

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

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**ASSIGNMENT OF DEBT**

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**1. BACKGROUND**

The board of directors (the "**Board**" or the "**Directors**") of Clearbridge Health Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcements of the Company dated 27 March 2020, 3 April 2020, 26 May 2020, 24 December 2021, 24 June 2022, 23 September 2022, 28 February 2023 and 10 March 2023 (the "**Announcements**"). All capitalised terms used and not defined in this announcement shall have the same meanings ascribed to them in the Announcements. Pursuant to the Deed of Amendment dated 24 December 2021, the Second Deed of Amendment dated 24 June 2022, and the Third Deed of Amendment dated 23 September 2022 (collectively, the "**Amendment Deeds**"), SAM Laboratory Pte. Ltd. ("**SAM**"), then a subsidiary of the Company (but which has since been disposed of with effect from 7 October 2022), and Biolidics Limited (the "**Purchaser**" or "**Biolidics**") had varied the payment terms of the Deferred Consideration under the SPA such that the Remaining Deferred Consideration of S\$3.3 million is payable no later than 25 November 2023 ("**Final Repayment Date**"). As security for the Deferred Consideration including the Remaining Deferred Consideration, SAM and the Purchaser had also entered into a deed of share charge ("**Share Charge**") dated 27 March 2020, pursuant to which the Purchaser charged all the issued shares in Biomedics Laboratory Pte. Ltd. ("**Biomedics**") owned by the Purchaser as at the date of the Share Charge ("**Charged Shares**") and the Related Assets (as defined in the Share Charge) in favour of SAM. On 29 September 2022, SAM assigned to Clearbridge BSA Pte. Ltd. ("**CBSA**"), a subsidiary of the Company, amongst others, all the rights, title and interests in, under and to the SPA (as amended by the Amendment Deeds) and the Share Charge (collectively, the "**Transaction Documents**") (including the right to receive the Remaining Deferred Consideration and the right to enforce the Share Charge). Pursuant to such assignment, CBSA has the benefit of the Transaction Documents and all rights, title and interests arising from such documents (including any rights against third parties).

On 28 February 2023, CBSA and the Purchaser agreed to a partial settlement of the Remaining Deferred Consideration ("**Partial Settlement**") by entering into a partial settlement deed dated 28 February 2023 ("**Partial Settlement Deed**"), pursuant to which S\$1,161,250 of the Remaining Deferred Consideration was settled partially in cash and partially by the issue of ordinary shares in the share capital of the Purchaser. Upon completion of the Partial Settlement and as at the date of this announcement, S\$2,138,750 remains outstanding from the Purchaser to CBSA ("**Outstanding Debt**").

## 2. ASSIGNMENT OF OUTSTANDING PAYABLE AMOUNT

The Board wishes to announce that CBSA has, today, entered into a deed of assignment ("**Assignment Deeds**") with each of Sebastian Wong Cheen Pong, Yong Wee Foong, Wei Ying and Teh Chong Seng (each an "**Assignee**" and collectively, the "**Assignees**"), pursuant to which it has agreed to assign, amongst others, S\$534,689, S\$534,687, S\$534,687 and S\$534,687 of the Outstanding Debt ("**Assigned Debt**") respectively to each of the Assignees, subject to the terms and conditions of the respective Assignment Deeds. The Assignees wish to accept such assignment for an aggregate consideration of S\$2,138,750, being the full amount of the Outstanding Debt, payable in cash ("**Assignment Consideration**"), which is payable by each Assignee to CBSA on the Completion Date (as defined below) as follow:

Sebastian Wong Cheen Pong	:	S\$534,689
Yong Wee Fong	:	S\$534,687
Wei Ying	:	S\$534,687
Teh Chong Seng	:	S\$534,687

Pursuant to the Assignment Deeds, subject to satisfaction of the Conditions (as defined below), CBSA assigns the rights, title, interest and benefit (whether present or future) and any and all rights, benefits, remedies and powers accrued and to accrue ("**Rights**") to the respective Assigned Debt and all of its Rights under the Transaction Documents in connection with the Assigned Debt, including but not limited to the right to receive the Assigned Debt but excluding CBSA's right to enforce the Share Charge ("**Assigned Rights**"), to the respective Assignee ("**Assignment**") with effect from the Effective Time (as defined below). With effect from the Effective Time, the relevant Assignee shall have the benefit of the Transaction Documents and all Rights arising from the Transaction Documents (including any rights against third parties) in connection with and to the extent of the respective amount of the Assigned Debts, save for the Share Charge. The parties acknowledge and agree that the Assignees shall not have the benefit of the Share Charge and further that CBSA shall agree to release the Purchaser from the Share Charge upon completion of the Assignment on the Effective Date.

The assignment of the Assigned Rights is conditional upon ("**Conditions**"):

- (a) consent from Biolidics being obtained by CBSA for the transactions contemplated by the Assignment Deeds ("**Biolidics Consent**"); and
- (b) the Assignees entering into a new convertible loan agreement with Biolidics in connection with the respective Assigned Debt ("**Convertible Loan Agreement**") on such terms and conditions reasonably satisfactory to the Assignees and which shall comprise, amongst others, the following, with the intent that the Convertible Loan Agreement shall govern the Assigned Debt vis a vis the Assignees and Biolidics upon completion of the Convertible Loan Agreement:
  - a. the maturity date for final repayment of the Assigned Debt shall be extended by a further six (6) months from 25 November 2023 to 24 May 2024 ("**New Repayment Date**");

- b. the Assigned Debt shall be convertible by the respective Assignees at any time from the Completion Date to the New Repayment Date (both dates inclusive) into shares of the Purchaser ("**New Shares**") at a price being the higher of (i) a 10.0% discount to the prevailing market price of the shares of the Purchaser as traded on the SGX-ST on the market day immediately prior to conversion of the Assigned Debt, in compliance with Rule 811(2)(b) of the Catalist Rules or (ii) 0.77 Singapore cents, subject always to receipt of any relevant approvals and consents (including Biolidics' shareholders' approval if required and approval from the SGX-ST for the listing and quotation of such New Shares); and
- c. unless repaid in full prior to the New Repayment Date, the Assigned Debt shall be converted by the Purchaser into New Shares in accordance with the formula set out in paragraph 2(b)b. above on the New Repayment Date.

Upon satisfaction of the Conditions, the parties shall agree on the date on which completion of the Assignment Deeds shall occur ("**Completion Date**"), which shall be no later than five (5) business days after satisfaction of the Conditions and in any event no later than 13 October 2023. On the Completion Date, each Assignee shall pay its respective portion of the Assignment Consideration in full to CBSA. The assignment of the Assigned Rights shall take effect from the date of receipt of the full amount of the Assignment Consideration by CBSA from the respective Assignees ("**Effective Date**").

In the event (a) the Conditions are not satisfied by 13 October 2023 (or such other date as may be agreed by the parties in writing), or (b) the Completion Date does not occur no later than five (5) business days after satisfaction of the Conditions or by 13 October 2023, or (c) if any of the Assignees fails to pay the Assignment Consideration to CBSA on the Completion Date, CBSA shall be entitled (in addition to and without prejudice to all other rights and/or remedies available, including the right to claim damages) by written notice to the relevant Assignee to terminate the relevant Assignment Deed without liability on its part.

### **3. THE ASSIGNEES**

The Assignees are all independent third parties, who are unrelated to any of the Directors and substantial shareholders of the Company, as well as the directors of CBSA or any other company within the Group or Biolidics or any of their respective associates. Each of the Assignees is also not and will not be acting in concert with any person (including any of the other Assignees) pursuant to an agreement or understanding (whether formal or informal), to cooperate, through the acquisition by any of them of the benefit of the Assigned Debt or the New Shares (whether pursuant to the Assignment Deeds, the Convertible Loan Agreement or otherwise), to obtain or consolidate effective control of Biolidics. Each of the Assignees were introduced to the Company by an independent third party introducer and the Company will pay the introducer an introduction fee of S\$150,000 ("**Introduction Fee**") upon completion of the Assignment.

#### 4. **RATIONALE FOR AND BENEFITS OF THE ASSIGNMENT**

The Assignment allows the Company to realise the full amount of the Outstanding Debt (which had already been fully written down in the books of the Group as at 30 June 2023 less the Introduction Fee, and having considered the historical financial performance and financial position of the Purchaser for the six months ended 30 June 2023 as disclosed in the Purchaser's announcement dated 31 July 2023, the Board is of the view that taking into account the removal of exposure to the credit risk of the Purchaser to CBSA and the challenges that may be faced in the recovery of the Outstanding Debt (notwithstanding the Share Charge), the Assignment is in the best interests of the Company.

The Assignment will also result in a positive cash inflow of approximately S\$1,988,750 (being the Assignment Consideration less the Introduction Fees) ("**Net Proceeds**"), thereby improving the liquidity and working capital position of the Group, which will be used for the Group's working capital requirements and/or to finance suitable opportunities to expand the Group's businesses. As the NAV (as defined below) of the Outstanding Debt is nil, the Net Proceeds represents a gain attributable to our Group upon completion of the Assignment.

#### 5. **CHAPTER 10 OF THE CATALIST RULES**

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

<b>Rule 1006<sup>(1)</sup></b>	<b>Bases</b>	<b>Relative Figures (%)</b>
(a)	Net asset value (" <b>NAV</b> ") of the Outstanding Debt, compared with the Group's NAV	0.00% <sup>(1)</sup>
(b)	Net loss before tax attributable to the Outstanding Debt, compared with the Group's consolidated net loss before tax	2.38% <sup>(2)</sup>
(c)	Aggregate value of the consideration received, compared with the Company's market capitalisation	14.80% <sup>(3)</sup>
(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 <sup>(4)</sup>
(e)	Aggregate volume or amount of proved and probable reserves to be disposed of, compared	Not applicable <sup>(4)</sup>

	with the aggregate of the Group's proved and probable reserves	
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**Notes:**

- (1) Based on the NAV of the Outstanding Debt which is nil (which had been already fully written down in the books of the Group) and the NAV of the Group of S\$39,974,000 as at 30 June 2023, as disclosed in the financial statements of the Group for the financial period from 1 January 2023 to 30 June 2023 ("**FP2023**").
  - (2) Based on the financial statements of the Group for FP2023, the net loss before tax attributable to the Outstanding Debt is S\$39,000, compared with the Group's consolidated net loss before tax for FP2023 of S\$1,640,000.
  - (3) Based on the Assignment Consideration compared with the market capitalisation of the Company as at 22 September 2023, which was approximately S\$13,433,000, computed based on the total of 619,052,398 issued shares (excluding treasury shares) of the Company multiplied by the volume weighted average price of approximately S\$0.0217 per share as at 22 September 2023, being the market day preceding the date of the Assignment Deeds.
  - (4) Rules 1006(d) and 1006(e) of the Catalist Rules are not applicable to the Assignment.
- 5.1 Pursuant to paragraph 4.1 of Practice Note 10A of the Catalist Rules, where a transaction concerns any of, amongst others, a loss-making issuer and the disposal of a loss-making asset, tests based on assets under Rule 1006(a) and profits under Rule 1006(b) may involve a negative figure in the numerator, denominator or both, which may not give a meaningful indication of the significance of the transaction to the issuer.
  - 5.2 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. The Assignment involves the disposal of a loss-making asset by a loss-making issuer. Accordingly, having considered paragraph 4.4(e) of Practice Note 10A of the Catalist Rules, the absolute relative figure computed on the basis of each of Rule 1006(a) and Rule 1006(c) does not exceed 50.0% and there is no loss on disposal.
  - 5.3 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 Assignment is classified as a "discloseable transaction" for the purposes of Chapter 10 of the Catalist Rules and the issuer must immediately announce the information required in Rule 1010, Rule 1011, Rule 1012 and Rule 1013 of the Catalist Rules.
- 6. PRO FORMA FINANCIAL EFFECTS OF THE ASSIGNMENT**
- 6.1 The pro forma financial effects of the Assignment set out in this paragraph 6 are purely for illustrative purposes only and do not reflect the actual results and financial position of the Group

after the completion of the Assignment. The pro forma financial effects in this paragraph 6 have been prepared based on the annual report of the Company for the financial year ended 31 December (“FY”) 2022 and on the following bases and assumptions:

- (a) the Assignment was completed on 31 December 2022, for the purposes of computing the effect on the net tangible assets (“**NTA**”) per share of the Group; and
- (b) the Assignment was completed on 1 January 2022, for the purposes of computing the effect on the earnings per share (“**EPS**”) of the Group.

## 6.2 NTA

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

	Before the Assignment	Upon completion of the Assignment
NTA as at 31 December 2022 (S\$'000)	20,707 <sup>(1)</sup>	22,696
Number of shares in issue	618,210,340	618,210,340
NTA per share (Singapore cents)	3.35	3.67

### Note:

- (1) Based on the NTA as at 31 December 2022 of approximately S\$20,096,000, adjusted by including the reversal of impairment of approximately S\$611,250 (“**Settlement Impairment Reversal**”), to take into account the impact of the Partial Settlement (details of which are set out in the Company’s announcement dated 28 February 2023) as if the Partial Settlement had occurred on 31 December 2022.

## 6.3 EPS

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

	Before the Assignment	Upon completion of the Assignment
Net loss <sup>(1)</sup> attributable to owners of the Company for FY2022 (S\$'000)	10,533 <sup>(2)</sup>	8,544 <sup>(4)</sup>
Weighted average number of shares	617,891,344	617,891,344
Loss per share (Singapore cents) <sup>(3)</sup>	1.70	1.38

### Notes:

- (1) Net loss refers to loss after tax and non-controlling interests.
- (2) Based on net loss for FY2022 of approximately S\$11,144,000, adjusted by including the Settlement Impairment Reversal to take into account the impact of the Partial Settlement as if the Partial Settlement had occurred on 1 January 2022.

- (3) Loss per share (Singapore cents) refers to net loss attributable to owners of the Company for FY2022 (S\$) divided by the weighted average number of shares (excluding treasury shares).
- (3) The decrease in net loss is calculated based on the gain on disposal of S\$1,989,000 being the Net Proceeds and the NTA of the Outstanding Debt as of 31 December 2022 which nil.

## **7. SERVICE CONTRACTS**

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

## **8. DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS**

- 8.1 As at the date of this announcement, save for Mr Chen Johnson, the Non-Executive and Non-Independent Chairman of the Company, who owns 0.49% of the Purchaser and who recused himself from all discussions, deliberations, recommendations and decisions relating to the Assignment, none of the Directors has any interest, direct or indirect, in the Assignment, other than through their respective shareholdings in the Company.
- 8.2 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 Assignment, other than through their respective shareholdings in the Company.

## **9. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the Assignment Deeds will be made available for inspection during normal business hours at the registered office of the Company at 37 Jalan Pemimpin, #08-05 Mapex, Singapore 577177 for a period of three (3) months from the date of this announcement.

## **10. 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

22 September 2023

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*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.*