

10 April 2019

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

Q1 2019 Trading Update and Notice of Results

ClearStar, Inc. (AIM: CLSU), a provider of Human Capital IntegritySM technology-based services specialising in background and medical screening, provides the following update on trading for the first quarter ended 31 March 2019.

The Company achieved its highest ever first quarter revenue, with key highlights of the period including:

- Revenue growth of approximately 11% to \$5.1m (Q1 2018: \$4.6m):
 - Strong revenue growth in direct services business channel of 37% over Q1 2018 – with direct services accounting for approximately 34% of total revenue (Q1 2018: 27%)
 - Medical information services continued to be the primary growth driver by service offering, with revenue increasing 23% over Q1 2018 and accounting for 42% of total revenue (Q1 2018: 38%)
- Expanded tier 1 direct client base, including into new market segments:
 - Milestone Environmental Services, a leading provider of oilfield waste disposal services that is currently operating seven locations in Texas, US, selected ClearStar to provide a combination of drug and background screening services – representing the Company’s first direct client in the petrochemical industry
 - Secured an extension to the Company’s contract with a global professional services company to provide Financial Institution Screening to further customers in the financial services sector
 - Other notable wins include being selected by the Association of Volleyball Professionals, the primary beach volleyball organisation in the US, to provide a customised package for background screening of coaches and volunteers at the association’s AVP Academy locations, which provide talent development programmes for children and adults
- Significant increase in interest in ClearStar’s solutions with the Company being invited to respond to double the number of Request for Proposals (RFPs) in Q1 2019 than in the whole of 2018
- Strengthened the Company’s foundations for accelerated future growth:
 - Continued expansion of the direct sales team, resulting in increased pipeline and greater visibility over revenue
 - Relocated the ClearStar headquarters to a new purpose-designed office space that provides room for expansion
- As a result, the Company continues to expect to achieve strong revenue growth for full year 2019, in line with market expectations

Notice of Results

The Company gives notice that it will be announcing its annual results for the year ended 31 December 2018 on 13 May 2019.

Robert Vale, CEO of ClearStar, said: “We are very happy with a strong first quarter for 2019. The investments that we have made in 2018 in technology improvements and integrations have paved the path to an upmarket sales funnel with some notable wins during the period. This is the first full quarter for our new sales team and, as the growth in our direct business channel sales indicates, we are seeing very good traction. Our increased marketing efforts are yielding better-than-expected results in getting our brand name recognised, with the number of RFPs we were invited to respond to being twice as many this quarter than in all of 2018. This is a great start to 2019 and we look forward to reporting further progress.”

Enquiries:

ClearStar, Inc.	+1 877 796 2559
Robert Vale, Chief Executive Officer Jennifer Balleza, Chief Financial Officer	
finnCap Ltd.	+44 20 7220 0500
Jonny Franklin-Adams, Marc Milmo, Simon Hicks – Corporate Finance Andrew Burdis – ECM	
Luther Pendragon Ltd.	+44 20 7618 9100
Harry Chathli, Claire Norbury, Joe Quinlan	

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

About ClearStar

ClearStar, Inc. is a leading and trusted background check technology, 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.