

Clearbridge's Adjusted EBITDA Surged Nearly 7-Fold to S\$2.78 Million in 1H2022; Posts Revenue of S\$20.03 Million, a Growth of 23.5% in 1H2022

- *The Group's medical centres and clinics business unit has been a key growth driver in 1H2022, with revenue surging 81.3% to S\$9.10 million mainly due to the distribution of Labnovation's COVID-19 ART Test Kits in Hong Kong and the Philippines as well as improved business performance of the medical clinics in Singapore and Hong Kong*
- *Excluding the revenue from distribution of Labnovation's COVID-19 ART Test Kits in 1H2022, the revenue from the medical centres and clinics business unit increased by 15.7%, from S\$5.02 million in 1H2021 to S\$5.81 million in 1H2022*
- *On an adjusted EBITDA basis, the Group registered S\$2.78 million in 1H2022, an increase of 578.1% from S\$0.41 million in 1H2021*
- *Focus on the organic growth of its core healthcare businesses with the continual expansion of its healthcare distribution network in Asia to deepen market access*

Financial Year End – 31 December

<i>(S\$ million)</i>	1H2022	1H2021	Change (%)
Revenue	20.03	16.22	+23.5
Net Loss before taxation	(7.67)	(6.07)	+26.5
Adjusted EBITDA*	2.78	0.41	+578.1

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

SINGAPORE, 14 August 2022 – Asia's integrated healthcare company, Clearbridge Health Limited ("Clearbridge" or the "Company" and together with its subsidiaries, the "Group") ("明策集团"), is pleased to announce today its financial results for the half year ended 30 June 2022 ("1H2022").

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. Providing a broad base of healthcare solutions in Asia, the Group has 4 distinctive strategic business units ("SBUs") as follows:

- 1. Medical centres and clinics;***
- 2. Healthcare systems;***
- 3. Strategic medical technology investments; and***
- 4. Investments within the global healthcare sector that are EBITDA positive or at an inflection point with a clear line of sight to profitability.***



Commenting on the 1H2022 results, Mr Jeremy Yee (余斌), Executive Director and Chief Executive Officer of Clearbridge, said, *“The disciplined execution of our EBITDA strategy was reflected in our first half performance with adjusted EBITDA in 1H2022 representing a 7-fold of adjusted EBITDA in 1H2021, coupled with double-digit revenue growth.*

The fundamentals of our core healthcare businesses in Asia remain strong and we aim to drive growth organically and create new value propositions with our healthcare assets.

Building on this positive momentum to expand our healthcare presence in Asia, we will also continue to proactively evaluate new opportunities to enhance the long term growth of the Group.”

Key Highlights of Financial Performance in 1H2022

Overall revenue increased by 23.5% to S\$20.03 million in 1H2022 with strong performance by its medical centres and clinics business unit: The Group's medical centres and clinics business unit registered revenue of S\$9.10 million, a growth of 81.3%, mainly due to the distribution of Labnovation Technologies, Inc.'s (“**Labnovation**”) COVID-19 Antigen Rapid (“**ART**”) Test Kit in Hong Kong and the Philippines as well as improved business performance of the medical clinics in Singapore and Hong Kong.

Since the COVID-19 pandemic unfolded, the management team has responded with business agility, utilising its business networks and medical touchpoints in Asia to procure and distribute COVID-19 related medical supplies to do its part towards the fight against COVID-19. Such opportunistic trading opportunities have led us to strengthen our in-house capabilities in scaling up our product portfolio and medical distribution network.

In Asia, the Group's medical centres and clinics business unit comprises ten dental clinics operating under the “Dental Focus” brand name and a medical clinic in Singapore, Medic Surgical Pte Ltd (“**Medic Surgical**”), a medical clinic in Hong Kong as well as a medical centre and clinics in the Philippines.

Excluding the revenue from distribution of Labnovation's COVID-19 ART Test Kits in 1H2022, the revenue from the medical centres and clinics business unit increased by 15.7%, from S\$5.02 million in 1H2021 to S\$5.81 million in 1H2022.

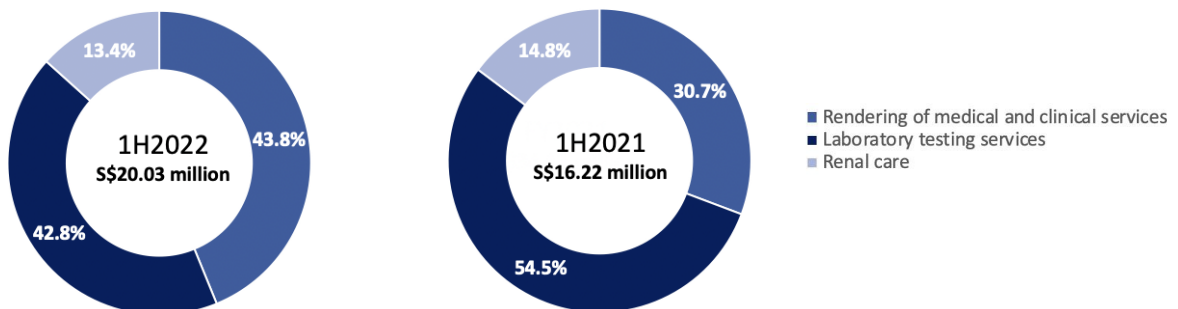
For the Group's healthcare systems, comprising the provision of laboratory services and renal care services, revenue in 1H2022 remained relatively stable at S\$10.93 million, as compared to revenue of S\$11.20 million registered in 1H2021.

With a Public-Private-Partnership Model, the Group currently manages a total of 47 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 PT Indo Genesis Medika (“**IGM Labs**”) which was acquired in May

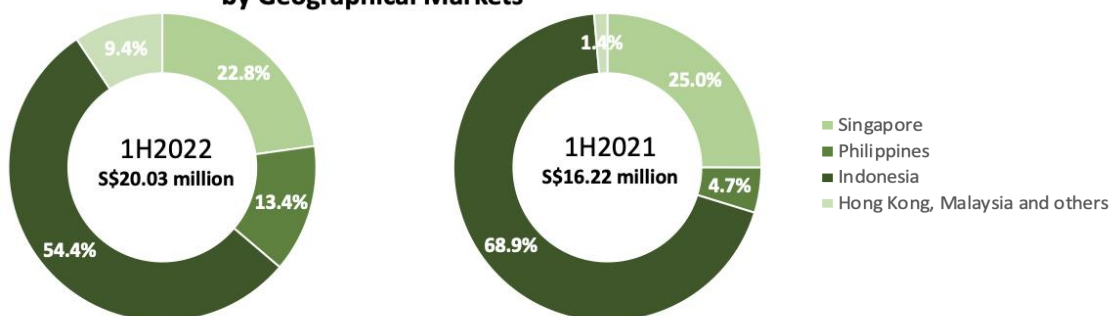
2019) at public and private hospitals (ranging from Class A hospitals to Class C hospitals) in Indonesia. The renal care services and laboratory testing services offered by TMJ and IGM Labs respectively are reimbursed through the Indonesia government's health coverage program.

In addition, IGM labs has been expanding its distribution business to harness new opportunities in the underserved diagnostic market within Indonesia.

**Revenue Breakdown
by Major Product or Service Lines**



**Revenue Breakdown
by Geographical Markets**



Corresponding to the growth in revenue in 1H2022, the Group's purchases increased by 11.5% or S\$1.17 million, from S\$10.20 million in 1H 2021 to S\$11.37 million in 1H 2022. The Group's employee benefits expense decreased by 13.2% or S\$0.59 million, from S\$4.49 million in 1H2021 to S\$3.90 million in 1H2022 mainly due to a decrease in bonus and share-based payment pursuant to the performance bonus scheme based on prior period performance in 1H2021.

The Group's other income decreased by 92.8% or S\$2.39 million, from S\$2.57 million in 1H2021 to S\$0.18 million in 1H2022, mainly due to the absence of the gain on disposal of the CBBP group of S\$2.01 million recorded in 1H2021 and a decrease in grant income of S\$0.24 million from government grants relating to the Jobs Support Scheme, Enterprise Singapore Grant and other grants from government agencies.

The Group incurred non-recurring other operating expenses of S\$0.49 million in 1H2022 (1H2021: S\$0.55 million), which were mainly due to allowance of impairment of trade and



other receivables, bad debt written off, impairment of property, plant and equipment and inventories written off and one-off legal and professional fees incurred pursuant to litigation in Indonesia.

The Group's finance costs decreased by 46.1% or S\$0.45 million, from S\$0.97 million in 1H2021 to S\$0.52 million in 1H2022 mainly due to a decrease in interest expense incurred on the bank loans taken up by the Group for its acquisitions and working capital purpose as some of the bank loans were fully repaid in 1H2022 and decrease in interest charged on the Convertible Bonds issued by the Company due to partial redemption of Convertible Bonds in October 2021.

Adjusted EBITDA surged nearly 7-fold to S\$2.78 million in 1H2022: In 1H2022, the decline in the share price and market value of the Group's associate, Biolidics Limited, resulted in a fair value loss of S\$7.10 million. In addition, the Group recorded a fair value loss on derivative financial instruments of S\$0.05 million in 1H2022.

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

Excluding the abovementioned non-recurring expenses, fair value losses on an associate and derivative financial instruments, the loss before taxation recorded by the Group would have been S\$0.03 million in 1H 2022 as compared to a loss before taxation of S\$3.71 million in 1H2021.

With an EBITDA-focused business strategy, the Group has been adjusted EBITDA positive since 1H2020 and for 1H2022, the Group's adjusted EBITDA increased substantially to S\$2.78 million (1H2021: S\$0.41 million).

Key Business Updates in 1H2022

To increase its business agility and harness new opportunities in Asia's healthcare market, the Group has been expanding its capabilities in healthcare distribution within the region. During the COVID-19 pandemic, the Group has successfully deployed several COVID-19 related product and service offerings through various primary and secondary healthcare touchpoints in Asia. While certain market segments have become increasingly more competitive, the Group continues to broaden its product portfolio and expand market presence that aligns with emerging healthcare trends in Asia.

In January 2022, the Group imported Labnovation COVID-19 ART Test Kit and registered it for use in the Philippines. The Labnovation COVID-19 ART Test Kit has been approved by the Food and Drug Administration of the Philippines for self-testing on 24 January 2022.



In Hong Kong, the Group is also distributing the Labnovation COVID-19 ART Test Kit and it has established offline and online channels to market and sell the Labnovation COVID-19 ART Test Kit.

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This press release is to be read in conjunction with Clearbridge’s exchange filings on 14 August 2022, which can be downloaded via www.sgx.com.

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

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About Clearbridge Health Limited

(Bloomberg Code: CBH:SP / Reuters Code: CLEA.SI / SGX Code: 1H3)

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 4 distinctive strategic business units, comprising healthcare systems, medical clinics/centres and strategic medical technology investments, in nexus of high demand across Asia as well as investments within the global healthcare sector that are EBITDA positive or at an inflection point with a clear line of sight to profitability.

For more information, please visit us at 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.