

9 July 2019

ClearStar, Inc.
("ClearStar" or the "Company")

Trading Update

ClearStar (AIM: CLSU), a provider of Human Capital IntegritySM technology-based services specialising in background and medical screening, is pleased to provide the following update on trading for the six months ended 30 June 2019. The Company expects to announce its interim results in September 2019.

The Company achieved strong growth in the period, with its highest ever six-month revenue. Key highlights include:

- Revenue growth of approximately 17% to \$11.6m (H1 2018: \$9.9m):
 - Strong revenue growth in direct services business channel of 49% over H1 2018 – with direct services accounting for approximately 36% of total revenue (H1 2018: 28%)
 - Medical information services continued to be the primary growth driver by service offering, with revenue increasing 25% over H1 2018
- Strengthening of direct tier 1 client base and enhanced foundations with further expansion of direct sales team:
 - Two direct clients were among the Company's ten largest customers by revenue
 - Increased revenue and pipeline following expansion of the direct sales team at the beginning of the year
 - Further progress in the key market segments of transportation and logistics as well as Financial Institution screening, and expanded into new markets including petrochemical services
- Growth supported by strong recurring revenue and upselling of further services with some of the Company's largest existing clients
- As a result, the Company continues to expect to achieve strong revenue growth for full year 2019, in line with market expectations

Robert Vale, CEO of ClearStar, said: "This was a fantastic period for ClearStar as we delivered strong revenue growth, particularly in direct services, which increased by almost 50%. This was built on the contribution from new customers and on increasing business with our existing customers as they ramp up following onboarding as well as adopt further services. We have begun each of the last five years from a higher revenue base as we progressively increase our run rate, and this year we are tracking our strongest growth trajectory yet. This has been reflected in ClearStar delivering our highest ever monthly revenue in June 2019, which was nearly 30% greater than June 2018. With an expanding pipeline and a booming US jobs market, we remain confident of achieving strong growth for full year 2019 and 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 provider of Human Capital IntegritySM technology-based services specialising in background and medical screening. It provides employment intelligence direct to employers and via channel partners/consumer reporting agencies (“CRAs”) to support better recruitment and other decisions affecting employees by increasing the quality, reliability and visibility of information.

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.