



Clearbridge Health Limited  
37 Jalan Pemimpin #08-05 Mapex Singapore 577177  
TEL 65 6251 0136 FAX 65 6251 0132  
clearbridgehealth.com

## UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

This announcement has been prepared by Clearbridge Health Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) and its contents have been reviewed by the Company’s sponsor, United Overseas Bank Limited (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Chia Beng Kwan, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.



## UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

### PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP		Increase/ (Decrease) %
	FY2018 S\$'000	FY2017 S\$'000	
Revenue	6,135	288	2,030.2
Purchases	(3,250)	(241)	1,248.5
Employee benefits expense	(7,415)	(3,499)	111.9
Depreciation expense	(1,018)	(88)	1,056.8
Amortisation expense	(81)	(23)	252.2
Research and development expenses	(20)	(202)	(90.1)
Other income	636	346	83.8
Fair value loss on other investments	(1,444)	(301)	379.7
Fair value loss on associates	(4,020)	(1,818)	121.1
Fair value loss on derivative financial instruments	(2,118)	(210)	908.6
Other operating expenses*	(5,803)	(4,908)	18.2
Finance costs	(329)	(250)	31.6
<b>Loss before taxation</b>	<b>(18,727)</b>	<b>(10,906)</b>	<b>71.7</b>
Income tax (expense)/credit	(158)	2,981	n.m.
<b>Loss for the year</b>	<b>(18,885)</b>	<b>(7,925)</b>	<b>138.3</b>
<b>Other comprehensive income:</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Net fair value gain on equity instruments at fair value through other comprehensive income	375	-	n.m.
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange difference on translation of foreign operations	(213)	197	n.m.
<b>Total comprehensive income for the year</b>	<b>(18,723)</b>	<b>(7,728)</b>	<b>142.3</b>
<b>Loss attributable to:</b>			
Owners of the Company	(18,448)	(7,470)	147.0
Non-controlling interests	(437)	(455)	(4.0)
	<b>(18,885)</b>	<b>(7,925)</b>	<b>138.3</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company	(18,251)	(7,323)	149.2
Non-controlling interests	(472)	(405)	16.5
	<b>(18,723)</b>	<b>(7,728)</b>	<b>142.3</b>

**Note:**

n.m. - not meaningful



\*In order to provide more clarity to readers, the Group has identified the following major expenses as recurring and non-recurring for FY2018:

	Recurring S\$'000	Non- recurring S\$'000	Total S\$'000
Other operating expenses	3,547	2,256	5,803

The non-recurring other operating expenses were mainly due to one-off professional fees and miscellaneous expenses incurred pursuant to the business acquisitions and collaborations, one-off consultancy fee and other administrative expenses for research and development activities which were streamlined since FY2017.

Excluding the abovementioned non-recurring expenses and fair value changes in other investments, associates and derivative financial instruments, the Group's loss before taxation would have been S\$8.89 million in FY2018.

### 1(a)(ii) Notes to income statement and statement of comprehensive income.

The Group's net loss was arrived after (charging)/crediting the following:

	GROUP		
	FY2018 S\$'000	FY2017 S\$'000	Increase/ (Decrease) %
Interest expense on call options	(240)	(240)	0.0
Interest expense on borrowings	(89)	(10)	790.0
Depreciation expense	(1,018)	(88)	1,056.8
Amortisation expense	(81)	(23)	252.2
Gain on disposal of plant and equipment	40	3	1,233.3
Grant income	132	30	340.0
Interest income	273	257	6.2
Fair value adjustment of contingent consideration for business combinations	(194)	-	n.m.
Foreign exchange loss	(97)	(200)	(51.5)
Professional fees*	(2,614)	(1,390)	88.1
Plant and equipment written off	-	(23)	n.m.
Intangible assets written off	-	(151)	n.m.
Rental	(665)	(349)	90.5
Share-based payment - equity settled	(1,214)	-	n.m.

**Note:**

n.m. - not meaningful

\* This included the non-recurring professional fees incurred pursuant to the business acquisitions and collaborations, the establishment of a multicurrency debt issuance programme and loan financing of the Group, which amounted to S\$1.41 million for FY2018.



**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	GROUP		COMPANY	
	31/12/18 S\$'000	31/12/17 S\$'000	31/12/18 S\$'000	31/12/17 S\$'000
<b>Non-current assets</b>				
Investments in subsidiaries	-	-	33,181	33,181
Investments in associates	13,230	15,052	-	-
Derivative financial instruments	3,788	5,907	-	-
Property, plant and equipment	6,625	2,597	23	6
Intangible assets	266	106	3	3
Goodwill on consolidation	22,296	11,002	-	-
Other investments	1,860	1,485	-	-
Amounts due from subsidiaries	-	-	23,783	-
	<u>48,065</u>	<u>36,149</u>	<u>56,990</u>	<u>33,190</u>
<b>Current assets</b>				
Cash and bank balances	8,005	27,740	3,509	23,294
Trade receivables	2,050	71	-	-
Prepayments	275	282	86	101
Other receivables	3,954	942	88	487
Amounts due from subsidiaries	-	-	15,307	15,420
Inventories	413	66	-	-
Other investment	-	3,543	-	-
	<u>14,697</u>	<u>32,644</u>	<u>18,990</u>	<u>39,302</u>
<b>Current liabilities</b>				
Borrowings	470	9	400	-
Trade payables	1,007	183	-	-
Other payables	7,072	5,540	360	1,185
Amounts due to subsidiaries	-	-	2,848	2,396
Deferred revenue	473	-	-	-
Income tax payable	196	-	15	-
	<u>9,218</u>	<u>5,732</u>	<u>3,623</u>	<u>3,581</u>
<b>Net current assets</b>	<u>5,479</u>	<u>26,912</u>	<u>15,367</u>	<u>35,721</u>
<b>Non-current liabilities</b>				
Borrowings	2,419	1,632	611	-
Deferred tax liabilities	1,821	1,786	-	-
Other payables	1,774	-	-	-
	<u>6,014</u>	<u>3,418</u>	<u>611</u>	<u>-</u>
<b>NET ASSETS</b>	<u>47,530</u>	<u>59,643</u>	<u>71,746</u>	<u>68,911</u>
<b>Equity attributable to owners of the Company</b>				
Share capital	77,670	73,897	77,670	73,897
Capital reserve	(2,179)	(2,179)	(6,716)	(6,716)
Share-based payment reserve	1,379	165	1,214	-
Fair value reserve	1,110	-	-	-
Currency translation reserve	(263)	(85)	-	-
(Accumulated losses)/retained earnings	(30,041)	(10,858)	(422)	1,730
<b>Equity attributable to owners of the Company</b>	<u>47,676</u>	<u>60,940</u>	<u>71,746</u>	<u>68,911</u>
Non-controlling interests	(146)	(1,297)	-	-
<b>TOTAL EQUITY</b>	<u>47,530</u>	<u>59,643</u>	<u>71,746</u>	<u>68,911</u>



**1(b)(ii) Aggregate amount of the group's borrowings and debt securities.**

**Amount repayable in one year or less, or on demand**

As at 31 December 2018		As at 31 December 2017	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
470	-	9	-

**Amount repayable after one year**

As at 31 December 2018		As at 31 December 2017	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
2,419	-	1,632	-

**Details of any collateral**

As at the balance sheet date:

- i) The Group's bank borrowings of (a) S\$1.60 million (31 December 2017: S\$1.64 million) is secured by the property at 37 Jalan Pemimpin, #04-13 Mapex, Singapore 577177 (the "**Mapex Property**") and (b) S\$1.01 million (31 December 2017: Nil) is secured by all the rights, interest in all material contracts and assets owned by the Company's subsidiaries.
- ii) The Group's finance lease liability of S\$0.28 million (31 December 2017: Nil) is secured by the Group's laboratory equipment.



1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP	
	FY2018 S\$'000	FY2017 S\$'000
<b>Operating activities</b>		
Loss before taxation	(18,727)	(10,906)
Adjustments for:		
Share issuance expense charged to profit or loss	-	1,463
Share-based payment - equity settled	1,214	-
Depreciation of property, plant and equipment	1,018	88
Amortisation of intangible assets	81	23
Intangible assets written off	-	151
Plant and equipment written off	-	23
Gain on disposal of plant and equipment	(40)	(3)
Interest income	(273)	(257)
Interest expense	329	250
Fair value adjustment of contingent consideration for business combinations	194	-
Fair value loss on derivative financial instruments	2,118	210
Fair value loss on associates	4,020	1,818
Fair value loss on other investments	1,444	301
Unrealised foreign exchange loss	152	144
<b>Operating cash flows before changes in working capital</b>	<b>(8,470)</b>	<b>(6,695)</b>
Increase in trade receivables	(912)	(44)
Decrease/(increase) in prepayments	4	(268)
Increase in other receivables	(144)	(791)
Increase in inventories	(157)	(50)
Increase/(decrease) in trade payables	449	(85)
(Decrease)/increase in other payables	(1,317)	1,159
<b>Cash flows used in operations</b>	<b>(10,547)</b>	<b>(6,774)</b>
Income tax paid	(43)	(3)
Interest paid	(53)	(2)
Interest received	110	13
<b>Net cash flows used in operating activities</b>	<b>(10,533)</b>	<b>(6,766)</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(1,676)	(2,560)
Increase in other receivables due to disposal of property, plant and equipment	-	(13)
Acquisition of intangible assets	-	(96)
Proceed from disposal of plant and equipment	69	-
Net cash (outflow)/inflow from acquisition of subsidiaries	(5,503)	10,731
Loan to a third party	(2,820)	-
<b>Net cash flows (used in)/generated from investing activities</b>	<b>(9,930)</b>	<b>8,062</b>



(Continued)

	GROUP	
	FY2018 S\$'000	FY2017 S\$'000
<b>Financing activities</b>		
Proceeds from loans and borrowings	1,103	1,641
Disposal of subsidiaries	-	(102)
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)
Repayment of loan and borrowings	(160)	(4)
Non-trade balances with a related party and subsequently waived	-	(1,451)
Increase in restricted deposits	(235)	-
<b>Net cash flows generated from financing activities</b>	<b>708</b>	<b>22,087</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(19,755)</b>	<b>23,383</b>
Cash and cash equivalents at beginning of the year	27,740	4,308
Effects of foreign exchange rate changes, net	(215)	49
<b>Cash and cash equivalents at end of the year</b>	<b>7,770</b>	<b>27,740</b>

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the end of the reporting period:

	FY2018 S\$'000	FY2017 S\$'000
Cash and bank balances	8,005	27,740
Less: Restricted deposits	(235)	-
Cash and cash equivalents	<b>7,770</b>	<b>27,740</b>



Clearbridge Health Limited  
 37 Jalan Pemimpin #08-05 Mapex Singapore 577177  
 TEL 65 6251 0136 FAX 65 6251 0132  
 clearbridgehealth.com

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

(In S\$'000)

<u>Group</u>	<u>Share capital</u>	<u>Capital reserve</u>	<u>Share-based payment reserve</u>	<u>Fair value reserve</u>	<u>Currency translation reserve</u>	<u>Accumulated losses</u>	<u>Equity attributable to owners of the Company</u>	<u>Non-controlling interests</u>	<u>Total equity</u>
Balance as at 1 January 2018	73,897	(2,179)	165	-	(85)	(10,858)	60,940	(1,297)	59,643
Adoption of SFRS(I) 9	-	-	-	735	-	(735)	-	-	-
Balance as at 1 January 2018 (restated)	73,897	(2,179)	165	735	(85)	(11,593)	60,940	(1,297)	59,643
<i>Total comprehensive income for the year</i>									
Loss for the year	-	-	-	-	-	(18,448)	(18,448)	(437)	(18,885)
Other comprehensive income for the year	-	-	-	375	(178)	-	197	(35)	162
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>375</b>	<b>(178)</b>	<b>(18,448)</b>	<b>(18,251)</b>	<b>(472)</b>	<b>(18,723)</b>
<i>Transactions with owners, recognised directly in equity</i>									
Grant of equity-settled shares to an employee	-	-	1,214	-	-	-	1,214	-	1,214
<i>Changes in ownership interests in subsidiaries</i>									
Issuance of shares for acquisition of subsidiaries	3,773	-	-	-	-	-	3,773	1,623	5,396
<b>Balance as at 31 December 2018</b>	<b>77,670</b>	<b>(2,179)</b>	<b>1,379</b>	<b>1,110</b>	<b>(263)</b>	<b>(30,041)</b>	<b>47,676</b>	<b>(146)</b>	<b>47,530</b>





Clearbridge Health Limited  
 37 Jalan Pemimpin #08-05 Mapex Singapore 577177  
 TEL 65 6251 0136 FAX 65 6251 0132  
 clearbridgehealth.com

(In S\$'000)

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



(In S\$'000)

<u>Company</u>	<u>Share capital</u>	<u>Capital reserve</u>	<u>Share-based payment reserve</u>	<u>Retained earnings/ (accumulated losses)</u>	<u>Total equity</u>
<b>Balance as at 1 January 2018</b>	73,897	(6,716)	-	1,730	68,911
Loss for the year, representing total comprehensive loss for the year	-	-	-	(2,152)	(2,152)
<i>Contributions by and distributions to owners</i>					
Grant of equity-settled shares to an employee	-	-	1,214	-	1,214
Issuance of shares for acquisition of subsidiaries	3,773	-	-	-	3,773
<b>Balance as at 31 December 2018</b>	<b>77,670</b>	<b>(6,716)</b>	<b>1,214</b>	<b>(422)</b>	<b>71,746</b>
<b>Balance as at 1 January 2017</b>	28,495	-	-	8,618	37,113
Profit for the year, representing total comprehensive income for the year	-	-	-	2,745	2,745
<i>Contributions by and distributions to owners</i>					
Dividend during the year	-	-	-	(9,633)	(9,633)
Disposal of investments	-	(3,934)	-	-	(3,934)
Disposal of subsidiaries	-	(17)	-	-	(17)
Waiver of loans to a related party	-	(1,961)	-	-	(1,961)
Waiver of loans to subsidiaries	-	(804)	-	-	(804)
Issuance of ordinary shares pursuant to Restructuring Exercise	21,936	-	-	-	21,936
Issuance of ordinary shares pursuant to the IPO	24,640	-	-	-	24,640
Share issuance expense	(1,174)	-	-	-	(1,174)
Total	45,402	(6,716)	-	(9,633)	29,053
<b>Balance as at 31 December 2017</b>	<b>73,897</b>	<b>(6,716)</b>	<b>-</b>	<b>1,730</b>	<b>68,911</b>



**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	Number of shares	Issued and paid- up share capital S\$
As at 1 October 2018 and 31 December 2018	489,310,702	77,669,318

There were no outstanding convertibles as at 31 December 2017 and 31 December 2018.

As at 31 December 2018 and 31 December 2017, there were no treasury shares held by the Company and no subsidiary holdings.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	31 December 2018	31 December 2017
Total number of issued ordinary shares excluding treasury shares	489,310,702	481,000,000

**1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable as there were no treasury shares.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable as there were no subsidiary holdings.

**2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors of the Company.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.



**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Save as disclosed in paragraph 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year ended 31 December 2018 (“FY2018”) as those applied in the audited financial statements for the financial year ended 31 December 2017 (“FY2017”).

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted the Singapore Financial Reporting Standards (International) (“SFRS(I)”) that are relevant to the Group on 1 January 2018. The adoption of SFRS(I) did not result in a restatement of the prior financial year’s financial statements or any material impact to the financial statements for the current financial year except for the Group’s equity interest in unquoted equity shares that has been assessed as equity instruments. The Group has measured the instruments at fair value through other comprehensive income.

**6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group	
	FY2018	FY2017
Loss attributable to owners of the Company (S\$'000)	(18,448)	(7,470)
Weighted average number of shares ('000)	487,125	320,381 <sup>(1)</sup>
Loss per share (cents)		
- Basic and diluted	(3.79)	(2.33) <sup>(1)</sup>

<sup>(1)</sup> The loss per share has been computed based on the loss attributable to the owners of the Company and the weighted average number of shares adjusted for the Share Split (as defined below).

As approved by shareholders of the Company in an extraordinary general meeting held on 20 November 2017, 446,680 shares in the capital of the Company were sub-divided into 393,000,000 shares (the “Share Split”). Accordingly, the number of outstanding shares has been adjusted for the Share Split as if the Share Split had occurred on 1 January 2017.



**7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares, excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	Group		Company	
	31/12/18	31/12/17	31/12/18	31/12/17
Net asset value (S\$'000)	47,676	60,940	71,746	68,911
Number of shares ('000)	489,311	481,000	489,311	481,000
Net asset value per share (cents)	9.74	12.67	14.66	14.33

**8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion on the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**REVIEW OF THE GROUP'S PERFORMANCE**

Revenue

The Group recorded a revenue of S\$6.14 million in FY2018, representing an increase of S\$5.85 million as compared to a revenue of S\$0.29 million in FY2017. This was mainly due to the following:

- S\$0.52 million (FY2017: S\$0.19 million) derived from the Group's provision of laboratory testing services;
- S\$0.57 million (FY2017: S\$0.10 million) derived from the Group's medical clinics/centres in Singapore and Hong Kong, which commenced operations in July 2017;
- S\$1.20 million from the Group's medical centres in the Philippines;
- S\$1.17 million from Medic Laser Pte. Ltd. ("**Medic Laser**") and Medic Surgical Pte. Ltd. ("**Medic Surgical**") which were acquired by the Group in April 2018; and
- S\$2.68 million from PT Tirta Medika Jaya ("**PT TMJ**") which was acquired by the Group in April 2018.

In comparison with the Group's revenue in Q3 FY2018 of S\$2.05 million, the Group's revenue in Q4 FY2018 increased by 9.8% or S\$0.20 million to S\$2.25 million, mainly due to growth in the medical clinics/centres business and expansion of the laboratory testing service of the Group.

Purchases

Purchases increased by S\$3.01 million from S\$0.24 million in FY2017 to S\$3.25 million in FY2018, in line with its increase in revenue.

Such purchases comprised mainly direct expenses incurred in processing specimens by in-house laboratory testing facilities or outsourced third party clinical laboratories, as well as consumables and medicines used by medical clinics/centres.



#### Employee benefits expense

Employee benefits expense increased by 111.9% or S\$3.92 million, from S\$3.50 million in FY2017 to S\$7.42 million in FY2018 mainly due to (a) an increase in the number of employees resulting from the Group's acquisition of Clearbridge Medical (Philippines), Inc. ("**Clearbridge Medical Philippines**", formerly known as Marzan Health Care Inc.), Medic Laser, Medic Surgical and PT TMJ in FY2018, and the acquisition of Clearbridge Medical Group Pte. Ltd. together with its subsidiaries and Sam Laboratory Pte. Ltd. ("**Sam Lab**") in late 2017, (b) share-based payment to an employee of the Group in FY2018 pursuant to the service agreement of S\$1.21 million, (c) an increase in number of employees and management personnel to support the expansion of the Group's business.

#### Depreciation expense

Depreciation expense increased by S\$0.93 million, from S\$0.09 million in FY2017 to S\$1.02 million in FY2018 mainly due to the depreciation expense recorded by the entities acquired by the Group subsequent to July 2017, namely, Sam Lab, Clearbridge Medical Philippines, Medic Laser, Medic Surgical and PT TMJ.

#### Other income

Other income increased by 83.8% or S\$0.29 million, from S\$0.35 million in FY2017 to S\$0.64 million in FY2018 mainly due to the increases in (a) interest income of S\$0.14 million from the Group's bank deposits and loan to a third party; (b) government grants of S\$0.10 million for human capital and brand development; and (c) royalty income of S\$0.17 million from the licensing of its patent for fourier Ptychographic microscope.

The increase was partially offset by a decrease of S\$0.12 million in interest income from the convertible loan extended to Biolidics Limited (formerly known as Clearbridge Biomedics Pte. Ltd.) ("**Biolidics**") (the "**Convertible Loan**") due to the conversion of the Convertible Loan into Biolidics ordinary shares in July 2018. Biolidics was listed on the Catalist Board of the SGX-ST on 19 December 2018.

#### Fair value loss on other investments

The Group's fair value loss on other investments increased by 379.7% or S\$1.14 million, from S\$0.30 million in FY2017 to S\$1.44 million in FY2018, mainly due to the decrease in fair value of the Convertible Loan which was arrived at based on the indicative valuation for its fundraising exercise completed in July 2018. The Group has converted the Convertible Loan into Biolidics ordinary shares upon completion of the fundraising exercise.

The fair value loss on other investments of S\$0.30 million in FY2017 was due to the valuation loss of investment in Invitrocue Ltd (an entity listed on the Australian Securities Exchange) which was subsequently disposed of in March 2017 pursuant to the restructuring exercise undertaken in connection with the initial public offering of the Company (the "**IPO**") (the "**Restructuring Exercise**").

#### Fair value loss on associates

The fair value loss on associates increased by 121.1% or S\$2.20 million, from S\$1.82 million in FY2017 to S\$4.02 million in FY2018 due to the changes in fair value of the Group's interest in Biolidics. The Group recorded a fair value loss of S\$5.37 million for the first 9 months of FY2018 due to changes in the fair value of Biolidics which was arrived at based on indicative valuation from its fundraising exercise completed in July 2018. The decrease was subsequently offset with a S\$1.35 million increase in the fair value of Biolidics in Q4 FY2018 after it was listed on the Catalist Board of the SGX-ST on 19 December 2018.



#### Fair value loss on derivative financial instruments

Fair value loss on derivative financial instruments was mainly attributable to changes in the fair value of the call options granted by SPRING SEEDS Capital Pte. Ltd. ("**Spring Seeds Capital**") to the Group in respect of Spring Seeds Capital's interests in Biolidics (the "**Biolidics Call Option**") and Singapore Institute of Advanced Medicine Holdings Pte. Ltd. ("**SIAMH**") (the "**SIAMH Call Option**").

The Group's fair value loss on derivative financial instruments increased by 908.6% or S\$1.91 million, from S\$0.21 million in FY2017 to S\$2.12 million in FY2018 due to a decrease in the fair value of the Biolidics Call Option by S\$2.41 million. This decrease was offset by an increase in fair value of S\$0.29 million in respect of the SIAMH Call Option.

The fair value of the Biolidics Call Option and the SIAMH Call Option was arrived at based on an option pricing model which took into account, among others, the fair value of Biolidics and SIAMH as well as volatilities in the valuation of comparable companies.

#### Other operating expenses

Other operating expenses increased by 18.2% or S\$0.89 million, from S\$4.91 million in FY2017 to S\$5.80 million in FY2018.

This was mainly due to an increase in legal and professional fees of S\$1.22 million incurred pursuant to business acquisitions and collaborations, the establishment of a multicurrency debt issuance programme and loan financing of the Group, as well as an increase of S\$0.87 million in other expenses incurred in connection with the expansion of the Group's business such as travelling and other administrative expenses.

The increase was also due to the increase in rental expenses of S\$0.32 million resulting from the Group's acquisition of Sam Lab, Clearbridge Medical Philippines, Medic Surgical and PT TMJ, and fair value adjustment on contingent consideration payable of S\$0.19 million in respect of the Group's acquisition of Clearbridge Medical Philippines, Medic Laser and Medic Surgical.

The increase in other operating expenses was partially offset by a decrease in the IPO-related expenses of S\$1.71 million incurred by the Group in FY2017.

To provide better clarity to the readers, the Group has identified the following other operating expenses incurred in FY2018 as non-recurring expenses:

- i) professional fees and other miscellaneous expenses of S\$1.41 million incurred by the Group pursuant to its business acquisitions and collaborations in FY2018, the establishment of a multicurrency debt issuance programme and loan financing of the Group; and
- ii) consultancy fees and other administrative expenses of S\$0.85 million incurred by the Group for research and development activities which were streamlined.

#### Finance costs

The Group's finance costs comprise mainly interest accrued on the call options granted by Spring Seeds Capital to the Group in respect of Spring Seeds Capital's investments in Clearbridge Biophotonics Pte. Ltd. and interest accrued on bank borrowings and finance lease.

Finance costs increased by 31.6% or S\$0.08 million, from S\$0.25 million in FY2017 to S\$0.33 million in FY2018 due to interest expense incurred on the Group's bank borrowings for the purpose of financing the acquisition of the Singapore subsidiaries and the Mapex Property, and the finance lease for assets used in the provision of laboratory services.



#### Income tax (expense)/credit

The Group incurred income tax expense of S\$0.16 million in FY2018 as compared to an income tax credit of S\$2.98 million in FY2017. The income tax credit recognised in FY2017 arose from the reversal of deferred tax expense in relation to fair value loss on other investments, associates and derivative financial instruments recognised by the Group.

#### Loss for the year

As a result of the foregoing, the Group recorded a loss of S\$18.89 million in FY2018 as compared to a loss of S\$7.93 million in FY2017.

Excluding the abovementioned non-recurring expenses identified in other operating expenses, fair value changes in other investments, associates and derivative financial instruments, the loss before taxation recorded by the Group would have been S\$8.89 million for FY2018.

### **REVIEW OF THE GROUP'S FINANCIAL POSITION**

#### Non-current assets

The Group's non-current assets increased by 33.0% or S\$11.92 million, from S\$36.15 million as at 31 December 2017 to S\$48.07 million as at 31 December 2018. This was mainly due to an increase in goodwill on consolidation of S\$11.29 million, an increase in property, plant and equipment of S\$4.03 million which arose from the acquisition of Clearbridge Medical Philippines in January 2018, as well as Medic Laser, Medic Surgical and PT TMJ in April 2018, and an increase in other investments of S\$0.38 million resulting from a fair value gain on equity investment in SIAMH recorded in other comprehensive income in FY2018.

The increase was partially offset by a decrease in investments in associates and derivative financial instruments of S\$3.94 million, which was mainly due to the fair value loss recorded in FY2018.

Following the completion of the initial public offering of Biolidics on 19 December 2018, the Group's shareholding interest (direct and indirect) in Biolidics decreased from 40.01% to 35.47%. This comprised of a direct interest of 24.80% which is recognised as investments in associates and indirect interest of 10.67% via the Biolidics Call Option which is recognised as derivative financial instruments. As at 31 December 2018, the investments in associates and derivative financial instruments in respect of Biolidics amounted to S\$13.23 million and S\$2.93 million, respectively.

#### Current assets

The Group's current assets decreased by 55.0% or S\$17.94 million, from S\$32.64 million as at 31 December 2017 to S\$14.70 million as at 31 December 2018.

This was mainly due to a decrease in cash and bank balances of S\$19.74 million arising from the payment of S\$6.25 million as consideration for the acquisition of Clearbridge Medical Philippines, Medic Laser, Medic Surgical and PT TMJ, S\$1.68 million for the purchase of property, plant and equipment, S\$2.82 million for a loan extended to an external third party, PT Indo Genesis Medika ("**Indo Genesis**") and cash flows used in operations for the payment of employee benefits expense and other working capital purposes, and a decrease in other investment of S\$3.54 million due to the conversion of the Convertible Loan into Biolidics ordinary shares and its subsequent reclassification as non-current assets.

The decrease was partially offset by an increase in trade receivables of S\$1.98 million, an increase in inventories of S\$0.35 million arising from the acquisition of Clearbridge Medical Philippines, Medic Laser, Medic Surgical and PT TMJ and an increase in other receivables of S\$3.01 million mainly from the loan extended to Indo Genesis.





Clearbridge Health Limited  
37 Jalan Pemimpin #08-05 Mapex Singapore 577177  
TEL 65 6251 0136 FAX 65 6251 0132  
clearbridgehealth.com

#### Current liabilities

The Group's current liabilities increased by 60.9% or S\$3.49 million, from S\$5.73 million as at 31 December 2017 to S\$9.22 million as at 31 December 2018.

This was mainly due to an increase in trade payables of S\$0.82 million, an increase in other payables of S\$1.53 million for the current portion of contingent consideration payable for the acquisition of Clearbridge Medical Philippines, Medic Laser, Medic Surgical and PT TMJ, an increase in deferred revenue of S\$0.47 million arising from the acquisition of Clearbridge Medical Philippines, Medic Laser, Medic Surgical and PT TMJ, and an increase in borrowings of S\$0.46 million.

#### Non-current liabilities

The Group's non-current liabilities increased by 75.7% or S\$2.59 million, from S\$3.42 million as at 31 December 2017 to S\$6.01 million as at 31 December 2018.

This was mainly due to an increase in other payables of S\$1.77 million for the non-current portion of contingent consideration payable for the acquisition of Clearbridge Medical Philippines, Medic Laser, Medic Surgical and PT TMJ, and an increase in borrowings of S\$0.79 million.

### **REVIEW OF THE GROUP'S CASH FLOW STATEMENT**

Cash outflow before changes in working capital amounted to S\$8.47 million for FY2018. Net cash used in working capital amounted to S\$2.08 million mainly due to an increase in inventories of S\$0.16 million, an increase in trade and other receivables of S\$1.06 million, a decrease in other payables of S\$1.32 million, and was partially offset by a decrease in prepayments of S\$0.01 million and an increase in trade payables of S\$0.45 million. As a result, net cash used in operating activities amounted to S\$10.53 million for FY2018.

Net cash used in investing activities for FY2018 amounted to S\$9.93 million. This was mainly due to the net consideration paid for the acquisition of Clearbridge Medical Philippines, Medic Laser, Medic Surgical and PT TMJ of S\$5.50 million, the S\$2.82 million loan extended to Indo Genesis and the S\$1.68 million capital expenditure incurred for the expansion of medical clinics/centres in the Philippines and laboratory services in Indonesia.

Net cash generated from financing activities for FY2018 amounted to S\$0.71 million which was attributable to bank borrowings amounting to S\$1.10 million secured by the Group. This increase was partially offset by the repayment of a bank loan of S\$0.16 million and placement of S\$0.24 million restricted deposits for the Group's bank loan.

As a result, after adjusting for the effects of foreign exchange rate changes, there was a net decrease in cash and cash equivalents of S\$19.97 million, from S\$27.74 million as at 31 December 2017 to S\$7.77 million as at 31 December 2018.

#### **9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

**10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group believes that the outlook of the laboratory testing services and the medical clinics/centres business is expected to remain positive as population growth, coupled with an increase in life expectancy, is likely to lead to an ageing population which will drive demand for more and better healthcare services. These are focus areas for precision medicine and are likely to lead to an increase in demand for laboratory testing services as well as the Group's business in the ownership and operation of medical clinics/centres.

In the Philippines, the Group's financial performance has improved significantly since the acquisition of the integrated ambulatory Medical Center in Quezon City. Following its strategic rebranding from Marzan Health Care Diagnostic Centre to Clearbridge Medical Centre, the facility is on track to implement concrete plans to start its multi-speciality outpatient clinics, dentistry diagnostics and medical laboratory tests and large scale corporate employee medical checks packages. Besides the established aesthetics clinic in the Philippines, the Group has also identified two other clinic locations in Metropolitan Manila, Valenzuela City and Cebu, Lapulapu City which are undergoing preliminary works and renovation. The improved facilities will enable the Group to offer a wider and more comprehensive range of diagnostic services, be in a better position for accreditation by the Department of Health as an approved Overseas Foreign Workers screening facility and accreditation with other major Health Management Organisations for private corporate clients. Through our 3 branches in the Philippines, Clearbridge Medical Philippines has also established partnerships with the Department of Social Welfare and Development (DSWD) and together with "Clearbridge Pharmacies", the entity is poised to serve over 2,000 state-sponsored Filipinos from different government hospitals and agencies. It is also currently serving 21 hospitals through a national healthcare programme such as the "Lingap sa Masa".

In Indonesia, the Group's subsidiary PT TMJ has contracts in place to offer renal care services in 34 hospitals in Indonesia as compared to 15 hospitals when the Group acquired it in April 2018. Of the 626 renal dialysis devices contracted to be installed over the duration of the agreements, only 267 have been installed and are operating to-date. In other words, only 42.7% of the contracts for the contracted 626 renal devices are currently contributing revenues while the rest of the 57.3% (359 devices) have yet to be operational. PT TMJ expects the full installation of these devices in 2019. In addition, PT TMJ expects new acquisition of contracts across Indonesia in 2019. There is also strong emphasis on medical subsidy coverage (BPJS) from the Indonesian Government and this we believe will benefit healthcare service providers.

Elsewhere in the region, the Group's two clinics in Singapore and one in Hong Kong, have been delivering satisfactory growth. Plans are also underway to expand its presence and product offerings in Singapore and Hong Kong. In Hong Kong, the clinic has tie-ups with insurance companies such as Prudential and Tai Ping. The Group has also recently started operations in Malaysia with the opening of a paediatric cum family clinic in Kuala Lumpur (primarily catering to the mother and child segment). While awaiting the final issuance of the MOH license, the clinic has attained partnerships with 12 GP clinics in the Klang Valley with an additional 6 branches shortlisted to be outlets contracted to provide our Hereditary Cancer Gene Test and Rightmed.

The Group's laboratory testing services arm Sam Lab continues to pursue collaborations with third-parties, which supports its asset-light strategy while tapping into the latest advancements in precision medicine. Consistent with the announcements the Group made on 23 August 2018 and 13 November 2018, the investment in Indo Genesis will be deemed as having direct vertical synergies with Sam Lab, a CAP accredited facility in Singapore.



In January 2019, the Company announced plans to raise S\$11.00 million through the issuance of convertible bonds due in 2022 to corporate and private investors to finance its acquisitions and business opportunities.

The Group intends to use its newly fortified war chest to complete its proposed investment in Indo Genesis. The remaining funds raised from the convertible bonds issue will be deployed for suitable mergers and acquisitions, joint ventures, strategic collaborations and/or investments as well as general working capital purposes.

The Group will continue to explore suitable opportunities to expand its business regionally through investments, mergers and acquisitions, joint ventures and/or strategic collaborations.

The Group will also continue to enhance its internal capabilities and processes to achieve greater efficiencies and returns.

## 11 Dividend

### (a) Whether an interim (final) ordinary dividend has been declared (recommended)

Nil

### (b) (i) Amount per share

Nil

### (i) Previous corresponding period

#### 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, resulting from the disposal of its investment in Treebox Solutions Pte. Ltd. to Inbridge Ventures Pte. Ltd.. The dividend was satisfied via the assignment of the consideration receivable by the Company from Inbridge Ventures Pte. Ltd. for the abovementioned disposal, to the then shareholders of the Company. Please refer to the Company's offer document dated 11 December 2017 for further details.

### (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

### (d) Date payable

Not applicable.

### (e) Books closure date

Not applicable.

## 12 If no dividend has been declared (recommended), a statement to that effect.

No dividend was declared by the Company for the current financial year reported on as the Company is not profitable yet.



**13 If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have a general mandate for interested person transactions. There were no interested person transactions of S\$100,000 or more in FY2018.

**14 Negative confirmation by the Board pursuant to Rule 705(5)**

Not required for full year announcement.

**15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).**

The Company has procured the undertaking from all of its directors and executive officers as required under Rule 720(1) of the Listing Manual Section B: Rules of Catalist.

**16 Use of IPO proceeds**

Pursuant to the IPO, the Company received net proceeds of approximately S\$22.00 million (the “**Net Proceeds**”). As at the date of this announcement, the Net Proceeds have been utilised as follows:

	<b>Amount allocated (as disclosed in the offer document) (S\$'000)</b>	<b>Amount utilised as at the date of this announcement (S\$'000)</b>	<b>Balance (S\$'000)</b>
Expansion of medical clinics/centres business organically or through, <i>inter alia</i> , investments, mergers and acquisitions, joint ventures and/or strategic collaborations	11,000	(4,317)	6,683
Expansion of laboratory testing services business organically or through, <i>inter alia</i> , investments, mergers and acquisitions, joint ventures and/or strategic collaborations	3,000	(3,000)	-
Working capital and general corporate purposes <sup>(1)</sup>	8,000	(8,000)	-
<b>Total</b>	<b>22,000</b>	<b>(15,317)</b>	<b>6,683</b>

**Note:**

(1) Comprises operating expenses.



**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**17 Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

With the acquisition of PT TMJ completed in FY2018, the management has assessed the segment presentation of financial information and considered the products and services offered by the laboratory segment and PT TMJ to be exhibiting similar economic characteristics. As a result, it will be more meaningful from a management and forecasting perspective to consider the laboratory segment and PT TMJ as a single segment. Hence, the management has renamed the operating segment from laboratory testing services to healthcare system.

(S\$'000)	Strategic investments		Healthcare system		Medical clinics/centres		Corporate		Elimination		Group	
	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017	FY2018	FY2017
<b>Segment revenue</b>												
External customers	-	-	3,204	194	2,931	94	-	-	-	-	6,135	288
Inter-segment revenue	-	-	83	-	161	2	-	-	(244)	(2)	-	-
Total revenue	-	-	3,287	194	3,092	96	-	-	(244)	(2)	6,135	288
<b>Results:</b>												
Interest income	123	240	72	4	20	13	58	-	-	-	273	257
Depreciation expense	(1)	-	(211)	(10)	(798)	(65)	(8)	(13)	-	-	(1,018)	(88)
Amortisation expense	-	-	(54)	(23)	(27)	-	-	-	-	-	(81)	(23)
Other income	172	-	18	24	71	8	102	57	-	-	363	89
Fair value adjustment of contingent consideration for business combinations	-	-	-	-	(194)	-	-	-	-	-	(194)	-
Fair value loss on other investments	(1,444)	(301)	-	-	-	-	-	-	-	-	(1,444)	(301)
Fair value loss on associates	(4,020)	(1,818)	-	-	-	-	-	-	-	-	(4,020)	(1,818)
Fair value loss on derivative financial instruments	(2,118)	(210)	-	-	-	-	-	-	-	-	(2,118)	(210)
Intangible assets written off	-	-	-	(151)	-	-	-	-	-	-	-	(151)
Segment loss	(8,688)	(696)	(787)	(3,307)	(5,995)	(2,702)	(3,415)	(1,220)	-	-	(18,885)	(7,925)
<b>Assets:</b>												
Investments in associates	13,230	15,052	-	-	-	-	-	-	-	-	13,230	15,052
Other investments	1,860	5,028	-	-	-	-	-	-	-	-	1,860	5,028
Derivative financial instruments	3,788	5,907	-	-	-	-	-	-	-	-	3,788	5,907
Addition of non-current assets	10	-	702	2,271	940	284	24	5	-	-	1,676	2,560
Segment assets	18,995	25,987	11,113	2,815	26,944	5,095	5,710	34,896	-	-	62,762	68,793
Segment liabilities	(5,994)	(1,796)	(891)	(2,290)	(6,948)	(315)	(1,399)	(4,749)	-	-	(15,232)	(9,150)



**18 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to paragraph 8.

**19 A breakdown of sales.**

	<u>Group</u>		Increase/ (Decrease)
	FY2018 S\$'000	FY2017 S\$'000	%
Sales reported for first half year	1,833	5	36,560.0
Operating loss after tax before deducting minority interest reported for first half of the year	(13,968)	(25)	55,772.0
Sales reported for second half year	4,302	283	1,420.1
Operating loss after tax before deducting minority interests reported for second half of the year	(4,917)	(7,900)	(37.8)

**20 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	FY2018 S\$'000	FY2017 S\$'000
Ordinary	-	9,633
Preference	-	-
<b>Total</b>	<u>-</u>	<u>9,633</u>

FY2017 dividends were declared prior to the IPO, in connection with the Restructuring Exercise. Please refer to paragraph 11 of this announcement and the section entitled "Restructuring Exercise" of the Offer Document dated 11 December 2017 for further information.

**21 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

There are no such persons occupying a managerial position in the Group who is a relative of a director, chief executive officer or substantial shareholder of the Group.

**ON BEHALF OF THE BOARD**

Yee Pinh Jeremy  
 Executive Director and Chief Executive Officer

Chen Johnson  
 Non-Executive Non-Independent Chairman

1 March 2019