2
At 31 December 2017	**99**	**3**	**105**	**17**	**–**	**–**	**224**
Accumulated amortisation:							
At 1 January 2016	86	–	–	–	–	–	86
Charge for the year	9	–	–	–	57	–	66
Disposal of subsidiaries	–	–	–	–	(57)	–	(57)
At 31 December 2016 and 1 January 2017	95	–	–	–	–	–	95
Charge for the year	4	–	18	1	–	–	23
At 31 December 2017	**99**	**–**	**18**	**1**	**–**	**–**	**118**
Carrying amount:							
At 31 December 2016	92	3	–	–	–	–	95
At 31 December 2017	**–**	**3**	**87**	**16**	**–**	**–**	**106**

17. GOODWILL ON CONSOLIDATION

	Group 2017 S$'000	Group 2016 S$'000
Carrying amount:		
At beginning of the year	**–**	61
Goodwill from acquisition	**11,002**	–
Written off during the year (Note A)	**–**	(61)
At end of the year	**11,002**	–

Note A

In the financial year ended 31 December 2016, the Group has assessed and written off the goodwill after considering the losses recorded and future plans of the respective CGUs, as disclosed in Note 1.2.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

17. GOODWILL ON CONSOLIDATION (CONTINUED)

Impairment testing of goodwill

Goodwill acquired through business combinations have been allocated to two CGUs, which are also the reportable operating segments, for impairment testing as follows:

	2017 S$'000	2016 S$'000
Medical clinics/centres	**9,000**	–
Laboratory testing services	**2,002**	–
	11,002	–

The recoverable amounts of the CGUs have been determined based on value in use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The pre-tax discount rate applied to the cash flow projections and the forecasted growth rates used to extrapolate cash flow projections beyond the five-year period are as follows:

	Medical clinics/ centres 2017	Laboratory testing services 2017
Growth rates	**1.5%**	1.5%
Pre-tax discount rates	**19%**	22%

Key assumptions used in the value in use calculations

The calculations of value in use for both CGUs are most sensitive to the following assumptions:

Assumption	Description
Budgeted revenue and earnings before interest, tax, depreciation and amortisation ("EBITDA")	Revenue and EBITDA are based on management's forecast after considering management's business plans and the financial performance of public listed entities in the same industry for benchmarking purpose.

Sensitivity to changes in assumptions

With regards to the assessment of value in use for both CGUs, the Group believes that no reasonably possible changes in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

18. OTHER INVESTMENTS

	Group		Company	
	2017	2016	2017	2016
	S$'000	S$'000	S$'000	S$'000
Designated as FVTPL				
Quoted equity shares	–	3,690	–	3,690
Unquoted equity shares	**1,485**	–	–	–
Convertible bonds issued by an investee (c)	–	162	–	162
Convertible loans issued by an associate (a)(b)	**3,543**	3,168	–	–
	5,028	7,020	–	3,852
Current	**3,543**	–	–	162
Non-current	**1,485**	7,020	–	3,690
	5,028	7,020	–	3,852

Quoted equity shares represent investments in an entity listed on a foreign stock exchange.

Unquoted equity shares represent investment in an entity not listed on any stock exchange.

(a) In September 2015, a subsidiary entered into a convertible loan agreement with an associate of the holding company, Clearbridge Biomedics Pte. Ltd. ("CBB"). The convertible loan has an interest yield of 12% per annum which is redeemable within 1 year. In the financial year ended 31 December 2016, the maturity date of the loan has been extended for a period of 24 months from 28 September 2016 and will expire on 28 September 2018.

The loans and interest accrued will be automatically converted in full into conversion shares upon CBB's next equity financing round in a single transaction or a series of related transactions completed by CBB after 1 August 2015, with aggregate subscription proceeds of no less than S$8,000,000, at an issue price at a discount of 30% (2015: discount of 25% or 30%, depending on the completion of CBB's next financing event falling before 31 March 2016 or after 1 April 2016).

In the event that the convertible loan is not redeemed or converted pursuant to the terms of this agreement, CBB shall repay without further notice an amount equivalent to 200% of the principal amount then outstanding. The cash repayment shall be deemed to include all interest accrued and no further interest shall be payable thereon.

(b) In November 2016, a subsidiary entered into a new convertible loan agreement with CBB, at an interest yield of 12% per annum which is redeemable within 1 year. In the financial year ended 31 December 2017, the maturity date of the loan has been extended for a period of 12 months from 16 November 2017 and will expire on 16 November 2018.

The loans and interest accrued will be automatically converted in full into conversion shares upon CBB's next equity financing round in a single transaction or a series of related transactions and completed by CBB after 1 November 2016, with aggregate subscription proceeds of no less than S$6,000,000, at an issue price at a discount of 30%.

In the event that the convertible loan is not redeemed or converted pursuant to the terms of this agreement, CBB shall repay without further notice an amount equivalent to 100% of the principal amount then outstanding together with all accrued interest thereon.

(c) In November 2014, the Company entered into a convertible loan agreement with an investee. The convertible loan has an interest yield of 5% per annum. The loan and interest accrued will be automatically converted in full into conversion shares upon maturity in 3 years on 16 November 2017.

On June 2017, the Company novated the convertible loan to a related company. Please refer to Note 1.2 for details.

Changes in fair value amounting to a loss of S$301,000 (FY2016: gain of S$67,000) have been included in profit or loss for the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

19. CASH AND CASH EQUIVALENTS

	Group		Company	
	2017	2016	2017	2016
	S$'000	S$'000	S$'000	S$'000
Cash at banks	**27,740**	4,308	**23,294**	2,806

Certain cash at banks balances earns interest. The average interest as at 31 Dec 2017 is between 0.25%-1.0% per annum (2016: Nil).

Cash and cash equivalents denominated in foreign currencies as at 31 December are as follows:

	Group		Company	
	2017	2016	2017	2016
	S$'000	S$'000	S$'000	S$'000
US dollar	**25**	111	**2**	3
Euro	**3**	2	**1**	1
Australian dollar	**11**	–	**–**	–

20. TRADE RECEIVABLES

	Group		Company	
	2017	2016	2017	2016
	S$'000	S$'000	S$'000	S$'000
Associate	**–**	25	**–**	25
External parties	**71**	–	**–**	–
	71	25	**–**	25

Trade receivable balances are unsecured, non-interest bearing, repayable on demand and are expected to be settled in cash. The average credit period is 30 days (2016: 30 days). There are no receivables that are impaired for the periods.

21. OTHER RECEIVABLES

	Group		Company	
	2017	2016	2017	2016
	S$'000	S$'000	S$'000	S$'000
Current				
Deposits	**537**	–	**273**	–
Amounts due from an investee	**–**	28	**–**	27
Amounts due from a related party	**138**	510	**–**	510
Amounts due from an associate	**23**	–	**18**	–
Others	**244**	22	**196**	22
	942	560	**487**	559
Non-current				
Accrued interest on convertible loan issued by an associate	**–**	200	**–**	–

Amounts due from a related party are unsecured, non-interest bearing and repayable on demand.

Amounts due from an associate relate to interest accrued on convertible loans issued by an associate in 2017 and 2016.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

22. AMOUNTS DUE FROM SUBSIDIARIES

	Company	
	2017	2016
	S$'000	S$'000
Current		
Interest bearing	**9,401**	10,161
Non-interest bearing	**6,019**	1,305
	15,420	11,466

Interest bearing amounts

The amounts are unsecured, bear interest at 8% per annum (2016: 5% to 8%) and repayable on demand.

Non-interest bearing amount

The amounts is unsecured, non-trade related, non-interest bearing, repayable on demand and to be settled in cash.

23. OTHER PAYABLES

	Group			Company	
	2017	2016 (Restated)	2015 (Restated)	2017	2016
	S$'000	S$'000	S$'000	S$'000	S$'000
Accruals	**846**	462	437	**525**	87
Amount due to a related party	**–**	–	201	**–**	–
Liability arising from call option to acquire additional interest in a subsidiary	**3,533**	3,294	1,623	**–**	–
Others creditors	**1,161**	469	387	**660**	344
	5,540	4,225	2,648	**1,185**	431

Accruals mainly relate to accruals for payroll and professional fees.

Other creditors are non-interest bearing and are generally on a 30 to 60 days term (2016: 30 to 60 days term).

Liability arising from call option to acquire additional interest in a subsidiary relates to call options granted by a shareholder to acquire the shareholder's interest in a subsidiary. As the Group accounts for the effect of the call option as though it owns the shareholder's interest in the subsidiary as disclosed in Note 2.4. A liability representing the cost, bearing an interest of 8% per annum, cumulative non-compounding is recognised.

24. AMOUNTS DUE TO SUBSIDIARIES

Amounts due to subsidiaries are unsecured, non-interest bearing, non-trade related, repayable on demand and to be settled in cash.

NOTES TO
THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

25. BORROWING

		Group		Company	
	Maturity	2017	2016	2017	2016
		S$'000	S$'000	S$'000	S$'000
Current					
Floating rate bank loan	Oct 2042	**9**	–	**–**	–
		9	–	**–**	–
Non-current					
Floating rate bank loan	Oct 2042	**1,632**	–	**–**	–
		1,632	–	**–**	–

Floating rate bank loan relate to a loan drawn down by the Group to finance the acquisition of a freehold unit. The loan is secured by the freehold office unit of the Group and is repayable in 300 monthly instalments, starting from November 2017 onwards.

Interest rate of the borrowing is at 1.68%, 1.98% and 2.28% per annum below the bank's Commercial Financing Rate ("CFR") for the first, second and third year of the loan tenure respectively. The interest rate for the remaining years is at CFR. The effective interest rate of the loan is 4.38%.

A reconciliation of liabilities arising from financing activities is as follows:

	2016	Cash flows	2017
	S$'000	S$'000	S$'000
Floating rate bank loan			
– Current	–	9	**9**
– Non-current	–	1,632	**1,632**
	–	1,641	**1,641**

26. DEFERRED TAX LIABILITIES

Deferred tax as at 31 December relates to the following:

	Group		Company	
	2017	2016	2017	2016
	S$'000	S$'000	S$'000	S$'000
Balance as at 1 January	**4,748**	4,014	**2,774**	2,442
Deferred tax liabilities arising from the acquisition of a subsidiary	**20**	–	**–**	–
Charge to profit or loss	**(2,982)**	734	**(2,774)**	332
Balance as at 31 December	**1,786**	4,748	**–**	2,774

26. DEFERRED TAX LIABILITIES (CONTINUED)

Deferred tax liabilities as at 31 December related to the following:

	Group		Company	
	2017	2016	2017	2016
	S$'000	S$'000	S$'000	S$'000
Fair value gain on financial instruments	**1,766**	5,327	**–**	3,353
Unutilised tax losses	**–**	(572)	**–**	(572)
Unutilised leave	**–**	(2)	**–**	(2)
Unutilised capital allowance	**–**	(5)	**–**	(5)
Deferred tax liabilities arising from business combination	**20**	–	**–**	–
	1,786	4,748	**–**	2,774

Unrecognised tax losses

Subject to the agreement with the Comptroller of Income Tax and the relevant provisions of the income Tax Act, the Group has estimated unabsorbed tax losses of S$16,159,000 (2016: S$14,768,000), unrecognised deferred tax asset on fair value loss on an investment in an associate of S$1,477,000 (2016: Nil) and unutilised capital allowance of S$2,053,000 (2016: Nil) available for offset against future profits. Deferred tax asset has been recognised in respect of S$161,000 (2016: S$3,364,000) of such losses to offset against the deferred tax liability recognised. No deferred tax assets has been recognised in respect of the remaining S$16,159,000 (2016: S$11,404,000) of unabsorbed tax losses, S$1,477,000 (2016: Nil) of unrecognised deferred tax asset on fair value loss on an investment in an associate and S$1,892,000 of unutilised capital allowance due to unpredictability of future profit streams. The tax losses can be carried forward indefinitely subject to the conditions imposed by law including the retention of majority shareholders (the "Shareholding test") as defined.

As disclosed in Note 27, due to the change in majority shareholders during the year, the Group may not meet the condition imposed by law on the retention of majority shareholders. The Group is currently applying for a waiver of the Shareholding test.

During the year, the Company utilised S$1,208,000 of tax losses in estimating the current year tax payable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

27. SHARE CAPITAL

	Group and Company			
	2017		2016	
	No. of shares	S$'000	No. of shares	S$'000
Ordinary shares				
Beginning of year	**130,505**	**3,846**	129,245	3,846
Issued during the year	**190,832**	**21,936**	1,260	–*
Converted from preference shares (Note A)	**125,343**	**24,649**	–	–
Before share split	**446,680**	**50,431**	130,505	3,846
After share split (Note B)	**393,000,000**	**50,431**	–	–
Issuance of shares pursuant to Invitation (Note C)	**88,000,000**	**23,466**	–	–
At the end of the year	**481,000,000**	**73,897**	130,505	3,846
Series A convertible preference shares				
At the beginning of the year	**51,524**	**8,551**	51,524	8,551
Converted to ordinary shares	**(51,524)**	**(8,551)**	–	–
At the end of the year	**–**	**–**	51,524	8,551
Series B convertible preference shares				
At the beginning of the year	**36,657**	**7,098**	36,657	7,098
Converted to ordinary shares	**(36,657)**	**(7,098)**	–	–
At the end of the year	**–**	**–**	36,657	7,098
Series C convertible preference shares				
At the beginning of the year	**37,162**	**9,000**	–	–
Issued during the year	**–**	**–**	37,162	9,000
Converted to ordinary shares	**(37,162)**	**(9,000)**	–	–
At the end of the year	**–**	**–**	37,162	9,000
Total	**481,000,000**	**73,897**	255,848	28,495

* The consideration paid is less than S$1.

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

The Series A convertible preference shares have no contractual dividend commitment, carry one vote per share without restriction and at any time can be converted into 1 ordinary share at the call of the holder.

The Series B convertible preference shares were issued on 20 July 2015 (36,657 shares) and carry one vote per share without restriction, have no contractual dividend commitment, and at any time can be converted into 1 ordinary share at the call of the holder.

During the financial year ended 31 December 2016, the Company raised a financing round of S$9,000,000 for working capital purposes via the issuance of 37,162 Series C convertible preference shares. The Series C convertible preference shares carry one vote per share without restriction, have no contractual dividend commitment, and at any time can be converted into 1 ordinary share at the call of the holder.

Note A: As approved by shareholders of the Company in an ordinary resolution on 4 April 2017, all the Series A convertible preference shares, Series B convertible preference shares and Series C convertible preference shares are converted into ordinary shares.

Note B: As approved by shareholders of the Company in an extraordinary general meeting held on 20 November 2017, every one share in the capital of the Company was sub-divided into 880 shares (the "Share Split").

Note C: During the financial year ended 31 December 2017, a total of 88,000,000 shares were issued at S$0.28 per share via the Listing. Listing expenses of S$1,174,000 has been capitalised against the share capital.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

28. CAPITAL RESERVE

This represents the effects of a series of transactions with shareholders pursuant to the restructuring exercise as elaborated in Note 1.2.

29. OTHER RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group	
	2017	**2016**
	S$'000	**S$'000**
Interest income on convertible loan from an associate	**240**	160
Professional services fee charged to a related party	**–**	30
Professional services fee charged to an associate	**17**	58

Compensation of directors and key management personnel

	Group	
	2017	**2016**
	S$'000	**S$'000**
Short-term benefits	**619**	329
Post-employment benefits	**51**	36
Share based payment	**–**	7
Directors' fee	**17**	–
	687	372

	Group	
	2017	**2016**
	S$'000	**S$'000**
Comprise amounts paid to:		
Directors of the Company	**306**	372
Other key management personnel	**381**	–
	687	372

The remuneration of directors and key management is determined by the board of directors having regard to the performance of individuals.

30. DIVIDEND

For the financial year ended 31 December 2016, the Company declared dividend of S$3,536,000 via in-specie share distribution of 1Exchange Pte. Ltd. and its subsidiary, CapBridge Pte. Ltd., to the shareholders of the Company as disclosed in Note 1.2 (i).

For the financial year ended 31 December 2017, the Company declared dividend of S$9,633,000 via in-specie share distribution of Treebox Solutions Pte. Ltd., to the shareholders of the Company as disclosed in Note 1.2 (iv).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

31. COMMITMENT

The Group has entered into commercial leases on rental premises. These leases have an average tenure of one to three years with no renewal option or contingent rent provision included in the contracts.

Minimum lease payments recognised as an expense in profit or loss for the financial year ended 31 December 2017 amounted to S$324,000 (2016: S$328,000).

Future minimum rental payable under non-cancellable operating leases at the end of the reporting period are as follows:

	2017 S$'000	2016 S$'000
Not later than one year	**379**	90
Later than one year but not later than five years	**131**	–
	510	90

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk and liquidity risk. The board of directors reviews and agrees on policies and procedures for the management of these risks.

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Market risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to equity price risk arising from its investment in unquoted equity shares (2016: unquoted shares and quoted shares listed on the Australian Securities Exchange Ltd. in Australia).

Sensitivity analysis for equity price risk

The sensitivity analysis for unquoted shares are disclosed in Note 33.

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds.

Analysis of financial instruments by remaining contractual maturities

Non-derivative financial liabilities

	One year or less S$'000	One to five years S$'000	Over five years S$'000	Total S$'000
2017				
Financial liabilities:				
Trade payables	**183**	**–**	**–**	**183**
Other payables	**5,540**	**–**	**–**	**5,540**
Borrowings	**81**	**401**	**2,185**	**2,667**
Total undiscounted financial liabilities	**5,804**	**401**	**2,185**	**8,390**
2016				
Financial liabilities:				
Trade payables	69	–	–	69
Other payables	4,225	–	–	4,225
Total undiscounted financial liabilities	4,294	–	–	4,294

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

33. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(a) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

– Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

– Level 2 – Inputs other that quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

– Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments S$'000	Significant observable inputs other than quoted prices S$'000	Significant unobservable inputs S$'000	Total S$'000
2017				
Assets measured at fair value				
Financial assets				
Investments in associates – unquoted equity shares	**–**	**–**	**15,052**	**15,052**
Derivatives financial instruments	**–**	**–**	**5,907**	**5,907**
Other investments				
Unquoted equity shares	**–**	**1,485**	**–**	**1,485**
Convertible loans issued by an associate	**–**	**–**	**3,543**	**3,543**
Financial assets as at 31 December 2017	**–**	**1,485**	**24,502**	**25,987**
2016				
Assets measured at fair value				
Financial assets				
Investments in associates – unquoted equity shares	–	–	28,174	28,174
Derivatives financial instruments	–	–	6,229	6,229
Other investments				
Quoted equity shares	3,690	–	–	3,690
Convertible loans issued by an associate	–	–	3,168	3,168
Convertible bonds issued by an investee	–	–	162	162
Financial assets as at 31 December 2016	3,690	–	37,733	41,423

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

33. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(c) Level 2 fair value measurements

The following is a description of the valuation techniques and inputs used in the fair value measurement for unquoted equity shares that is categorised within Level 2 of the fair value hierarchy:

Unquoted equity shares are valued using the market approach valuation technique with market observable inputs. The most frequently applied valuation techniques include Guideline Public Company Method ("GPC") and Guideline Public Transaction Method ("GPT"). The techniques uses derived market multiples from market prices of comparable companies or actual transactions involving either minority or controlling interests in either publicly traded or closely held companies.

(i) **Information about significant unobservable inputs used in Level 3 fair value measurements**

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair Value as at 31 December 2017 S$'000	Valuation techniques	Significant Unobservable inputs	Relationship unobservable inputs to fair value
Investments in associates				
Unquoted equity shares	**15,052**	Equity valuation is based on recent transaction. Equity values allocation is performed utilising OPM methodology.	Projected stock price volatility	The higher the volatility, the higher the fair value. A 10% points increase in the volatility would result in a higher fair value of S$1,000.
Derivative financial instruments				
Call options	**5,907**	Binomial Option Pricing Model "OPM" methodology. The stock price is projected based on a lattice tree structure under the binomial option pricing model and the strike price is derived based on the underlying investments cost and a simple non-compounding interest rate of 8%.	Projected stock price volatility	The higher the volatility, the higher the fair value. An increase by 10% points would result in a higher fair value of S$356,000.
Other investments				
Convertible loans issued by an associate and unquoted equity shares	**3,543**	Summation of conversion option value and straight debt value. The conversion option is calculated by deriving the immediate profit through the conversion of the loans and considering management's expectation of next equity financing. Particularly, 30% discount has been adopted as the applicable discount to the strike price; whereas 85% of successful equity financing is adopted in pro-rating the conversion option. These are management's view as of the end of the reporting period. The straight debt is calculated based on discounted cash flow methodology with applicable 15% discount rate as proxy to issuer's cost of debt. The discount rate applied has taken into consideration of latest external bank's offer rate on unsecured borrowing for issuer and issuer's Weighted Average Cost of Capital ("WACC").	Discount rate Rate of successful equity financing	The higher the discount rate, the lower the fair value. An increase by 10% point would result in a lower fair value of S$29,000. The higher the rate of success, the higher the fair value. An increase by 10% point would result in a lower fair value of S$55,000.
Financial assets as at 31 December 2017	24,502			

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

33. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(c) Level 2 fair value measurements (Continued)

(i) Information about significant unobservable inputs used in Level 3 fair value measurements (Continued)

Description	Fair Value as at 31 December 2016 S$'000	Valuation techniques	Significant Unobservable inputs	Relationship unobservable inputs to fair value
Investments in associates				
Unquoted equity shares	28,174	Equity valuation is based on recent transaction, IPO probability and market comparable methodologies. Equity values allocation is performed utilising OPM methodology.	IPO probability	The higher the IPO probability, the higher the fair value. An increase by 10% points would result in a higher fair value of S$185,000.
			Projected stock price volatility	The higher the projected stock volatility, the higher the fair value. An increase by 10% points would result In a higher fair value of S$25,000.
Derivative financial instruments				
Call options	6,229	Binomial Option Pricing Model "OPM" methodology. The stock price is projected based on a lattice tree structure under the binomial option pricing model and the strike price is derived based on the underlying investments cost and a simple non-compounding interest rate of 8%.	Projected stock price volatility	The higher the volatility, the higher the fair value. An increase by 10% points would result in a higher fair value of S$412,000.
Other investments				
Convertible loans issued by an associate and convertible bonds issued by an investee	3,330	Summation of conversion option value and straight debt value. The conversion option is calculated by deriving the immediate profit through the conversion of the loans and considering management's expectation of next equity financing. Particularly, 30% discount has been adopted as the applicable discount to the strike price; whereas 90% of successful equity financing is adopted in pro-rating the conversion option. These are management's view as of the end of the reporting period. The straight debt is calculated based on discounted cash flow methodology with applicable 15% discount rate as proxy to issuer's cost of debt. The discount rate applied has taken into consideration of latest external bank's offer rate on unsecured borrowing for issuer and issuer's Weighted Average Cost of Capital ("WACC").	Rate of successful equity financing	The higher the success rate, the higher the fair value. An increase by 10% point would result in a higher fair value of S$52,000.
Financial assets as at 31 December 2016	**37,733**			

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

33. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(c) Level 2 fair value measurements (Continued)

(ii) Movements in Level 3 assets and liabilities measured at fair value

	Fair value measurements using significant unobservable inputs (Level 3)			
	Unquoted equity shares S$'000	Convertible loans to associates S$'000	Call options S$'000	Total S$'000
At 1 January 2016	24,305	2,174	5,056	31,535
Additions	–	750	–	750
Total unrealised gains in profit or loss	3,869	406	1,173	5,448
At 31 December 2016 and 1 January 2017	28,174	3,330	6,229	37,733
Disposal	(9,819)	(162)	(112)	(10,093)
Transfer out to level 2	(1,485)	–	–	(1,485)
Total unrealised gains in profit or loss	(1,818)	375	(210)	(1,653)
At 31 December 2017	15,052	3,543	5,907	24,502

Transfers out of Level 3

The Group transferred an unquoted equity shares from Level 3 to Level 2 of the fair value hierarchy. The carrying amount of the total financial assets transferred was $1,485,000.

The shares was transferred from Level 3 into Level 2 as the valuation technique used in the fair valuation is based on a market observable input. Prior to the transfer, the fair value of the shares was determined using a valuation technique incorporating significant non market-observable inputs. The fair value of the shares is determined based the market approach or income approach depending on whether there is a market observable input during the year.

(iii) Valuation policies and procedures

The board of directors is responsible for setting and documenting the Group's valuation policies and procedures.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts who possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and FRS 113 fair value measurement guidance to perform the valuation.

For valuations performed by external valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

34. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on reports reviewed by the management team that are used to make strategic decisions. There are four reportable operating segment as follows:

(i) Strategic investments

The strategic investments segment involves investments in identified early-stage biotechnology and information security companies, for which the performance of the investments are measured and evaluated on a fair value basis.

(ii) Laboratory testing services

The laboratory testing services segment involves the provision of diagnostic services and manufacturing of and research and development on diagnostic related products.

(iii) Medical clinics/centres

Medical clinics/centres segment involves the provision of general medical and clinical services.

(iv) Corporate segment

The corporate segment involves the corporate functions in supporting the operations of the entire Group.

No operating segments have been aggregated to form the above reportable operating segment.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on net fair value gain or loss for strategic investments, or operating profit or loss for healthcare and information security and corporate segment.

2017	Strategic investments S$'000	Laboratory Testing services S$'000	Medical clinics/ centres S$'000	Corporate S$'000	Adjustments and eliminations S$'000	Notes	Total S$'000
Revenue:							
External customers	–	194	94	–	–		288
Inter-segment	–	–	2	–	(2)	(A)	–
Total revenue	–	194	96	–	(2)		288
Results:							
Interest income	240	4	13	–	–		257
Depreciation expense	–	(10)	(65)	(13)	–		(88)
Amortisation expense	–	(23)	–	–	–		(23)
Other income	–	24	8	57	–		89
Fair value loss on other investments	(301)	–	–	–	–		(301)
Fair value loss on associates	(1,818)	–	–	–	–		(1,818)
Fair value loss on derivative financial instruments	(210)	–	–	–	–		(210)
Intangible assets written off	–	(151)	–	–	–		(151)
Segment loss	(696)	(3,307)	(2,702)	(1,220)	–		(7,925)
Assets:							
Investments in associates	15,052	–	–	–	–		15,052
Other investments	5,028	–	–	–	–		5,028
Derivative financial instruments	5,907	–	–	–	–		5,907
Additions to non-current assets	–	2,271	284	5	–	(B)	2,560
Segment assets	25,987	2,815	5,095	34,896	–		68,793
Segment liabilities	(1,796)	(2,290)	(315)	(4,749)	–		(9,150)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

34. SEGMENT INFORMATION (CONTINUED)

2016	Strategic investments S$	Laboratory Testing services S$	Medical clinics/ centres S$	Corporate S$	Adjustments and eliminations S$	Notes	Total S$
Revenue:							
External customers	–	5	–	118	–		123
Inter-segment	–	–	–	82	(82)	A	–
Total revenue	–	5	–	200	(82)		123
Results:							
Interest income	–	–	–	167	–		167
Depreciation expense	–	(14)	–	(24)	–		(38)
Amortisation expense	–	(66)	–	–	–		(66)
Other income	–	179	–	20	–		199
Fair value gain on other investments	67	–	–	–	–		67
Fair value gain on associates	3,869	–	–	–	–		3,869
Fair value gain on derivative financial instruments	1,173	–	–	–	–		1,173
Intangible assets written off	–	(601)	–	–	–		(601)
Segment profit/(loss)	5,109	(5,545)	–	(2,508)	–		(2,944)
Assets:							
Investments in associates	28,174	–	–	–	–		28,174
Other investments	7,020	–	–	–	–		7,020
Derivative financial instruments	6,229	–	–	–	–		6,229
Additions to non-current assets	–	1,773	–	–	–	B	1,773
Segment assets	41,423	1,615	–	3,633	–		46,671
Segment liabilities	–	(2,807)	–	(6,235)	–		(9,042)

Note A: Inter-segment revenues are eliminated on consolidation.

Note B: Additions to non-current assets consist of additions to property, plant and equipment and intangible assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

35. PRIOR YEAR ADJUSTMENTS

In prior years, the Group did not account for the call option granted by a shareholder to acquire the shareholder's interest in a subsidiary. In addition, non-controlling interest amount was not computed correctly. Accordingly, prior year adjustments have been made to restate the statements of financial positions of the Group as at 31 December 2016 and 1 January 2016/31 December 2015, statement of comprehensive income and statement of changes in equity for the year ended 31 December 2016.

	As previously reported S$'000	Prior year adjustments S$'000	As restated S$'000
Balance sheet			
As at 31 December 2016			
Derivative financial instruments	6,263	(34)	6,229
Other payables	931	3,294	4,225
Convertible loans	1,862	(1,862)	–
Capital reserves	2,835	968	3,803
Non-controlling interest	662	(1,514)	(852)
Balance sheet			
As at 1 January 2016/31 December 2015			
Derivative financial instruments	4,366	689	5,055
Other payables	1,008	1,640	2,648
Convertible bonds	650	(650)	–
Capital reserves	466	715	1,181
Non-controlling interest	1,690	(1,450)	240
Statement of comprehensive income			
For the year ended 31 December 2016			
Fair value gain on derivative financial instruments	1,897	(724)	1,173
Changes in fair value of financial liabilities designated as FVTPL	(862)	(862)	–

36. EVENTS OCCURRING AFTER THE REPORTING PERIOD

(a) Acquisition of Marzan Health Care Inc.

In January 2018, the Group completed the acquisition of 65% interest in Marzan Health Care Inc. ("Marzan Health Care") for a cash consideration of Php69,615,000 or equivalent to S$1,865,000 (the "Purchase Consideration").

The provisional fair value of the identifiable assets and liabilities of Marzan Health Care as at 31 December 2017, are as follow:

	2017 S$'000
Non-current assets	**2,692**
Other current assets	**63**
Cash and cash equivalents	**6**
	2,761
Trade and other payables	**(345)**
Total identifiable net assets at fair value	**2,416**
Less: Share of minority interest	**(846)**
	1,570
Provisional goodwill arising from acquisition	**295**
	1,865
Consideration transferred for the acquisition of Marzan Health Care:	
Cash and cash equivalents	**1,865**

The Group has paid Php48,731,000 representing 70% of the Purchase Consideration, with the remaining consideration to be paid in four instalments, within twelve months of the acquisition and upon achieving certain targets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

36. EVENTS OCCURRING AFTER THE REPORTING PERIOD (CONTINUED)

(a) Acquisition of Marzan Health Care Inc. (Continued)

Non-current asset

Non-current assets acquired comprise renovation, medical equipment and vehicle.

Goodwill arising from acquisition

The provisional goodwill of S$295,000 represents anticipated value arising from synergy created from the Marzan Health Care's expertise in operating a comprehensive ambulatory medical centre.

Impact of the acquisition on profit or loss

If the business combination had taken place on 1 January 2017, the Group's revenue would have been S$473,000 and the Group's loss, net of tax would have been S$8,087,000.

(b) Acquisition of Medic Laser Private Limited and Medic Surgical Private Limited

On 2 April 2018, Clearbridge Medical Asia Pte. Ltd. ("CBMA"), a wholly owned subsidiary of the Company, completed the acquisition of 85% interest in Medic Laser Private Limited and 85% interest in Medic Surgical Private Limited (collectively known as the "Acquirees") for a total consideration of S$5,500,000 comprising cash amount of $2,000,000 and the allotment and issuance of an aggregate of 6,337,136 new ordinary shares in capital of the Company.

As at the date of this report, the Group is in the midst of collating more information relating to the Acquirees. As such, certain disclosures required by FRS 103 business combination and FRS 7 statement of cash flows have not been made.

(c) Proposed acquisition of PT Tirta Medika Jaya

On 28 February 2018, CBMA entered into a conditional sale and purchase agreement to acquire 49% interest in PT Tirta Medika Jaya ("PTTMJ") for a total consideration of S$4,900,000. In connection with the proposed acquisition, CBMA will enter into an exchangeable bond subscription which the bond will be exchangeable into shares of PTTMJ at the option of CBMA into shares in PTTMJ representing 6% interest of the total statutory issued share capital of PTTMJ.

37. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the years ended 31 December 2017 were authorised for issue in accordance with a resolution of the Directors on 3 April 2018.

STATISTICS OF SHAREHOLDINGS

AS AT 21 MARCH 2018

Number of shares	:	481,000,000
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share

As at 21 March 2018, the Company did not hold any treasury shares or subsidiary holdings.

SHAREHOLDING HELD IN THE HANDS OF PUBLIC

Based on the information available to the Company as at 21 March 2018, approximately 41.53% of the total number of issued ordinary shares of the Company was held by the public as defined in the Catalist Rules. Accordingly, Rule 723 of the Catalist Rules has been compiled with.

DISTRIBUTION OF HOLDERS OF SHARES BY SIZE OF SHAREHOLDINGS AS AT 21 MARCH 2018

Size of shareholdings	No. of shareholders	%	No. of shares	%
1 - 99	0	0.00	0	0.00
100 - 1,000	12	2.52	9,100	0.00
1,001 - 10,000	139	29.20	1,022,300	0.21
10,001 - 1,000,000	298	62.61	34,151,200	7.10
1,000,001 and above	27	5.67	445,817,400	92.69
TOTAL	**476**	**100.00**	**481,000,000**	**100.00**

TWENTY LARGEST HOLDERS OF SHARES AS AT 21 MARCH 2018

No.	Name of shareholder	No. of shares	% of shares
1	QED INNOVATE PTE. LTD.	115,367,000	23.98
2	CHEN JOHNSON	75,529,100	15.70
3	AMEREUS GROUP PTE. LTD.	39,771,600	8.27
4	CHEN CHUNG NI JOHNNY	30,676,800	6.38
5	COOP INTERNATIONAL PTE LTD	23,600,000	4.91
6	LOW SEE CHING (LIU SHIJIN)	19,370,300	4.03
7	CHONG CHEE WAH	18,844,100	3.92
8	TIMOTHY COOK DRAPER & MELISSA PARKER DRAPER	18,390,100	3.82
9	OSCAR CAPITAL PTE. LTD.	16,634,800	3.46
10	SINGAPORE INSTITUTE OF ADVANCED MEDICINE HOLDINGS PTE. LTD.	16,454,500	3.42
11	MAYBANK KIM ENG SECURITIES PTE LTD	16,261,500	3.38
12	HEKLA INVESTMENTS LIMITED	10,914,200	2.27
13	ANDREW TREVATT	7,276,100	1.51
14	YEO KHEE SENG BENNY	6,558,000	1.36
15	CHANG LING SEOW	4,653,000	0.97
16	CITIBANK NOMINEES SINGAPORE PTE LTD	4,565,000	0.95
17	ANG CHER HOONG GINNY (HONG ZHIFEN GINNY)	3,223,700	0.67
18	FANG BOON SING	2,530,400	0.53
19	WONG CHI WAI ROY (HUANG ZHIWEI)	2,386,100	0.50
20	DBS NOMINEES PTE LTD	2,147,500	0.45
	TOTAL	**435,153,800**	**90.48**

STATISTICS OF **SHAREHOLDINGS**

AS AT 21 MARCH 2018

SUBSTANTIAL SHAREHOLDERS AS AT 21 MARCH 2018

Name	No. of shares in which substantial shareholders have direct interest	%	No. of shares in which substantial shareholders are deemed to have interest	%
QED Innovate Pte. Ltd.	115,367,000	23.98	–	–
Halcyon Investment Capital Pte. Ltd.[1]	–	–	115,367,000	23.98
Chen Johnson	75,529,100	15.70	–	–
Amereus Group Pte. Ltd.	39,771,600	8.27	–	–
Maxim Vorobyev[2]	–	–	39,771,600	8.27
Chen Chung Ni Johnny[3]	30,676,800	6.38	–	–

(1) Halcyon Investment Capital Pte. Ltd. holds approximately 27.27% of the issued and paid-up share capital of QED Innovate Pte. Ltd. Accordingly, Halcyon Investment Capital Pte. Ltd. is deemed interested in the shares held by QED Innovate Pte. Ltd. by virtue of Section 4 of the Securities and Futures Act.

(2) Maxim Vorobyev holds the entire issued and paid-up share capital of Amereus Group Pte. Ltd. Accordingly, he is deemed interested in the shares held by Amereus Group Pte. Ltd. by virtue of Section 4 of the Securities and Futures Act.

(3) Chen Chung Ni Johnny is the father of Chen Johnson.

NOTICE OF
ANNUAL GENERAL MEETING

CLEARBRIDGE HEALTH LIMITED
(Company Number: 201001436C)
(Incorporated in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that the annual general meeting ("**AGM**") of Clearbridge Health Limited (the "**Company**") will be held at The Star Performing Arts Centre, The Star Loft, 1 Vista Exchange Green Singapore 138617 on Friday, 27 April 2018 at 10.00 a.m. to transact the following business:

Ordinary Business

1. To receive and adopt the directors' statement and audited financial statements of the Company for the financial year ended 31 December 2017 ("**FY2017**") together with the auditors' report thereon. **(Resolution 1)**

2. To approve the payment of directors' fees of S$180,000 for the financial year ending 31 December 2018, payable quarterly in arrears. **(Resolution 2)**

3. To re-elect Mr Chen Johnson who is retiring pursuant to Regulation 98 of the Company's constitution (the "**Constitution**") as a director of the Company.
   (See Explanatory Note 1) **(Resolution 3)**

4. To re-elect Mr Andrew John Lord who is retiring pursuant to Regulation 102 of the Constitution as a director of the Company.
   (See Explanatory Note 2) **(Resolution 4)**

5. To re-elect Mr Mark Benedict Ryan who is retiring pursuant to Regulation 102 of the Constitution as a director of the Company.
   (See Explanatory Note 3) **(Resolution 5)**

6. To re-elect Mr Tan Soon Liang (Chen Shunliang) who is retiring pursuant to Regulation 102 of the Constitution as a director of the Company.
   (See Explanatory Note 4) **(Resolution 6)**

7. To re-elect Mr Mah How Soon (Ma Haoshun) who is retiring pursuant to Regulation 102 of the Constitution as a director of the Company.
   (See Explanatory Note 5) **(Resolution 7)**

8. To re-appoint Ernst & Young LLP as the Company's auditors and to authorise the directors of the Company to fix their remuneration. **(Resolution 8)**

9. To transact any other ordinary business which may be properly transacted at an AGM.

NOTICE OF
ANNUAL GENERAL MEETING

Special Business

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions, with or without any modifications:

10. Authority to allot and issue shares in the capital of the Company

"That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore (the "**Act**"), Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") ("**Catalist Rules**") and the Constitution, the directors of the Company ("**Directors**") be and hereby authorised to:

I. (a) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(b) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures, or other instruments convertible into Shares;

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

II. (notwithstanding that the authority conferred by this resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this resolution was in force,

provided that:

(a) the aggregate number of Shares to be issued pursuant to this resolution (including Shares to be issued in pursuance of Instruments, made or granted pursuant to this resolution), shall not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing shareholders of the Company ("**Shareholders**") shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below);

(b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this resolution) that may be issued under sub-paragraph (a) above, the percentage of the issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this resolution is passed, after adjusting for:

(i) new Shares arising from the conversion or exercise of any convertible securities;

(ii) new Shares arising from exercising of share options or vesting of share awards which are outstanding and/or subsisting at the time of the passing of this resolution, provided that such share options or share awards (as the case may be) were granted in compliance with the Catalist Rules; and

(iii) any subsequent bonus issue, consolidation or subdivision of Shares;

NOTICE OF ANNUAL GENERAL MEETING

(c) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), and all applicable legal requirements under the Act and the Constitution for the time being; and

(d) the authority conferred by this resolution shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier."

(See Explanatory Note 6) **(Resolution 9)**

11. Authority to grant awards and to allot and issue shares pursuant to the Clearbridge Health Performance Share Plan

That pursuant to Section 161 of the Act, authority be and is hereby given to the Directors to:

(i) offer and grant awards ("**Awards**") from time to time in accordance with the provisions of the Clearbridge Health Performance Share Plan (the "**PSP**"); and

(ii) allot and issue from time to time such number of new Shares as may be required to be issued pursuant to the vesting of Awards granted under the PSP,

provided always that the aggregate number of Shares issued and issuable pursuant to the Awards granted under the PSP, when added to (i) the number of Shares issued and issuable and/or transferred or transferable in respect of all Awards granted thereunder; and (ii) all other Shares issued and issuable and/or transferred or transferable in respect of all share options granted or share awards granted under any other share incentive schemes or share plans adopted by the Company, shall not exceed 15% of the total issued share capital (excluding treasury shares and subsidiary holdings) of the Company from time to time; and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier.

(See Explanatory Note 7) **(Resolution 10)**

By Order of the Board

Selena Leong Siew Tee
Company Secretary
Singapore
11 April 2018

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. A member of the Company (who is not a relevant intermediary as defined in Section 181 of the Act) entitled to attend, speak and vote at the AGM is entitled to appoint not more than 2 proxies to attend, speak and vote at the AGM instead of the member, while a member who is a relevant intermediary (as defined in Section 181 of the Act) is entitled to appoint more than 2 proxies to attend, speak and vote at the AGM. A proxy need not be a member of the Company.

2. Where a member (including a member who is a relevant intermediary) appoints more than 1 proxy, the member must specify the proportion of his/her shareholding to be represented by each proxy in the instrument appointing the proxies. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire shareholding of the member and any second named proxy as an alternate to the first named or at the Company's option to treat this proxy form as invalid.

3. If the member is an individual, the instrument appointing the proxy(ies) must be signed by the appointor or his attorney. If the member is a corporation, the instrument appointing the proxy(ies) must be given under its common seal in accordance with its constitutional documents or signed on its behalf by an attorney or a duly authorised officer or in such manner as appropriate under applicable laws.

4. The instrument appointing a proxy, duly executed, must be deposited at the office of the Company's share registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02 Singapore 068898 not less than 72 hours before the time appointed for holding the AGM.

5. A depositor shall not be regarded as a member of the Company entitled to attend and vote at the AGM unless his/her name appears on the Depository Register not less than 72 hours before the time of the AGM.

EXPLANATORY NOTES:

(1) Detailed information on Mr Chen Johnson can be found in the Company's annual report. Mr Chen Johnson, if re-elected as a Director, will remain as the Non-Independent Non-Executive Chairman, and a member of the Remuneration Committee. Mr Chen Johnson is a controlling Shareholder. Save as disclosed in the Company's annual report, there are no relationships including immediate relationships between Mr Chen Johnson and the other Directors, its 10% Shareholders or its officers.

(2) Detailed information on Mr Andrew John Lord can be found in the Company's annual report. Mr Andrew John Lord, if re-elected as a Director, will remain as the Lead Independent Director, the Chairman of the Remuneration Committee, and a member of the Audit Committee and the Nominating Committee, and shall be considered independent for the purpose of Rule 704(7) of the Catalist Rules. There are no relationships including immediate relationships between Mr Andrew John Lord and the other Directors, the Company, its related corporations (as defined in the Act), its 10% Shareholders or its officers.

(3) Detailed information on Mr Mark Benedict Ryan can be found in the Company's annual report. Mr Mark Benedict Ryan if, re-elected as a Director, will remain as an Independent Director, the Chairman of the Audit Committee, and a member of the Remuneration Committee, and shall be considered independent for the purpose of Rule 704(7) of the Catalist Rules. There are no relationships including immediate relationships between Mr Mark Benedict Ryan and the other Directors, the Company, its related corporations (as defined in the Act), its 10% Shareholders or its officers.

(4) Detailed information on Mr Tan Soon Liang (Chen Shunliang) can be found in the Company's annual report. Mr Tan Soon Liang (Chen Shunliang), if re-elected as a Director, will remain as an Independent Director, the Chairman of the Nominating Committee, and a member of the Audit Committee, and shall be considered as independent for the purpose of Rule 704(7) of the Catalist Rules. There are no relationships including immediate relationships between Mr Tan Soon Liang (Chen Shunliang) and the other Directors, the Company, its related corporations (as defined in the Act), its 10% Shareholders or its officers.

(5) Detailed information on Mr Mah How Soon (Ma Haoshun) can be found in the Company's annual report. Mr Mah How Soon (Ma Haoshun), if re-elected as a Director, will remain as an Independent Director of the Company. There are no relationships including immediate relationships between Mr Mah How Soon (Ma Haoshun) and the other Directors, the Company, its related corporations (as defined in the Act), its 10% Shareholders or its officers.

(6) The resolution 6 in item 10 above, if passed, will empower the Directors to allot and issue Shares, make or grant Instruments and to issue Shares pursuant to such Instruments up to an amount not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which the total number of Shares issued other than on a pro-rata basis to all Shareholders shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of passing of this resolution.

(7) The resolution 10 in item 11 above, if passed, will empower the Directors to offer and grant Awards under the PSP, and to allot and issue Shares pursuant to the vesting of Awards granted under the PSP, provided that the aggregate number of Shares issued and issuable pursuant to the PSP, when added to (i) the number of Shares issued and issuable and/or transferred or transferable in respect of all awards granted thereunder; and (ii) all other Shares issued and issuable and/or transferred or transferable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company, shall not exceed 15% of the total number of issued share capital (excluding treasury shares and subsidiary holdings) of the Company from time to time.

PERSONAL DATA PRIVACY

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

CLEARBRIDGE HEALTH LIMITED
(Company Number: 201001436C)
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING
PROXY FORM

Important:
1. Pursuant to Section 181(1C) of the Companies Act, Chapter 50 of Singapore (the "**Act**"), Relevant Intermediaries (please see note 5 for definition) may appoint more than 2 proxies to attend, speak and vote at the annual general meeting ("**AGM**").
2. For investors who have used their Supplementary Retirement Scheme monies to buy shares in the Company ("**SRS Investors**"), this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. SRS Investors are requested to contact their respective Agent Banks for any queries they may have with regard to their appointment as proxies.

I/We, ______________________ (Name) ____________ (NRIC No./Passport No./

Company Registration No.) of ______________________ (Address)
being a member/members of Clearbridge Health Limited (the "**Company**"), hereby appoint

Name	Address	NRIC/Passport No.	Proportion of Shareholdings	
			No. of Shares	%

* and/or

Name	Address	NRIC/Passport No.	Proportion of Shareholdings	
			No. of Shares	%

or failing him/her/they, the chairman of the AGM, as *my/our *proxy/proxies to attend and to vote for *me/us on *my/our behalf at the AGM to be held at The Star Performing Arts Centre, The Star Loft, 1 Vista Exchange Green Singapore 138617 on Friday, 27 April 2018 at 10.00 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the ordinary resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion, as he/she/they will on any other matter arising at the AGM.

No.	ORDINARY BUSINESS	No. of Shares For	No. of Shares Against
1.	To receive and adopt the directors' statement and audited financial statements of the Company for FY2017 together with the auditors' report thereon		
2.	To approve the payment of directors' fees for the financial year ending 31 December 2018, payable quarterly in arrears		
3.	To re-appoint Mr Chen Johnson as a director of the Company		
4.	To re-elect Mr Andrew John Lord as a director of the Company		
5.	To re-elect Mr Mark Benedict Ryan as a director of the Company		
6.	To re-elect Mr Tan Soon Liang (Chen Shunliang) as a director of the Company		
7.	To re-elect Mr Mah How Soon (Ma Haoshun) as a director of the Company		
8.	To re-appoint Ernst & Young LLP as the Company's auditors		
SPECIAL BUSINESS			
9.	To authorise the Directors to allot and issue shares in the capital of the Company		
10.	To authorise the Directors to grant awards and to allot and issue shares pursuant to the PSP		

* *If you wish to exercise all your votes "For" or "Against", please indicate with an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.*

Dated this __________ day of ______________ 2018

Total No. of Shares in:	No. of Shares
CDP Register	
Register of Members	

____
Signature of Member(s) or Common Seal

** Delete accordingly*

IMPORTANT: PLEASE READ NOTES OVERLEAF.

NOTES:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.

2. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act, Chapter 50 of Singapore (the "**Act**"), a member of the Company entitled to attend, speak and vote at the AGM is entitled to appoint not more than 2 proxies to attend, speak and vote at the AGM on his behalf. Such proxy need not be a member of the Company.

3. Where a member appoints 2 proxies, the member must specify the proportion of shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire shareholding of the member and the second named proxy as an alternate to the first named or at the Company's option to treat this proxy form as invalid.

4. If the member is an individual, the instrument appointing the proxy(ies) must be signed by the appointor or his attorney. If the member is a corporation, the instrument appointing the proxy(ies) must be given under its common seal in accordance with its constitutional documents or signed on its behalf by an attorney or a duly authorised officer or in such manner as appropriate under applicable laws.

5. Pursuant to Section 181(1C) of the Act, a member who is a Relevant Intermediary may appoint more than 2 proxies to attend and vote at the AGM instead of such member provided each proxy is appointed to exercise the rights attached to different shares held by the member. In such event, the Relevant Intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.

   "**Relevant Intermediary**" means:

   (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Chapter 289 of Singapore, and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act, Chapter 36, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

7. The instrument appointing a proxy or proxies must be deposited at the office of the Company's share registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02 Singapore 068898 not less than 72 hours before the time appointed for holding the AGM. If a member submits a proxy form and subsequently attends the meeting in person, the appointment of the proxy or proxies shall be deemed to be revoked.

8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Act.

9. SRS Investors (as may be applicable) may attend and cast their vote(s) at the AGM in person. SRS Investors who are unable to attend the AGM but would like to vote, may inform their SRS Approved Nominees to appoint the chairman of the AGM to act as their proxy, in which case, the SRS Investors shall be precluded from attending the AGM.

GENERAL:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.