

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

MATERIAL CHANGE IN CARRYING VALUE OF ASSETS AND DECLINE IN REVENUE

The board of directors ("**Board**") of Clearbridge Health Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to advise that, following a preliminary review of the Group's unaudited financial results for the financial year ended 31 December 2023 ("**FY2023**") which are being prepared and based on information currently available to the Board, the Group is likely to recognise fair value losses on convertible exchangeable bonds, impairment losses on goodwill and an allowance for credit losses on certain receivables which are expected to be material arising from a periodic review of the carrying value of the Group's assets.

The Group intends to recognise fair value losses arising from a reduction in the fair values of the convertible exchangeable bonds issued by Lunadorii Inc. (the "**Purchaser**") to the Company (the "**SAM Labs Bond**") and its wholly-owned subsidiary, Renum Distribution Holdings Pte. Ltd. ("**RDH**") (the "**CBMA Bond**" and, together with the SAM Labs Bond, the "**Bonds**") in consideration for the disposal (the "**Disposal**") by the Company and RDH of their respective 100% shareholding interests in Sam Laboratory Pte. Ltd. ("**SAM Labs**") and Clearbridge Medical Asia Pte. Ltd. ("**CBMA**") to the Purchaser. Details of the Disposal are set out in the Company's announcements dated 7 October 2022, 17 October 2022, 26 October 2022 and 15 December 2022. As of 30 June 2023, the Group's carrying value of the Bonds was approximately S\$10.6 million.

In addition, the Group intends to record an allowance for credit losses arising from a reduction in the recoverable value of the receivables owing by SAM Labs and CBMA in relation to the funding of the working capital of SAM Labs, CBMA and their respective subsidiaries by the Group ("**SAM Labs and CBMA Receivables**"), prior to the Disposal. As of 30 June 2023, the Group's carrying value of the SAM Labs and CBMA Receivables was approximately S\$11.8 million.

Subject to further assessments, at this time, the Group's intention to recognise the fair value losses of the Bonds and to provide an allowance for credit losses on the SAM Labs and CBMA Receivables is based on the Group's understanding from the Purchaser of the difficulties that the Purchaser is facing in obtaining operational control of the Indonesian businesses of SAM Labs, CBMA and their respective subsidiaries, which the Purchaser is addressing through the legal process in Indonesia. In this regard, the Company will keep its shareholders informed of any further developments, if material.

The fair value losses on the Bonds and the allowance for credit losses on the SAM Labs and CBMA Receivables are expected to be material, but cannot be quantified at this stage as the Company is currently in the process of assessing the fair values of the Bonds and the expected amount recoverable from the SAM Labs and CBMA Receivables, which are subject to further review by the Company's auditors, although it is intended that such values will be determined by the difference in

the estimated fair values and recoverable amounts against the carrying amounts of the respective assets in the Group's books.

In addition, the Group intends to record impairment losses arising from a reduction in the estimated recoverable value of the Group's goodwill from previously acquired assets which are expected to be material and which will be determined based on the value-in-use of the acquired assets. The potential impairment losses are attributed to the decrease in the financial performance of the medical clinics/ centres segment in FY2023, which in turn is expected to have a negative impact on the projected future cash flows of the medical clinics/ centres segment.

Further, the Group has recorded a material decrease in its financial performance for FY2023 mainly due to a decrease in revenue from the distribution of Labnovation's COVID-19 ART Test Kits and a decrease in revenue from the medical clinics/ centres for the provision of general medical, dental and clinical services and distribution of medical and pharmaceutical products.

The Company is still in the process of finalising the financial results of the Group for FY2023, which will take into account the above factors and any other adjustments during the course of its review, if necessary. Further details of the Group's financial performance for FY2023 will be disclosed when the Company announces its unaudited financial results for FY2023 on or before 29 February 2024.

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
Chief Executive Officer and Executive Director

9 February 2024

*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 (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. 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.*