

# REDEFINING HEALTHCARE IN ASIA WITH PRECISION

EMPOWERING PATIENT  
CARE WITH CLARITY





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# Building the First Broad Based Precision Medicine Platform in Asia

## OUR APPROACH

- Data-driven clinical initiatives
- Collaborations with technologies providers relevant to Asia
- Direct access to consumers via owned primary healthcare and specialists providers

### Medical clinics/centres

- **Existing business**
  - Patient centric medical group focused on healthcare needs in Asia
  - Distribution of medical, lifestyle and wellness products including COVID-19 antibody test kits through in-house clinics/centres and third party channels
  - Medical clinics in Singapore and Hong Kong
  - Medical centre and clinic in the Philippines
  - Dental clinics in Singapore
- **Expansion plans**
  - Build a network of medical clinics/centers throughout the ASEAN region
  - Maximise revenue synergies within networks

### Healthcare systems

- **Existing business**
  - Pathology laboratories in the Philippines
  - 29 renal care centres in Indonesia (7 of which are currently under renovation or awaiting permits and certifications)
  - 18 clinical laboratories and other patient care facilities in Indonesia
- **Expansion plans**
  - Continued deepen presence across more than 2,500 hospitals in Indonesia
  - Penetrate fast-growing and dense population markets e.g. Indonesia, Philippines, etc.

### Strategic equity investments in medical technology companies

- **Existing key investments**
  - Biolidics Limited (Biolidics), an associate which owns one of the world's first fully automated circulating tumor cell enrichment technology and has a dedicated infectious diseases division to develop certified test kits, including test kits for COVID-19.
  - Clearbridge Biophotonics (CBBP), a subsidiary in computational microscopy
  - Singapore Institute of Advance Medicine Holdings (SIAMH), building the first proton therapy centre in Singapore
- **Value realisation**
  - Biolidics listed on Catalist in December 2018
  - Pursue opportunity for CBBP with major international life science tools corporations

# Our Value Creation Process

## Unlocking Value

- Capitalising valuation multiple differential between public and private market comparables
- Healthcare EV/EBITDA: 6.8x – 46.7x
- P/ EBITDA of key potential targets range from 3x – 12x

## Synergies Realisation

- Maximising revenue growth by achieving economies of scope (products to meet healthcare demands) and economies of scale (expansion of distribution points)
- Realising revenue synergies opportunities between pillars e.g. primary/secondary healthcare services and pathology laboratories

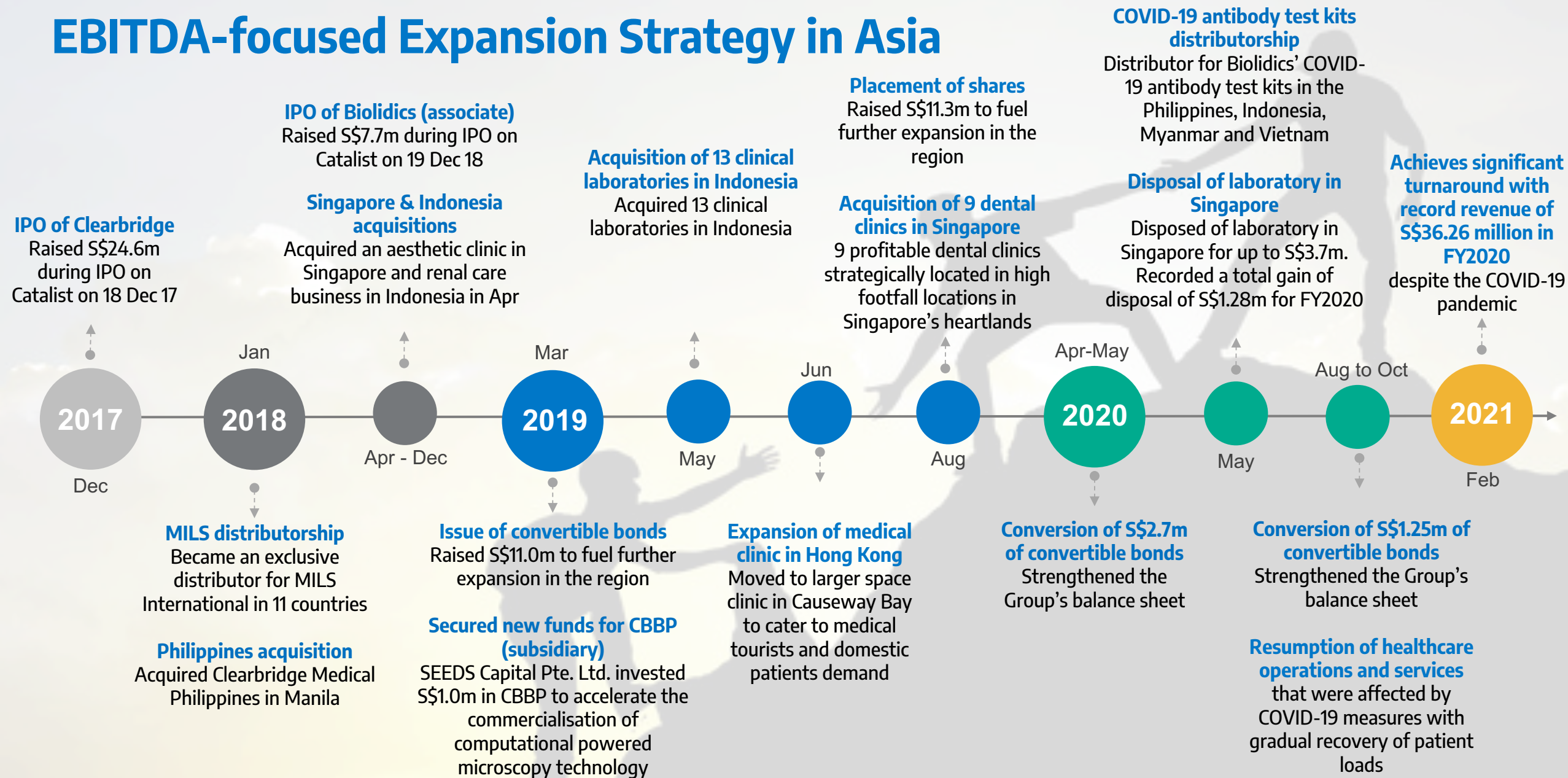
## Leverage Growth

- Reducing cost of capital by optimizing capital structure
- EBITDA strengthens CBH's leverage capacity
- Continue pursuing multiple business opportunities to unlock value for shareholders
- Deleveraging with operating cash flows from business targets

## Value Realisation

- Building a detachable healthcare group with value realisation opportunities
- Potential opportunities as follows:
  - Biolidics, first listed cancer IVD player with core platform IP and infectious disease unit (IPO in Dec 2018)
  - First listed multi-segmented specialist regional medical group player

# EBITDA-focused Expansion Strategy in Asia

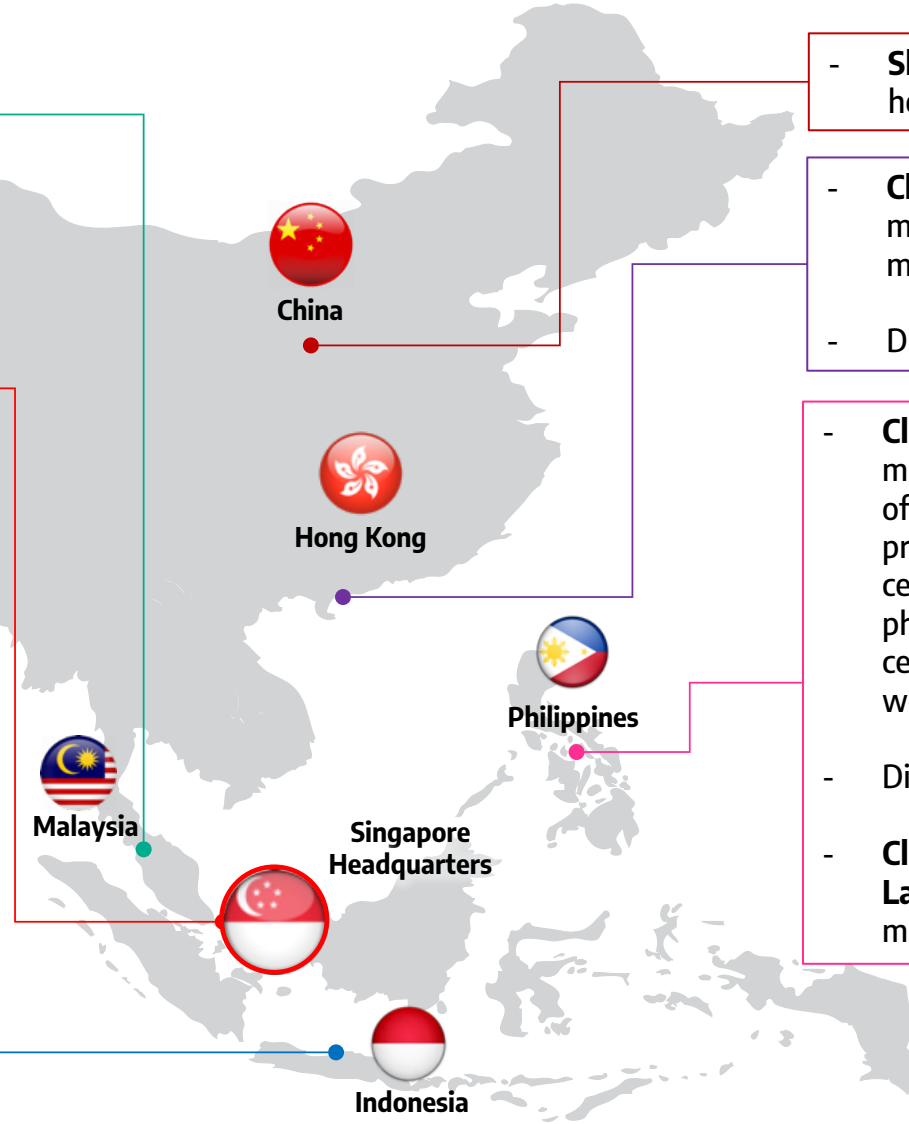


# Growing Pan-Asian Healthcare Network

- **Clearbridge Medica Sdn Bhd**, distribution network for diagnostic services

- **Medic Surgical and Laser Clinic** located at outskirts of central business district (CBD), delivering affordable and quality healthcare services to professionals working in CBD
- **Dental Focus Group**, a group of 10 dental clinics operated under a common brand located at high footfall locations in Singapore's heartlands. New clinic in Kallang opened in January 2021

- **PT Indo Genesis Medika (IGM Labs)**, one of the largest clinical laboratories in Indonesia, co-operate 18 clinical laboratories and other patient care facilities in hospitals
- **PT Tirta Medika Jaya (TMJ)** - co-operate renal dialysis facilities with 29 hospitals (7 of which are currently under renovation or awaiting permits & certifications)
- Services offered by IGM Labs and TMJ are reimbursed by Indonesia health coverage program
- Distribution network for diagnostic services



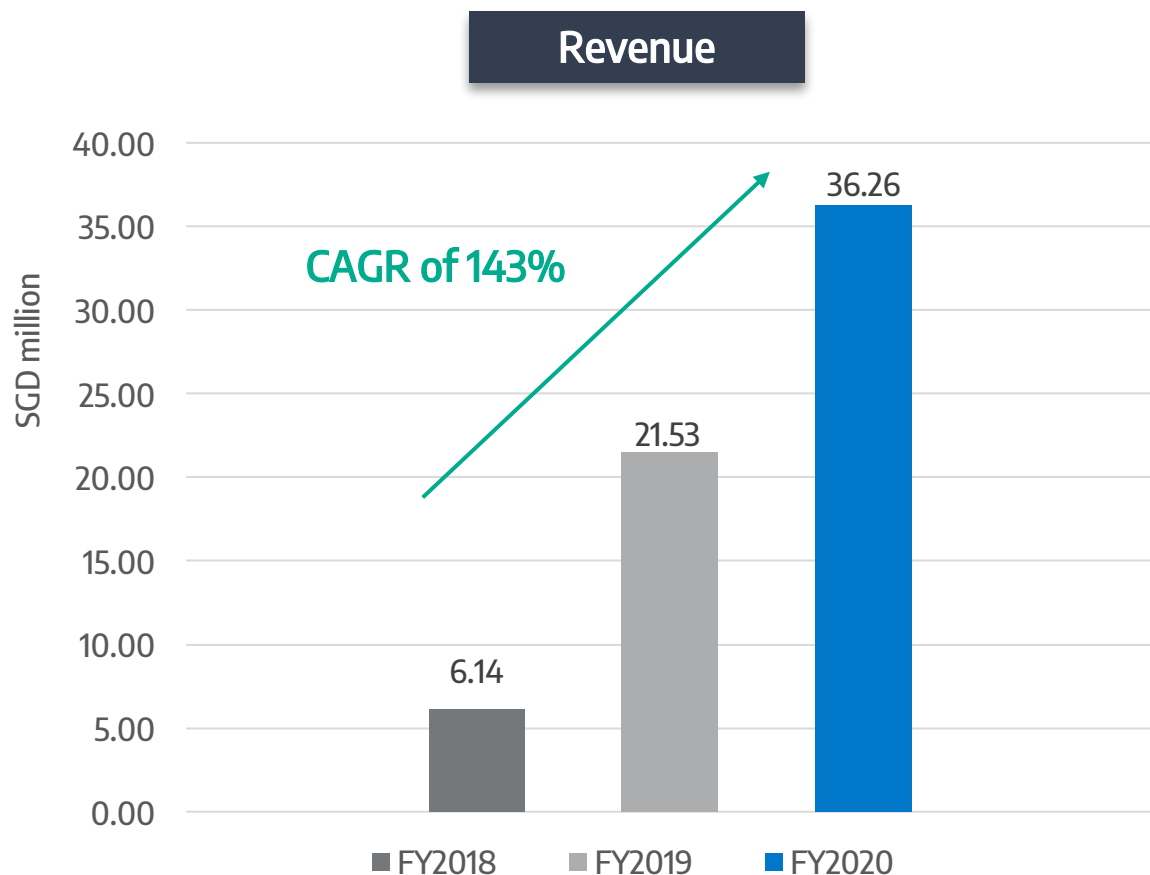
- **Shanghai Kaizhun**, provision of overseas healthcare expertise and services

- **Clearbridge Medical Group (Hong Kong)**, a medical clinic in Causeway Bay caters to medical tourists and domestic patients
- Distribution network for diagnostic services

- **Clearbridge Medical Philippines**, a 4-storey multi-specialty medical center in Manila, offering wide range of services including primary healthcare, dentistry, renal dialysis center, health screening, vaccination and pharmacy. Re-position to COVID-19 testing centre for general screening and return to work program in Manila
- Distribution network of diagnostic services
- **ClearSkin Advanced Dermatology and Laser Center**, a derma clinic chain catering to middle-class in Manila

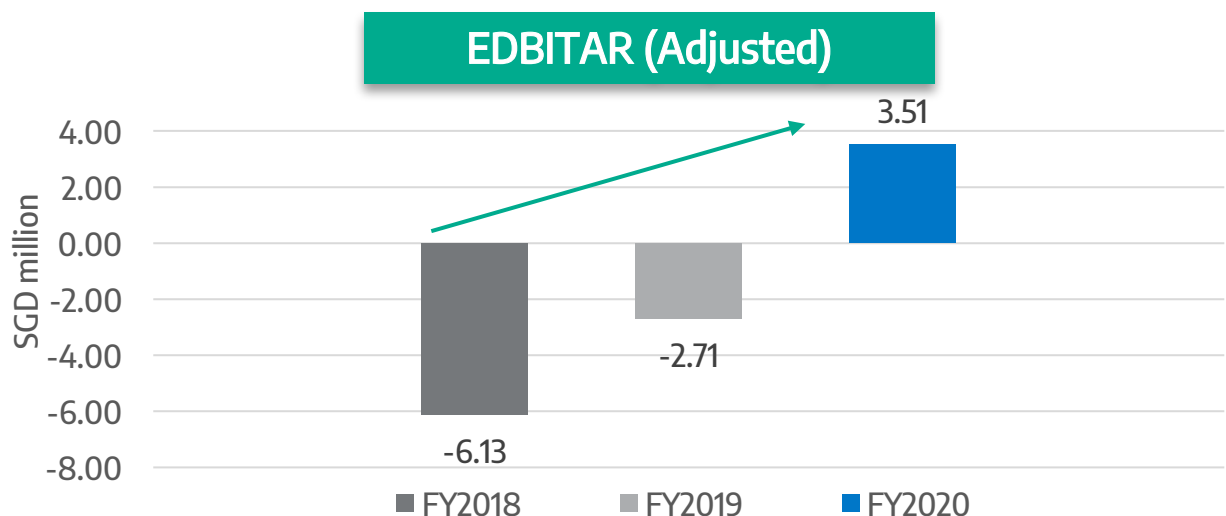
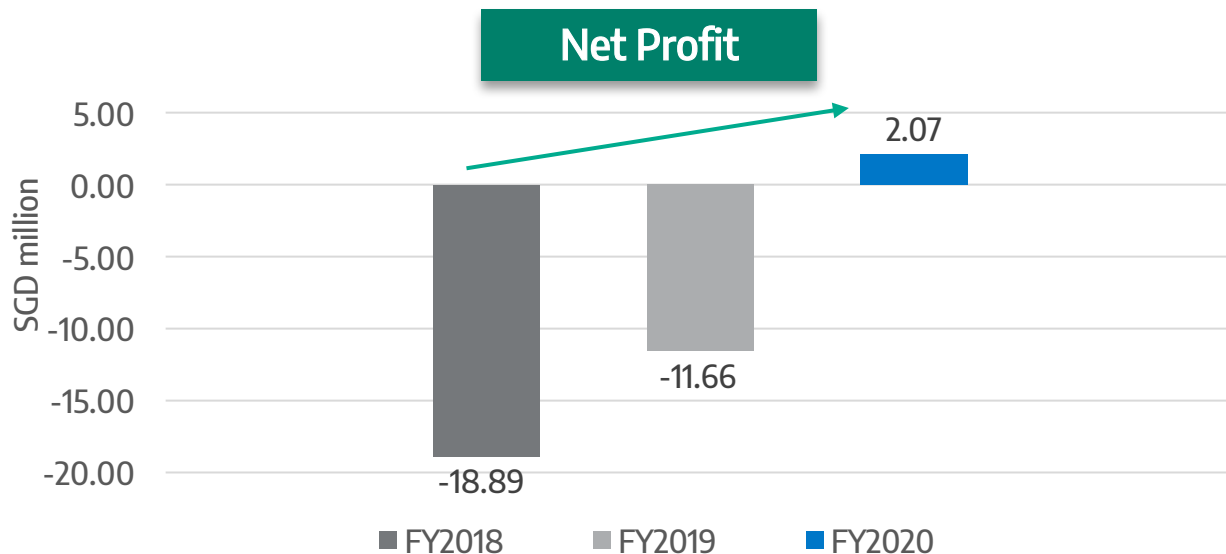


# Significant Turnaround with Record Revenue Achieved in FY2020



- As the COVID-19 pandemic unfolded in FY2020, the Group responded with business agility and strong execution capabilities to harness the medical and healthcare opportunities in the region with its regional healthcare networks and distribution platform.
- Revenue from the Group's medical centres and clinics business unit recorded an increase of S\$13.31 million, to S\$19.28 million in FY2020 as compared to S\$5.97 million in FY2019.
- The strong growth from the Group's medical centres and clinics business unit was mainly attributed to contributions by:
  - The nine dental clinics, operating under the "Dental Focus" brand name, that was acquired in late August 2019
  - The sale of medical supplies (i.e. face masks and personal protective items) at its medical clinics/centres operations in Hong Kong and the Philippines
  - Provision of COVID-19 testing related services in the Philippines
  - Distribution of the COVID-19 Antibody Test Kits
- In addition, revenue from the Group's healthcare systems, comprising the provision of laboratory services and renal care services, increased by S\$1.42 million to S\$16.98 million in FY2020, from S\$15.56 million in FY2019, which was mainly due to the full year revenue contribution from IGM Labs of S\$12.11 million in FY2020, as compared to the revenue contribution of S\$10.31 million in FY2019 when it was acquired in May 2019.

# Post Net Profit of S\$2.07 Mil with Positive EBITDAR (Adjusted) of S\$3.51 Mil in FY2020



## Key Highlights of Net Profit:

- With the increased revenue in FY2020, the Group's purchases rose 56.1% or S\$8.07 million, to S\$22.44 million as compared to S\$14.37 million in FY2019
- Employee benefits expense decreased by 4.9% or S\$0.42 million, from S\$8.37 million in FY2019 to S\$7.95 million
- Incurred higher other operating expenses of S\$6.56 million in FY2020, of which non-recurring expenses amounted to S\$1.25 million, as compared to S\$5.26 million in FY2019
- Finance costs increased by S\$0.39 million to S\$2.33 million, mainly due to the increase in interest charged on the convertible bonds issued by CBBP and interest expense incurred on the bank loans taken up by the Group for its acquisitions and working capital purpose
- Overall, the Group marked a significant turnaround with a net profit of S\$2.07 million in FY2020

## EDBITAR (Adjusted) Excludes:

- Fair value losses/gains on associates and derivative financial instruments
- Reversal of provision on doubtful debts
- Gain on disposal of subsidiary
- Fair value adjustments on contingent consideration
- Non-recurring employee benefit expense and other operating expenses
- Share-based payment to employees
- Share option expenses to employees as well as foreign exchange loss/ gain



# Positive Operating Cashflow with Net Debt/Equity Ratio Improving Significantly

Operating Cashflow (S\$'000)	FY2020	FY2019
Profit/(Loss) before taxation	2,115	(11,680)
Cash flows generated/(used in) from operations	3,367	(7,904)
Net cash flows generated from /(used in) operation activities	1,855*	(8,635)

\*After the payment of interest of S\$1.38 million and income tax of S\$0.27 million

Balance Sheet Highlights	31 December 2020	31 December 2019	Change %
Current borrowings	5,660	4,797	18.0
Non-current borrowings	12,979	16,850	(23.0)
<b>Total borrowings</b>	<b>18,639</b>	<b>21,647</b>	<b>(13.9)</b>
Cash at banks and short-term deposits	14,029	13,560	3.5
<b>Net debt</b>	<b>4,610</b>	<b>8,087</b>	<b>(43.0)</b>
<b>Total equity</b>	<b>61,330</b>	<b>50,813</b>	<b>20.7</b>
<b>Net debt/equity</b>	<b>0.075</b>	<b>0.159</b>	

## Net Debt/Equity Ratio stood at 0.075 as at 31 December 2020

- Net Debt/Equity Ratio improved significantly due to positive cash flows generated from operating activities as well as conversion of convertible bonds with aggregate principal amount of S\$3.95 million during FY2020
- As at 31 December 2020, the Group's balance sheet further strengthened with net assets increasing to S\$61.33 million and cash at banks and short-term deposits of S\$14.03 million.

# FY2020 Business Update

## 1. Distributorship for COVID-19 Antibody Test Kits

- The Group has successfully secured a distributorship for COVID-19 antibody test kits in the Philippines, Indonesia, Myanmar and Vietnam.
- The distribution for COVID-19 Antibody Test Kits has contributed positively to the revenue of the Group in FY2020.

## 2. Completion of Disposal of Biomedics

- The Group has completed the disposal of Biomedics Laboratory Pte. Ltd. for cash consideration of up to S\$3.7 million. A gain on disposal of S\$1.28 million was recorded in FY2020.

## 3. Stronger Balance Sheet - Conversion of S\$3.95 million of Convertible Bonds & Access to S\$4.0 million Temporary Bridging Loan Facilities

- An aggregate principal amount of S\$3.95 million of convertible bonds was converted in FY2020. The conversion reduced cash coupon payment of S\$0.28 million per annum.
- The Group has successfully secured S\$4.0 million of Temporary Bridging Loan facilities in FY2020.

## 4. Extension on Call Options

- As disclosed in the Company's offer document dated 11 December 2017, the Group has an option to purchase the interests held by SPRING Seeds Capital Pte. Ltd. ("SEEDS") in Biolidics (the "Biolidics Call Option"). The Company wishes to inform that SEEDS has agreed to a further extension for the expiry of the Biolidics Call Option for another 6 months to 28 May 2021.

# FY2020 Business Update (Continued)

## 5. Reduction of Contingent Consideration for Acquisition of IGM Labs & Redemption of Redeemable Exchangeable Bond (“REB”)

- On 30 September 2020, the Company’s wholly-owned subsidiary, SAM Laboratory Pte. Ltd. (“SAM”) and PT Kreasi Putra Nusantara (“KPN”) have entered into the second supplemental deed to the SPA in relation to the acquisition of IGM Labs, pursuant to which the parties agreed to reduce the final tranche of the consideration from IDR11.9 billion (approximately S\$1.1 million) to IDR2.0 billion (approximately S\$0.2 million). The final tranche of the consideration being IDR2.0 billion (approximately S\$0.2 million) was paid to KPN on 6 October 2020.
- On 30 September 2020, SAM and KPN have entered into a third supplemental deed to the redeemable exchangeable bond subscription agreement and a letter agreement pursuant to which, KPN agreed to redeem the REB at IDR22.0 billion (approximately S\$2.1 million) which is satisfied by (a) the payment in cash of IDR3.4 billion (approximately S\$0.3 million) and (b) the novation of an outstanding shareholders’ loan of IDR18.6 billion (approximately S\$1.7 million) which had been extended by KPN to IGM Labs. The redemption was completed on 6 October 2020.

## 6. Subscription of Exchangeable Bond (“EB”) Issued by KPN

- On 13 October 2020, SAM have entered into an exchangeable bond subscription agreement with KPN pursuant to which SAM will subscribe for an EB to be issued by KPN at an issue price of IDR12.1 billion (approximately S\$1.1 million). The subscription was completed on 13 October 2020.
- The EB is a perpetual bond which does not bear any coupon but it is entitled to receive distributions that are made in respect of the shares in IGM Labs held by KPN representing 10.2% of the total issued share capital of the IGM Labs which the EB is exchangeable into.
- Following the completion of the redemption of the REB (point 5 above) and subscription of the EB, SAM’s total economic interest in IGM Labs is approximately 79.8% of any distributions made by IGM Labs.

## 7. Update on Impact of COVID-19

- In view of the gradual easing of restrictions from June 2020 onwards in the countries in which the Group operates, the Group has resumed operations of healthcare services that were previously closed or operating under restricted conditions and has observed a gradual recovery of patient loads. However, with the recurring waves of the outbreak in some of the countries that the Group operates in, the Group expects to continue facing uncertainties arising from the COVID-19 pandemic in the coming months.
- Due to, amongst other factors, the uncertainty relating to the response of healthcare regulators and physicians to the COVID-19 pandemic and uncertainty in global supply chains, the Group is unable to forecast or determine the demand of the COVID-19 test kits within the territories.

# Merits of Clearbridge Health

1. Direct proxy to the defensive and high-growth healthcare industry in Asia
2. Global trend of precision medicine underpins the industry's strong prospects and market potential in Asia
3. Differentiated business strategy by building the first broad based precision medicine platform in Asia
4. Ecosystem of complementary business components with significant opportunities to scale operations
5. Clear business roadmap to create new growth catalysts in high-growth segments
6. Improving financial performance is a testament to our differentiated approach and business model
7. Various expansion opportunities within the Group to unlock value for shareholders
8. Highly experienced team with a proven track record in Asia's healthcare industry



*“Rising healthcare focus and expenditure with Indonesia’s health coverage program introduced in 2014 for the entire population of more than 260 million”*

## **1. PT Indo Genesis Medika (IGM Labs)**

- One of the largest clinical laboratories in Indonesia, co-operating 18 clinical laboratories and other patient care facilities in hospitals

## **2. PT Tirta Medika Jaya (TMJ)**

- Co-operate renal dialysis facilities with 29 hospitals

# PT Indo Genesis Medika (IGM Labs)



- Recurring cash flow business
- Services are reimbursed by Indonesia health coverage program
- 5 to 7 years contract with revenue sharing of 55% to 70% to IGM Labs
- Co-operating 18 clinical laboratories and other patient care facilities under joint operation contracts

# PT Indo Genesis Medika (IGM Labs)



RSUP. Dr. Mohammad Hoesin Palembang



RS Cipto Mangunkusumo



RS Umum Pusat Sanglah Denpasar Bali



RS Umum Pusat H. Adam Malik Medan



RS Islam Jakarta Cempaka Putih



RS Jogja Internasional Hospital Jogja



RSUD Kabupaten Badung



RSUD Kota Surakarta



RSUD Dr. Zainoel Abidin Banda Aceh



RS Jogja Internasional Hospital Solo



RS Bhayangkara Sartika Asih – Bandung



RSUD Dr Soehadi Projoonegoro - Sragen



RSUD Dr H Marsidi Judono - Belitung

- Recurring cash flow business
- Services are reimbursed by Indonesia health coverage program
- 7 to 10 years contract with revenue sharing of 60% to 70% to TMJ
- Co-operate renal dialysis facilities with 36 hospitals
- 29 hemodialysis treatment facilities in operation
- 7 hospitals are currently under renovation or awaiting permits and certifications





*“In the Philippines,  
the doctor to patient  
ratio is 1:33,000,  
which is significantly  
higher than the global  
average of 1:6,600”*

### **1. Clearbridge Medical Group Philippines (CMP)**

- Four-storey multi-specialty medical center in Quezon City
- Improved facilities to offer comprehensive range of diagnostic and medical services

### **2. ClearSMILE Dental Clinic, Advanced Dental Care and Diagnostics**

- Offers wide array of dental treatments, including orthodontics, dental implants and pediatric dentistry

### **3. ClearSkin Advanced Dermatology & Laser Center**

- Located in Quezon City
- Offers specialised consultation for a wide range of skin problems and a comprehensive range of treatments

# Clearbridge Medical Group Philippines



- Four-storey multi-specialty medical centre in Quezon
- Provision of COVID-19 testing related services on-site and off-site
- Renal care center with 15 dialysis machines, running 2 shifts/day
- In-house laboratory and pharmacy





## ClearSkin Advance Dermatology & Laser Centre

- Quezon City, Metropolitan Manila
- Market thru social influencers



## ClearSMILE Dental Clinic Advanced Dental Care and Diagnostics

- Offers wide array of dental treatments, including orthodontics, dental implants and pediatric dentistry





*“Healthcare expenditure in Singapore is estimated to triple by 2030, rising to \$44 billion from \$17 billion in 2013.”*

*Personal healthcare expenditure will rise in tandem, and is projected to hit \$28 billion in 2030 from \$11 billion in 2013.”*

## **1. Medic Surgical & Laser Clinic**

- Aesthetic and medical clinic located at Tanjong Pagar, outskirts of central business district

## **2. Dental Clinics**

- 10 dental clinics that are strategically located in high footfall locations within Singapore’s heartlands
- Option to acquire another 6 more dental clinics

# Medic Surgical & Laser Clinic



- Services offered include skin trauma, wound management & scar improvement, LASER skin rejuvenation, skin smoothing & whitening



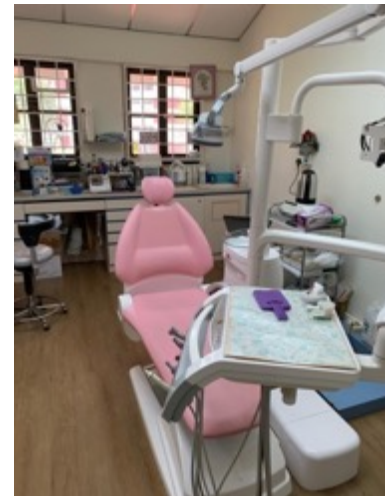


## Locations

People's Park Centre  
Changi Road  
Jurong West

Bendemeer  
Hougang  
Yishun

Ang Mo Kio  
Simei  
Kallang



- Each clinic is equipped with 2-3 dental chairs and cone beam CT scan
- Dental Focus is run by 14 dental surgeons
- Option to acquire another 6 more dental clinics



*“More than 2 million women have crossed the border to be administered the HPV Gardasil 9, a vaccine guarding against cervical cancer.”*

## **1. Clearbridge Medical Group (Hong Kong)**

- Medical clinic in Causeway Bay
- Adherence to Singapore’s high standards enhances the clinic’s branding and upholds public confidence

# Clearbridge Medical Group Hong Kong



- 1,500 sq. ft clinic receives visiting physicians and specialists to provide a wider range of medical and health screening services
- Collaboration with insurance companies and healthcare partners to serve domestic patients and medical tourists
- Adherence to Singapore's high standards enhances the clinic's branding and upholds public confidence





Thank you

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