

## Clearbridge Continues on Positive EBITDA Path; Registers Revenue of S\$16.22 Million for the First Half of 2021

- Revenue from the Group's healthcare systems increased 27.6% to S\$11.19 million in 1H2021 with higher contributions from diagnostics services in Indonesia
- The Group's medical clinic and dental clinics in Singapore continue to remain resilient despite lower revenue from the distribution of medical supplies and COVID-19 Antibody Test Kits due to higher market competition
- Recently announced the procurement of the Sinopharm COVID-19 Vaccine for use in Singapore with plans to explore opportunities in other markets for this vaccine
- Fair value losses of S\$3.82 million were accounted in 1H2021 due to fair value changes of an associate (Biolidics Limited) and derivative financial instruments
- The Group's balance sheet remained healthy with net assets increasing to S\$67.09 million and cash at banks, short-term deposits of S\$22.28 million as at 30 June 2021

Financial Year End - 31 December

(S\$ million)	1H2021	1H2020	Change (%)
<b>Revenue</b>	<b>16.22</b>	<b>21.46</b>	<b>(24.4)</b>
<b>Net Profit/(Loss)</b>	<b>(6.30)</b>	<b>3.77</b>	<b>N.M</b>
<b>Adjusted EBITDA*</b>	<b>0.41</b>	<b>3.65</b>	<b>(88.8)</b>

\*Excluding fair value losses/gains on associates and derivative financial instruments, gain on disposal of subsidiary, fair value adjustments on contingent consideration, non-recurring employee benefit expense and other operating expenses, share-based payment, and share option expenses as well as foreign exchange loss/ gain.

**SINGAPORE, 13 August 2021** – Asia's integrated healthcare company, **Clearbridge Health Limited** ("Clearbridge" or the "Company" and together with its subsidiaries, the "Group") ("明策集团"), has announced today its financial results for the half year ended 30 June 2021 ("1H2021").

Since its listing on the SGX-ST in December 2017, the Group has quickly pivoted from a technology accelerator into an EBITDA-focused healthcare platform aligned with the emerging healthcare trends in Asia. The Group currently provides a broad base of healthcare solutions via 3 distinctive strategic business units ("SBUs") across Asia:

- 1. Medical centres and clinics;**
- 2. Healthcare systems; and**
- 3. Strategic medical technology investments.**

## **Review of Financial Performance in 1H2021**

As the COVID-19 pandemic unfolded at the start of 2020, there has been an increased demand for medical supplies (i.e. face masks and personal protective items) and COVID-19 Antibody Test Kits. Consequently, the supply of such medical supplies and COVID-19 Antibody Test Kits increased significantly and this has resulted in a highly competitive market. As a result, revenue from the Group's distribution activities dipped significantly.

As such, the medical centres and clinics business unit registered revenue of S\$5.03 million in 1H2021 as compared to S\$12.69 million in 1H2020. However, the performance of Group's medical clinic and dental clinics in Singapore continues to remain resilient.

A bright spot in 1H2021 came from the Group's healthcare systems, comprising the provision of laboratory services and renal care services, which saw revenue increasing 27.6% to S\$11.19 million in 1H2021, from S\$8.77 million in FY2020. The strong performance was attributed to PT Indo Genesis Medika ("**IGM Labs**") that undertook more diagnostic services provided by the hospitals in Indonesia with increased patient flows.

With a Public-Private-Partnership Model, the Group currently manages a total of 46 hospital joint operation contracts in Indonesia serving close to 4 million patients per year, primarily in the area of renal care (through PT Tirta Medika Jaya ("**TMJ**") which was acquired in April 2018) and pathology (through IGM Labs which was acquired in May 2019) at public and private hospitals (ranging from Class A hospitals to Class C hospitals) in Indonesia. The renal care services and laboratory testing services offered by TMJ and IGM Labs respectively are reimbursed through the Indonesia government's health coverage program.

Overall, the Group registered overall revenue of S\$16.22 million in 1H2021.

In line with lower revenue in 1H2021, the Group's purchases dipped by 20.5% to S\$10.20 million in 1H2021 as compared to S\$12.82 million in 1H2020.

The Group's employee benefits expense increased by 14.3% to S\$4.49 million in 1H2021 from S\$3.93 million in 1H2020 mainly due to higher bonuses and share-based payment pursuant to performance bonus scheme based on prior year performance that aims to promote higher performance goals to recognize exceptional achievements of employees.

The Group's other income in 1H2021 increased by 78.9% to S\$2.57 million from S\$1.43 million in 1H2020. The increment was mainly attributed to the gain on disposal of subsidiaries, Clearbridge Biophotonics Pte. Ltd. and its subsidiaries, of S\$2.01 million which was completed in April 2021.

The Group incurred lower other operating expenses of S\$3.32 million in 1H2021, of which non-recurring expenses amounted to S\$0.51 million, as compared to S\$3.47 million in 1H2020. In 1H2021, the Group's finance costs decreased marginally by 1.3% to S\$0.97 million.

It is worth noting that the Group took into account fair value changes (non-cash component) of an associate and derivative financial instruments. For 1H2020, there were fair value gain on associate of S\$3.61 million and fair value gain on derivative financial instruments of S\$0.72 million.

However, in 1H2021, the share price movement of our associate resulted in a fair value loss of S\$1.20 million and the fair value loss of derivative financial instruments amounting to S\$2.62 million was mainly attributed to expiry of the call options relating to investment in an associate.

Fair value changes are non-cash components and it does not affect the Group's liquidity position.

With an EBITDA-focused business strategy, the Group has been adjusted EBITDA positive since 1H2020. For 1H2021, the Group's registered an adjusted EBITDA of S\$0.41 million.

The Group remained healthy with total assets increasing from S\$96.99 million to S\$100.47 million as at 30 June 2021, of which non-current assets and current assets stood at S\$62.78 million and S\$37.69 million respectively. The Group's total liabilities reduced from S\$37.04 million to S\$33.38 million as at 30 June 2021, of which non-current liabilities and current liabilities stood at S\$9.15 million and S\$24.23 million.

### ***Recent Corporate Updates***

In March 2021, the Group raised gross proceeds of S\$11.5 million via the issuance of new convertible preference shares of its wholly-owned subsidiary, Clearbridge Medical Group Pte. Ltd ("**CBMG**"), for the expansion of its businesses that are primarily involved in medical centres, dental clinics as well as the distribution of medical supplies.

As part of its business strategy, the Group has been expanding its capabilities in medical distribution within the region and on 9 August 2021, the Group announced that its subsidiary, CBMG, has entered into a purchase contract with, among others, China National Biotec Group Company Limited (中国生物技术股份有限公司) and Beijing Institute of Biological Product Co., Ltd. (北京生物制品研究所有限责任公司), a subsidiary of CNBG, to purchase the SARS-CoV-2 Vaccine (Vero Cell), Inactivated or COVID-19 Vaccine (Vero Cell), Inactivated, also known as COVID-19 Vaccine BIBP (the "**Sinopharm COVID-19 Vaccine**") for use in Singapore.

Medic Surgical Private Limited ("**Medic Surgical**"), a subsidiary of the Group, which operates Medic Surgical & Laser Clinic has been granted approval under the Health Sciences Authority of Singapore's ("**HSA**") Special Access Route ("**SAR**") scheme to import and supply the Sinopharm COVID-19 Vaccine in Singapore (the "**SAR Approval**"). The Group is currently exploring opportunities in other markets for the Sinopharm COVID-19 Vaccine.



Commenting on the 1H2021 results, Mr Jeremy Yee (余斌), Executive Director and Chief Executive Officer of Clearbridge, said, *“Our EBITDA-focused strategy has been a bellwether for our business model and we continue to see business resiliency in our healthcare, medical and dental business activities across Southeast Asia.*”

*As the pandemic progresses, we quickly moderated our business exposure in view of the growing supply and increased competition in our targeted medical supplies market segments and this has impacted our revenue in the near term.*

*The pandemic has led the healthcare industry to play an increasingly important role in people’s everyday lives. With our strong financial foundation and business agility, we look forward to capitalise on the new healthcare opportunities in Asia.”*

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This press release is to be read in conjunction with Clearbridge’s exchange filings on 13 August 2021, which can be downloaded via [www.sgx.com](http://www.sgx.com).

***Issued on behalf of Clearbridge Health Limited by 8PR Asia Pte Ltd.***

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**About Clearbridge Health Limited**

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Aligning with the emerging healthcare trends in Asia, Clearbridge Health Limited is a healthcare group that currently provides a broad base of healthcare solutions via 3 distinctive strategic business units, comprising healthcare systems, medical clinics/centres and the strategic medical technology investments, in nexus of high demand across Asia.

For more information, please visit us at [www.clearbridgehealth.com](http://www.clearbridgehealth.com).

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