

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

PROPOSED ACQUISITION OF SHARES IN PT INDO GENESIS MEDIKA

- (1) SUPPLEMENTAL DEED TO THE SALE AND PURCHASE AGREEMENT**
 - (2) REDEMPTION OF REDEEMABLE EXCHANGEABLE BOND**
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Unless otherwise defined herein or the context otherwise requires, all capitalised terms used in this announcement shall bear the same meanings ascribed to them in the Company's announcements dated 23 August 2018, 13 November 2018, 3 April 2019, 8 April 2019, 7 May 2019, 24 June 2019 and 22 June 2020 in relation to the Proposed Transactions.

1. INTRODUCTION

The Board refers to (i) the announcements dated 3 April 2019 and 24 June 2019 in relation to the sale and purchase agreement entered into between SAM Laboratory Pte. Ltd. ("**SAM**") and PT Kreasi Putra Nusantara ("**KPN**") on 3 April 2019 (as amended and supplemented by the supplemental deed dated 24 June 2019) (the "**SPA**") and (ii) the announcements dated 3 April 2019, 24 June 2019 and 22 June 2020 in relation to the redeemable exchangeable bond subscription agreement entered into between SAM and KPN on 3 April 2019 (as amended and supplemented by the supplemental deeds dated 24 June 2019 and 22 June 2020) (the "**REBSA**").

2. SUPPLEMENTAL DEED TO THE SALE AND PURCHASE AGREEMENT

- 2.1 Under the SPA, the third tranche of the Consideration, being an amount of IDR11.9 billion (approximately S\$1.1 million¹), is payable by SAM to KPN within five (5) business days of the date on which the remaining three (3) JO Contracts (the "**Remaining JO Contracts**") are validly and legally novated to PT Indo Genesis Medika (the "**Target**").
- 2.2 As at the date of this announcement, two of the Remaining JO Contracts have been validly and legally novated to the Target while the novation of the last remaining JO Contract has not been completed as the parties to the last remaining JO Contract, being the relevant hospital and PT Indofarma Global Medika, have been unable to agree on the terms of novation of the last remaining JO Contract. Having carefully considered the factors available, including those listed above, the Group has decided to forgo the last remaining JO Contract, reduce the amount payable under the third tranche of the Consideration and focus its efforts and resources in the operations of the Target.

¹ All conversions of IDR to S\$ in this announcement are based on an exchange rate of S\$1:IDR 10,831 as at 28 September 2020 by the Monetary Authority of Singapore.

- 2.3 As the last remaining JO Contract will not be novated to the Target, SAM and KPN have entered into a second supplemental deed to amend the terms of the SPA to, among others, (i) reduce the third tranche of the Consideration to IDR2.0 billion (approximately S\$0.2 million) to account for the value of the two out of the three Remaining JO Contracts, as ascribed under the SPA, that have been validly and legally novated to the Target and (ii) allow SAM and KPN to agree to the payment date of the third tranche of the Consideration (the "**Second Supplemental Deed to the SPA**"). Following the reduction of the third tranche of the Consideration, the aggregate Consideration for the Sale Shares has been reduced to IDR44.1 billion (approximately S\$4.1 million).
- 2.4 Following the execution of the Second Supplemental Deed to the SPA, SAM and KPN have entered into a letter agreement agreeing that the third tranche of the Consideration will be paid by SAM to KPN on 6 October 2020 (the "**Letter Agreement to Third Tranche Payment Date**".

3. REDEMPTION OF REDEEMABLE EXCHANGEABLE BOND

- 3.1 The REB 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 the Target which the REB is exchangeable into (the "**REB Exchange Shares**"). Under the REBSA, KPN has the option to redeem the REB at the REB Issue Price together with any distributions that are made in respect of the REB Exchange Shares that have not been paid and are outstanding, as at the redemption date (the "**Redemption Amount**") in accordance with the terms and conditions of the REBSA, at any time within twenty-four (24) months from the completion date of the REBSA (i.e. at any time before 23 June 2021) by giving to SAM a notice of redemption.
- 3.2 SAM and KPN have entered into a third supplemental deed to amend the terms of the REBSA to allow for KPN to satisfy the payment of the Redemption Amount fully in cash or in such other manner as the parties may agree in writing (the "**Third Supplemental Deed to the REBSA**".
- 3.3 Following the execution of the Third Supplemental Deed to the REBSA, SAM and KPN have entered into a letter agreement agreeing, among others, that KPN will redeem the REB on 6 October 2020 at the Redemption Amount (being IDR22.0 billion (approximately S\$2.0 million) in cash) which will be satisfied by (a) the payment in cash of IDR3.4 billion (approximately S\$0.3 million), and (b) the novation of outstanding shareholders' loans (the "**Shareholders' Loan**") in aggregate principal amount of IDR18.6 billion (approximately S\$1.7 million) based on the financial statements of the Target as at 31 July 2020 which had been extended by KPN to the Target, from KPN to SAM (the "**Letter Agreement to Redemption of Bond**"). Following the novation of the Shareholders' Loan from KPN to SAM, the Shareholders' Loan will be an inter-company loan between SAM and the Target within the Company's group of companies.
- 3.4 Upon the redemption of the REB, SAM, through its holdings of the EB, will be entitled to approximately 20.6% of any distributions made by the Target, and together with the 49.0% of the total issued share capital of the Target which SAM continues to hold as at the date of this announcement, SAM's total economic interest in the Target is approximately 69.6% of any distributions made by the Target.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Second Supplemental Deed to the SPA, the Letter Agreement to Third Tranche Payment Date, the Third Supplemental Deed to the REBSA, the Letter Agreement to Redemption of Bond, the SPA, the supplemental deed to the SPA dated 24 June 2019, the REBSA and the supplemental deeds to the REBSA dated 24 June 2019 and 22 June 2020 are available for inspection from 9.00 a.m. to 5.30 p.m.² at the registered address of the Company for a period of three (3) months from the date of this announcement.

5. FURTHER ANNOUNCEMENTS

The Company will make further announcements as and when there are further material updates and developments in respect of the Proposed Transactions.

BY ORDER OF THE BOARD

Yee Pinh Jeremy
Chief Executive Officer and Executive Director

30 September 2020

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.

² Prior appointment with the Company is required. Please contact the Company's Investor Relations team at +65 6251 0136 or email: contactus@clearbridgehealth.com