

CORDLIFE GROUP LIMITED
(Company Registration No.: 200102883E)
(Incorporated in the Republic of Singapore)

PRIVATE PLACEMENT OF AN AGGREGATE OF UP TO 26,838,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "PLACEMENT SHARES") COMPRISING (I) PLACEMENT VIA A PLACEMENT AGENT AND (II) PLACEMENT VIA DIRECT SUBSCRIPTIONS BY INVESTORS, AT S\$1.25 FOR EACH PLACEMENT SHARE (THE "ISSUE PRICE") TO RAISE GROSS PROCEEDS OF UP TO S\$33,547,500

1. BACKGROUND

The board of directors (the "**Board**") of Cordlife Group Limited (the "**Company**") wishes to announce the proposed issue of an aggregate of up to 26,838,000 Placement Shares, at the Issue Price by way of a private placement (the "**Private Placement**") comprising (i) placement via the Placement Agent (as defined below), whereby the Placement Agent agrees, on a best efforts basis, to procure subscriptions for an aggregate of up to 17,800,000 Placement Shares (the "**Offer Shares**" and the offering of the Offer Shares, the "**Offer Tranche**") and (ii) placement via direct subscription from investors who have agreed to subscribe for an aggregate of up to 9,038,000 Placement Shares (the "**Subscription Shares**" and the offering of the Subscription Shares, the "**Subscription Tranche**"), to raise aggregate gross proceeds of up to S\$33,547,500. The net proceeds from the Private Placement, after deducting the placement commission and other estimated fees and expenses (including professional fees and expenses) incurred or to be incurred by the Company in connection with the Private Placement, will amount to approximately S\$32.1 million.

The Company had on 2 October 2013 entered into a placement agreement (the "**Placement Agreement**") with United Overseas Bank Limited (the "**Placement Agent**") in relation to the Offer Tranche. The Company has also entered into the Subscription Agreements (as defined below) with the Subscribers (as defined below) in relation to the Subscription Tranche (collectively, the "**Agreements**").

Excluding the 200,000 ordinary shares in the capital of the Company (the "**Shares**") which were repurchased by the Company on 21 November 2012 (the "**Treasury Shares**"), as at the date hereof, the existing issued share capital of the Company is S\$53,547,971 divided into 232,487,354 Shares. Immediately following the Private Placement, the issued and paid-up share capital of the Company will increase to S\$85,695,471 divided into 259,325,354 Shares. In addition, following the expected issue and allotment of the 8,000,000 Shares in respect of which in-principal approval for listing has been obtained from the SGX-ST on 26 September 2013, which is to be utilised towards part payment relating to the Company's acquisition of a 19.92% interest in StemLife Berhad (the "**Consideration Shares**"), a company listed on Bursa Malaysia, the number of outstanding Shares would be increased to 267,325,354 Shares, (such number having been adjusted to exclude the Treasury Shares) (the "**Enlarged Share Base**").

*The initial public offering of Cordlife Group Limited's shares was sponsored by PrimePartners Corporate Finance Pte. Ltd. ("**Issue Manager**"). The Issue Manager assumes no responsibility for the contents of this Announcement.*

The Issue Price was arrived at, pursuant to discussions with the Placement Agent, taking into account, among others, the prevailing market price of the Shares, and represents a discount of approximately 4.8% to the volume weighted average price of S\$1.3137 per Share for trades in the Shares done on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 30 September 2013, being the preceding full market day the Agreements were signed, up to 12.43 p.m. on 1 October 2013.

The shareholders of the Company (the "**Shareholders**") had, at the annual general meeting of the Company held on 19 October 2012, approved a general share issue mandate by way of an ordinary resolution (the "**Share Issue Mandate**"). The Placement Shares will be issued pursuant to the Share Issue Mandate and represents 11.5% of the Shares in issue as of 19 October 2012.

Taking into account the expected issue and allotment of the Consideration Shares, the Placement Shares to be issued represents 10.0% of the Enlarged Share Base (such number having been adjusted to exclude the Treasury Shares) immediately following the completion of the Private Placement assuming that all of the Placement Shares are allotted and issued.

2. ADDITIONAL LISTING APPLICATION

The Company will apply to the SGX-ST for the admission of the Placement Shares to the Official List of the SGX-ST and for the listing and quotation of the Placement Shares on the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principal approval from the SGX-ST.

The Private Placement will be undertaken pursuant to a private placement exemption under Section 272B of the Securities and Futures Act (Chapter 289 of Singapore) accordingly, no offer information statement will be lodged with the Monetary Authority of Singapore in connection with the Private Placement.

3. THE SUBSCRIPTION TRANCHE

3.1 The Subscribers

The following entity/persons which/who were independently procured by the Company have agreed to subscribe for the Subscription Shares. No introducer was involved in identifying the Subscribers (as defined below) and no commission is payable to them for agreeing to subscribe for the Subscription Shares:

- a) Caerus Capital Ltd;
- b) Ng Seow Yuen;
- c) Wang Ee Tsing;
- d) Ngo Yong-Wei, Kelvin; and
- e) Ang Ai Nyuet.

(collectively, the "**Subscribers**" and individually, a "**Subscriber**").

The Subscription Shares, when issued and delivered, shall rank *pari passu* with and shall carry all rights similar to the existing Shares except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the admission of the Subscription Shares on the Official List of the SGX-ST. Accordingly, the Subscription Shares will be eligible for and entitled to the dividend of S\$0.010 per Share declared by the Company on 27 August 2013, which record date is 28 October 2013.

The Subscription Shares represent approximately 3.9% of the existing issued and paid-up share capital of the Company (excluding the Treasury Shares) as at the date of this

Announcement and approximately 3.4% of the Enlarged Share Base (such number having been adjusted to exclude the Treasury Shares).

3.2 The Subscription Agreements

3.2.1 The Subscription Agreements

In connection with the Subscription Tranche, the Company had on 1 October 2013 entered into a subscription agreement (each a "**Subscription Agreement**" and collectively, the "**Subscription Agreements**") with each of Caerus Capital Ltd, Ng Seow Yuen, Wang Ee Tsing, Ngo Yong-Wei, Kelvin and Ang Ai Nyuet and to allot and issue an aggregate of 9,038,000 Subscription Shares. The details of the allotment of each of the Subscribers are as follows:

Name	Number of Shares Subscribed for	Number of Subscription Shares as a percentage of existing issued share capital ⁽¹⁾ (%)	Number of Subscription Shares as a percentage of Enlarged Share Base ⁽²⁾ (%)	Aggregate Consideration (S\$)
Caerus Capital Ltd	4,000,000	1.7	1.5	5,000,000
Ng Seow Yuen	4,200,000	1.8	1.6	5,250,000
Wang Ee Tsing	380,000	0.2	0.1	475,000
Ngo Yong-Wei, Kelvin	158,000	0.1	0.1	197,500
Ang Ai Nyuet	300,000	0.1	0.1	375,000

Notes:

- (1) Excludes the Consideration Shares and the Treasury Shares.
- (2) Includes the Consideration Shares and the Placement Shares but excludes the Treasury Shares.

3.2.2 Conditions

Completion of the issue and allotment of the 9,038,000 Subscription Shares pursuant to the Subscription Agreements are conditional upon, among others:

- receipt of in-principle approval for the listing and quotation of the Subscription Shares from the SGX-ST and such approval not having been revoked or amended on or before the date of completion (the "**Completion Date**"); and
- the allotment, issue and subscription of the Subscription Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Subscription Agreement by any legislative, executive or regulatory body or authority of Singapore.

3.3 Information on the Subscribers

A brief description on the details of each Subscriber is provided as follows:

- Caerus Capital Ltd

Caerus Capital Ltd is an investment holding company which is based in Hong Kong and primarily invests in growth companies in North Asia and the ASEAN region.

- b) Ng Seow Yuen

Ng Seow Yuen is an investor who has more than 15 years of investing experience.

- c) Wang Ee Tsing

Wang Ee Tsing is an investor and is currently retired and was formerly working in the finance industry.

- d) Ngo Yong-Wei, Kelvin

Ngo Yong-Wei, Kelvin is an investor and is currently an associate director at a financial institution, prior to which he was an investment banker.

- e) Ang Ai Nyuet

Ang Ai Nyuet is an investor who has more than 10 years of investing experience.

As of the date of this Announcement, each of the Subscribers have warranted to the Company that, among others, as of the date of this announcement, none of them, their directors and substantial shareholders, where applicable, have any connections (including business relationships) with the Company, its directors or substantial shareholders, and are not persons to whom the Company is prohibited from issuing its Shares to pursuant to Rule 812(1) of the Listing Manual of the SGX-ST.

4. THE OFFER TRANCHE

4.1 The Placement Agreement

The Company has also entered into a placement agreement with the Placement Agent pursuant to which the Placement Agent has agreed, on a best efforts basis, to procure subscribers for the Offer Shares at the Issue Price for each Offer Share (the "**Placement Agreement**").

The Offer Shares will not be offered for subscription to, nor will subscriptions be procured from any person specified in Rule 812(1) of the Listing Manual of the SGX-ST.

The Offer Shares, when issued and delivered, shall rank *pari passu* with and shall carry all rights similar to the existing Shares except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the Private Placement. Accordingly, the Offer Shares will be eligible for and entitled to the dividend of S\$0.010 per Share declared by the Company on 27 August 2013, which record date is 28 October 2013.

The Offer Shares represent approximately 7.7% of the existing issued and paid-up share capital of the Company (excluding the Treasury Shares) as at the date of this Announcement and approximately 6.7% of the Enlarged Share Base (such number having been adjusted to exclude the Treasury Shares).

4.2 Conditions

Completion of the issue and allotment of the 17,800,000 Offer Shares pursuant to the Placement Agreement is conditional upon, among others:

- a) receipt of in-principle approval for the listing and quotation of the Offer Shares from the SGX-ST and such approval not having been revoked or amended on or before the Completion Date;

- b) the allotment, issue and subscription of the Offer Shares not being prohibited by any statute, order, rule, regulation, ruling, direction or request promulgated or made after the date of the Placement Agreement, whether or not having the force of law, by any legislative, executive or regulatory body or authority of Singapore; and
- c) the representations and warranties of the Company being true, accurate and correct in all material respects as if made on the Completion Date, with reference to the then existing circumstances and the Company having performed in all material respects all of its obligations under the Placement Agreement which are required to be performed on or before the Completion Date.

5. **RATIONALE OF THE PRIVATE PLACEMENT AND USE OF PROCEEDS**

The Board is of the view that the Private Placement is beneficial to the Company and its subsidiaries (the "**Group**") as it will support future growth of the Group and augment its working capital.

The Company will use the gross proceeds from the Private Placement (the "**Gross Proceeds**") as follows:

- a) approximately S\$23.5 million of the Gross Proceeds will be used to further, fund and support its operations in connection with its enlarged geographical footprint developed after the Company's initial public offering, including funding of additional strategic investments, joint ventures, acquisitions and/or strategic alliances as and when opportunities materialise and are deemed appropriate by the board of directors (equivalent to approximately 70% of the Gross Proceeds);
- b) approximately S\$8.6 million of the Gross Proceeds will be used for general working capital purposes (equivalent to approximately 26% of the Gross Proceeds); and
- c) approximately S\$1.4 million of the Gross Proceeds will be used to pay the estimated professional and other fees and expenses, incurred or to be incurred by the Company in connection with the Private Placement (equivalent to approximately 4% of the Gross Proceeds).

Pending the deployment of the Gross Proceeds for the purposes mentioned above, such Gross Proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, or used for any other purpose on a short-term basis, as the Board may, in its absolute discretion, deem appropriate in the interests of the Group.

The Company will make periodic announcements on the utilisation of the net proceeds from the Private Placement as and when such funds are materially disbursed, and provide a status report on the utilisation of the net proceeds from the Private Placement in the Company's annual report.

6. **FINANCIAL EFFECTS OF THE PRIVATE PLACEMENT**

The financial effects of the Private Placement set out below were prepared based on the unaudited consolidated financial statements of the Group for the financial year ended 30 June 2013, after adjusting for the expected issue of the Consideration Shares. The financial effects are strictly for illustrative purposes and do not necessarily reflect the actual future financial position and results of the Group following the completion of the Private Placement.

Based on the assumptions above and assuming that the Private Placement had been effected at the beginning of that financial year, the earnings per Share after adjusting for the issuance of the Placement Shares will decrease from 5.8 cents to 5.2 cents.

In addition, based on the assumptions above and assuming that the Private Placement had been effected at the end of that financial year, the consolidated net asset value per Share after adjusting for the issuance of the Placement Shares will increase from S\$0.37 to S\$0.45.

7. DOCUMENTS FOR INSPECTION

The Placement Agreement and the Subscription Agreements may be inspected at the registered office of the Company at 1 Yishun Industrial Street 1 #06-01/09, A'Posh Bizhub Singapore 768160 during normal business hours for a period of three months commencing from the date of this announcement.

8. TRADING CAUTION

Shareholders and potential investors should exercise caution when trading in Shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax or other professional adviser immediately.

By Order of the Board
CORDLIFE GROUP LIMITED

Mr Yee Pinh Jeremy
Director
2 October 2013