

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

ADDITIONAL DISPOSAL OF SHARES IN BIOLIDICS LIMITED

1. BACKGROUND

1.1 Additional Disposal of Shares in Biolidics Limited

The board of directors ("**Board**" or "**Directors**") of Clearbridge Health Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement dated 26 October 2022 relating to the disposal by Clearbridge BSA Pte. Ltd. ("**CBBSA**"), a wholly-owned subsidiary of the Company, of an aggregate of 10,993,000 ordinary shares in the capital of Biolidics Limited ("**Biolidics**"), representing approximately 4.14% of the issued and paid-up capital of Biolidics (the "**Disposal Sale Shares**" and ordinary shares of Biolidics, "**Biolidics Shares**"), through a series of open market transactions of 1,300,000, 200,000 and 9,493,000 Biolidics Shares on 19, 20 and 21 October 2022, respectively (the "**Disposal**").

The Board wishes to announce that CBBSA has sold an additional aggregate of 27,519,100 Biolidics Shares, representing approximately 10.37% of the issued and paid-up capital of Biolidics (the "**Additional Disposal Sale Shares**"), through a series of open market transactions of 19,189,100 and 8,330,000 Biolidics Shares on 25 and 26 October 2022 respectively (the "**Additional Disposal**"), at a volume weighted average sale price of S\$0.050 per Additional Disposal Sale Share.

The net proceeds received by CBBSA in cash for the Disposal and Additional Disposal (after deducting brokerage, commission, applicable goods and services tax and other related expenses) is approximately S\$717,000 and S\$1,372,000 respectively.

Subsequent to the Additional Disposal, CBBSA holds 21,623,300 Biolidics Shares, amounting to approximately 8.15% of the issued and paid-up capital of Biolidics as at the close of business on 26 October 2022.

As a result of the Additional Disposal, the Company will no longer be a person holding directly or indirectly 15.0% or more of the nominal amount of all voting shares of Biolidics and in fact exercising control over Biolidics (a "**Controlling Shareholder**") pursuant to a deed dated 30 April 2020 entered into by the Company in favour of Biolidics, which was given as part of the non-competition undertaking referred to in section 6.1(h) of the Company's announcement dated 27 March 2020 (accessible here – [Asset Acquisitions and Disposals:PROPOSED DISPOSAL OF SHARES IN BIOMEDICS LABORATORY PTE. LTD. \(sgx.com\)](https://www.sgx.com/asset-acquisitions-and-disposals/proposed-disposal-of-shares-in-biomedics-laboratory-pte-ltd)). As the Company is no longer a Controlling Shareholder of Biolidics, the Company is released from its non-competition undertaking that, amongst others, none of the members of the Group shall

engage in the provision of certain laboratory testing products and services that are substantially similar to those offered by Biolidics and its subsidiaries.

1.2 Rationale for and benefits of the Additional Disposal

It is envisaged that the Additional Disposal, together with the Disposal, will free up resources that can be redeployed as general working capital and/or as the Group continues to explore suitable opportunities to expand its business regionally and focus on the organic growth of its businesses.

Accordingly, having regard to the terms of the Additional Disposal, the Board believes that the Additional Disposal is in the best interests of the Company, as the Additional Disposal will result in a positive cash inflow of approximately S\$1,372,000, thereby improving the liquidity and working capital position of the Group.

1.3 Chapter 10 of the Catalist Rules

This announcement is made in compliance with Chapter 10 of the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

2. **INFORMATION ON BIOLIDICS**

Biolidics was listed on the Catalist Board of the SGX-ST on 19 December 2018 and is a Singapore-based medical technology company with a focus in developing a portfolio of innovative diagnostic solutions to lower healthcare costs and improve clinical outcomes. In addition, Biolidics has formed an infectious diseases division to develop certified test kits with various diagnostic partners.

3. **VALUE OF DISPOSAL SALE SHARES AND ADDITIONAL DISPOSAL SALE SHARES AND USE OF PROCEEDS FROM THE DISPOSAL AND THE ADDITIONAL DISPOSAL**

3.1 Value of the Disposal Sale Shares and the Additional Disposal Sale Shares

The fair value of the Disposal Sale Shares and the Additional Disposal Sale Shares (together, the "**Sale Shares**") per the latest unaudited financial statements of the Company for the six (6) months ended 30 June 2022 (the "**1H2022 Financial Statements**" and "**1H2022**" respectively) as announced by the Company on 14 August 2022 is approximately S\$2,773,000. Accordingly, there is a loss on disposal of approximately S\$684,000 as a result of the Disposal and the Additional Disposal (together, the "**Disposals**").

The closing price of the Biolidics Shares traded on 26 October 2022 was S\$0.044 per Biolidics Share. No valuation was conducted on the Sale Shares.

3.2 Use of Proceeds

The Company intends to use the net proceeds received from the Disposals for general working capital purposes and/or to finance suitable opportunities to expand the Group's businesses.

4. CHAPTER 10 OF THE CATALIST RULES

4.1 Chapter 10 of the Catalist Rules sets out the rules for significant transactions by issuers. The relative figures for the Disposals using the relevant bases set out in Rule 1006 of the Catalist Rules are as follows:

Rule 1006⁽¹⁾	Bases	Relative Figures (%)
(a)	Net asset value (" NAV ") of the Sale Shares, compared with the Group's NAV	6.32% ⁽²⁾
(b)	Net loss before tax attributable to the Sale Shares, compared with the Group's consolidated net loss before tax	(59.23)% ⁽³⁾
(c)	Aggregate value of the consideration received, compared with the Company's market capitalisation	7.58% ⁽⁴⁾
(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable
(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	Not applicable

Notes:

- (1) Rules 1006(d) and 1006(e) of the Catalist Rules are not relevant to the Disposals.
- (2) Based on the 1H2022 Financial Statements, as at 30 June 2022, the NAV of the Sale Shares is approximately S\$2,773,000 compared with the Group's NAV of S\$43,902,000. The NAV of the Sale Shares as at 30 June 2022 as recorded in the 1H2022 Financial Statements is calculated based on the Sale Shares multiplied by the closing price of the Biolidics Shares of S\$0.072 on 30 June 2022.
- (3) Based on the 1H2022 Financial Statements, the net loss before tax attributable to the Sale Shares, which is derived from the changes in the fair value of the Sale Shares, is approximately S\$4,544,000, compared with the Group's consolidated net loss before tax for 1H2022 of S\$7,672,000. Pursuant to paragraph 4.1 of

Practice Note 10A of the Catalist Rules, the disposal of a loss-making asset by a loss-making issuer will result in a negative relative figure computed pursuant to Rule 1006(b).

- (4) Based on the consideration (after deducting brokerage, commission, applicable goods and services tax and other related expenses) of approximately S\$2,089,000 compared with the market capitalisation of the Company as at 26 October 2022, which was approximately S\$27,572,000, computed based on the total of 618,210,340 issued shares (excluding treasury shares) of the Company multiplied by the volume weighted average price of approximately S\$0.045 per share as at 26 October 2022.

4.2 Pursuant to Rule 1007(1) of the Catalist Rules, if any of the relative figures computed pursuant to Rule 1006 of the Catalist Rules involves a negative figure, Chapter 10 of the Catalist Rules may still be applicable to the transaction in accordance with the applicable circumstances in Practice Note 10A of the Catalist Rules. Having considered paragraph 4.4(e) of Practice Note 10A of the Catalist Rules, none of the absolute relative figures of Rules 1006(a) and 1006(c) exceeds 50%, and the loss on disposal of approximately S\$684,000 as a result of the Disposals does not exceed 10% of the Group's consolidated net loss before tax for 1H2022 of S\$7,672,000, that is, S\$767,200.

4.3 Accordingly, based on the relative figures as computed above and pursuant to paragraph 4.4(e) of Practice Note 10A of the Catalist Rules, the Disposals are classified as a "discloseable transaction" for the purposes of Chapter 10 of the Catalist Rules and the approval of the Company's shareholders for the Disposals is not required.

5. **PRO FORMA FINANCIAL EFFECTS OF THE DISPOSALS**

5.1 The pro forma financial effects of the Disposals set out in this paragraph 5 are purely for illustrative purposes only and do not reflect the actual results and financial position of the Group after the completion of the Disposals. The pro forma financial effects in this paragraph 5 have been prepared based on the audited consolidated financial statements of the Company for the financial year ended 31 December 2021 ("**FY2021**") and on the following bases and assumptions:

- (a) the Disposals were completed on 31 December 2021, for the purposes of computing the effect on the NTA per share of the Group; and
- (b) the Disposals were completed on 1 January 2021, for the purposes of computing the effect on the earnings per share ("**EPS**") of the Group.

5.2 NTA

The effect of the Disposals on the NTA of the Group is as follows:

	Before the Disposals	Upon completion of the Disposals
NTA as at 31 December 2021 (S\$'000)	24,398	19,170 ⁽¹⁾
Number of shares in issue	617,215,180	617,215,180
NTA per share (Singapore cents)	3.95	3.11

Note:

- (1) Based on the consideration (after deducting brokerage, commission, applicable goods and services tax and other related expenses) of approximately S\$2,089,000 and the NTA of the Sale Shares as of 31 December 2021 of S\$7,317,000. The NTA of the Sale Shares as of 31 December 2021 is computed based on the Sale Shares multiplied by the closing price of the Biolidics Shares as of 31 December 2021, being S\$0.19.

5.3 **EPS**

The effect of the Disposals on the EPS of the Group is as follows:

	Before the Disposals	Upon completion of the Disposals
Net loss ⁽¹⁾ attributable to owners of the Company for FY2021 (S\$'000)	19,970	25,198 ⁽³⁾
Weighted average number of shares	617,136,112	617,136,112
Loss per share (Singapore cents) ⁽²⁾	3.24	4.08

Notes:

- (1) Net loss refers to loss after tax and non-controlling interests.
- (2) Loss per share (Singapore cents) refers to net loss attributable to owners of the Company for FY2021 (S\$) divided by the weighted average number of shares (excluding treasury shares).
- (3) Based on the loss on Disposals of S\$5,228,000, which is derived from the consideration (after deducting brokerage, commission, applicable goods and services tax and other related expenses) of approximately S\$2,089,000 and the NTA of the Sale Shares as of 31 December 2021 of S\$7,317,000. The NTA of the Sale Shares as of 31 December 2021 is computed based on the Sale Shares multiplied by the closing price of the Biolidics Shares as of 31 December 2021, being S\$0.19.

- 5.4 The pro forma financial effect of the Disposals on the Net Gearing of the Group as at 31 December 2021, assuming the Disposals had been completed on 31 December 2021, is not meaningful⁽¹⁾. Additionally, there is no change in the share capital of the Company.

Note:

- (1) Net Gearing means net debt divided by the total assets of the Group. The pro forma Net Gearing before and after the Disposals is not meaningful as the Group is in a pro forma net cash position before and after the Disposals.

6. **SERVICE CONTRACTS**

No person is proposed to be appointed to the Board as part of the Disposals, and no director's service contract is proposed to be entered into by the Company with any person in connection with the Disposals.

7. DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS

- 7.1 As at the date of this announcement, save for Mr Chen Johnson, the Non-Executive and Non-Independent Chairman of the Company, who is also a director of Biolidics and who recused himself from all discussions, deliberations, recommendations and decisions relating to the Disposals, none of the Directors has any interest, direct or indirect, in the Disposals, other than through their respective shareholdings in the Company.
- 7.2 As at the date of this announcement, based on publicly available information and as far as the Directors are aware, the controlling shareholders of the Company do not have any interest, direct or indirect, in the Disposals, other than through their respective shareholdings in the Company.

8. CAUTIONARY STATEMENT

Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants, or other professional advisers if they are in doubt about the actions that they should take.

BY ORDER OF THE BOARD

Yee Pinh Jeremy
Executive Director and Chief Executive Officer

27 October 2022

*This announcement has been prepared by the Company and has been reviewed by the Company's sponsor, United Overseas Bank Limited (the "**Sponsor**"), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist. This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Mr David Tham, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.*