

22 May 2018

ClearStar, Inc.
(“ClearStar” or the “Company”)

AGM Statement

ClearStar (AIM: CLSU), the technology and service provider to the background check industry, will be holding its Annual General Meeting (“AGM”) today at 11.00am EDT at the offices of Eversheds Sutherland (US) LLP, 999 Peachtree St, NE, Suite 2300, Atlanta, GA 30309, USA. At the AGM, the Chairman of the Board will make the following statement:

“In 2017 we delivered another year of growth as we experienced increased demand for our products and solutions. This growth was based on increased sales of direct services as well as to our channel partners. ClearStar has a leading position in medical screening with a smartphone-enabled process and tests available at over 9,000 sites offering both more choice to candidates and a streamlined process. We are also one of the few companies with the requisite compliance and technology interface to be able to offer comprehensive background searches in over 230 countries.

“During the year we also laid the foundations for accelerated future growth through enhancing our sales and marketing efforts and achieving integration with SAP SuccessFactors® Recruiting – adding a significant new route-to-market for direct services.

“Consequently, we believe 2018 is going to be a pivotal year for ClearStar. Our stated aim this year is that our revenue growth will translate into the Company becoming EBITDA positive for the full year, in line with market expectations.

“We entered 2018 in a stronger position compared with the prior year with sustained revenue momentum, driven by the onboarding of the new direct customers won in 2017, primarily for background screening, and increased adoption of our medical information services by our channel partner customers. This was evident in the first quarter of the year, when revenues increased by more than 11% over the same period last year and this revenue run rate has continued into the second quarter.

“Key customers that were won last year and are now onboarding, and generating material revenue in 2018, include:

- *SIRVA, Inc., a global moving and relocations services provider operating in 204 countries, is using our ClearID on-the-spot verification solution for their Casual Labor Program.*
- *The Pacific Maritime Association, a trade organisation that represents employers of the shipping industry on the Pacific coast, which is using our medical testing services for roughly 14,200 longshore, clerk and foreman workers at 29 ports along the West Coast, from Southern California to the Pacific Northwest.*

“In the second quarter, we have seen increased interest in our products and services – in particular, through our integration with SAP SuccessFactors® Recruiting. As I stated above, this integration represents a new route to market for ClearStar and I’m very pleased to be able to report that we have already won a number of new background screening clients through SAP, including:

- *Gulfstream Aerospace Corporation, which designs, develops, manufactures, markets and services technologically-advanced business-jet aircraft.*
- *Hilmar Cheese Company Inc., one of the world’s largest manufacturers of cheese and whey products serving over 50 countries.*
- *We are also at an advanced stage of onboarding The BNSF Railway Company, a Berkshire Hathaway company that operates one of the largest freight railroad networks in North America.*

“The calibre of these customers, added to our already excellent roster of clients, represents a step-change for ClearStar, and we are proud of this achievement. Consequently, as we onboard clients while continuing to sign new customers, the Board remains excited for our future prospects and I look forward to reporting on our progress.”

Enquiries

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About ClearStar

ClearStar, Inc. is a leading and trusted background check technology, medical screening, strategic services, and decision-making information provider to employers and background screening companies.

A seven-time Inc. 5000 honouree and founding member of the National Association of Professional Background Screeners, ClearStar has provided innovative technology solutions to businesses in the human capital management industry from its corporate offices in Alpharetta, Georgia since 1995. For more information about ClearStar, please visit: www.clearstar.net.

The information communicated in this announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.