

**CIRCULAR DATED 26 AUGUST 2015**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in any doubt as to the contents herein or as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or any other professional adviser immediately.**

If you have sold or transferred all your shares in the capital of Cordlife Group Limited, please forward this Circular with the Notice of Extraordinary General Meeting and the attached Proxy Form immediately to the purchaser or the transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited takes no responsibility for the correctness of any statements made, reports contained or opinions expressed in this Circular.



**CIRCULAR TO SHAREHOLDERS IN RELATION TO**

**THE PROPOSED DISPOSAL TO GOLDEN MEDITECH HOLDINGS LIMITED OF:**

**(A) 7,314,015 ORDINARY SHARES IN CHINA CORD BLOOD CORPORATION;**

**AND**

**(B) A 7% SENIOR UNSECURED CONVERTIBLE NOTE DUE 2017 ISSUED BY CHINA CORD BLOOD CORPORATION TO THE COMPANY**

**FOR THE AGGREGATE CONSIDERATION (AS DEFINED IN THIS CIRCULAR)**

**IMPORTANT DATES AND TIMES**

Last date and time for lodgment of Proxy Form : Saturday, 12 September 2015 at 3 p.m.

Date and time of Extraordinary General Meeting : Monday, 14 September 2015 at 3 p.m.

Place of Extraordinary General Meeting : Auditorium 302, Level 3,  
NTU@one-north Executive Centre,  
11 Slim Barracks Rise (off North Buona Vista Road),  
Singapore 138664

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## DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

- “Acquisition Agreement”** : The conditional convertible note sale agreement entered into by the Company on 25 August 2014, pursuant to which the Company acquired the Convertible Note from the Purchaser
- “Additional Consideration”** : The difference between the Final Proposed Price and the US\$6.40 Base Acquisition Price multiplied by 16,123,035 (being the aggregate number of Sale Shares and Conversion Shares)
- “Aggregate Consideration”** : The sum of the Additional Consideration, the Share Consideration, and the Note Consideration
- “Agreement”** : The conditional purchase agreement dated 8 May 2015 entered into by the Company with the Purchaser
- “Announcement”** : The SGXNET announcement by the Company on 8 May 2015 regarding the Proposed Disposal
- “Base Consideration”** : US\$110,066,591 being the sum of US\$46,809,696, US\$5,100,000, US\$56,377,728 and US\$1,779,167
- “Board”** : The board of directors of the Company
- “CCBC”** : China Cord Blood Corporation
- “CCBC Shares”** : Ordinary shares of par value of US\$0.0001 each in the issued share capital of CCBC
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular dated 26 August 2015 to Shareholders
- “Companies Act”** : The Companies Act (Chapter 50 of Singapore)
- “Company”** : Cordlife Group Limited
- “Completion Date”** : The completion date of the Proposed Disposal
- “Controlling Shareholder”** : A Shareholder who:
- (a) has an interest in one or more voting Shares in the Company, and the total votes attached to that Share, or those Shares, is not less than 15% of the total votes attached to all the voting Shares in the Company; or
  - (b) in fact exercises control over the Company
- “Conversion Shares”** : 8,809,020 fully paid CCBC Shares to be issued upon conversion of the Convertible Note
- “Convertible Note”** : The 7% senior unsecured convertible note due 3 October 2017 issued by CCBC to the Company in the principal amount of US\$25,000,000

<b>“Covenantor”</b>	: Vcanland Holding Group Company Limited, a company incorporated under the laws of the PRC
<b>“CSCE”</b>	: China Stem Cells (East) Company Limited
<b>“Directors”</b>	: The directors of the Company for the time being
<b>“Disposal Assets”</b>	: The Convertible Note and the Sale Shares
<b>“EGM”</b>	: The extraordinary general meeting of the Company, notice of which is set out on page 19 of this Circular
<b>“EPS”</b>	: Earnings per Share
<b>“Facility”</b>	: Funds in an aggregate amount of up to US\$46,500,000 made available by the Company to Magnum pursuant to the Facility Agreement
<b>“Facility Agreement”</b>	: The facility agreement dated 25 August 2014 entered into between the Company and Magnum (details of which are set out in the Company’s announcements dated 25 August 2014, 10 September 2014 and 17 October 2014)
<b>“Final Proposal Price”</b>	: The sum of (a) the consideration per CCBC Share paid to shareholders of CCBC upon completion of the Proposal and (b) the amount per CCBC Share of all distributions declared after the Completion Date and prior to the completion of the Proposal
<b>“Group”</b>	: The Company and its subsidiaries
<b>“Group 3Q2015 Accounts”</b>	: The unaudited consolidated financial statements of the Group for the third quarter ended 31 March 2015, being the most recent available unaudited consolidated financial statements of the Group
<b>“HK\$”</b>	: Hong Kong dollars, being the currency of Hong Kong
<b>“Hong Kong Listing Rules”</b>	: Rules Governing the Listing of Securities of the Hong Kong Stock Exchange
<b>“Huiling”</b>	: Jiaxing Huiling No. 3 Investment Partnership (Limited Partnership)
<b>“Latest Practicable Date”</b>	: 14 August 2015, being the latest practicable date prior to the printing of this Circular
<b>“Listing Manual”</b>	: The listing manual of the SGX-ST, as amended or modified from time to time
<b>“Magnum”</b>	: Magnum Opus International Holdings Limited
<b>“Magnum Note”</b>	: A 7% senior unsecured convertible note due 3 October 2017 in the principal amount of US\$25,000,000 issued by CCBC to Magnum
<b>“Nanjing Xinjiekou”</b>	: Nanjing Xinjiekou Department Store Co., Ltd.
<b>“NAV”</b>	: Net asset value

<b>“Note Consideration”</b>	:	The total consideration for the sale of the Convertible Note, being the aggregate of (a) US\$5,100,000, (b) US\$56,377,728, being the product of the US\$6.40 Base Acquisition Price and the total number of Conversion Shares into which the Convertible Note is then convertible (being 8,809,020), (c) the total amount of interest accrued but unpaid on the Convertible Note during the period from 3 October 2014 to the Completion Date, and (d) if CCBC declares any distribution between the date of the Agreement and the Completion Date, the amount of distribution per CCBC Share multiplied by 8,809,020, to the extent that such distribution is not paid to the Company prior to the Completion Date
<b>“NTA”</b>	:	Net tangible assets
<b>“NYSE”</b>	:	New York Stock Exchange, Inc.
<b>“Offeror”</b>	:	Robust Plan Limited, a limited liability company incorporated in Hong Kong
<b>“PRC”</b>	:	The People’s Republic of China
<b>“Proposal”</b>	:	The Purchaser’s non-binding proposal letter to the board of directors of CCBC in relation to acquiring all the CCBC Shares which are not already directly owned by the Purchaser at US\$6.40 in cash per CCBC Share
<b>“Proposed Disposal”</b>	:	The proposed sale by the Company of the Sale Shares and the Convertible Note to the Purchaser, on the terms and subject to the conditions of the Agreement
<b>“Proposed Joint Venture”</b>	:	The Company’s entry into a non-binding memorandum of understanding with the Purchaser in relation to a proposed joint venture in the Shanghai Free Trade Pilot Zone (details of which are set out in the Company’s announcements dated 17 October 2013)
<b>“Purchaser”</b>	:	Golden Meditech Holdings Limited
<b>“Purchaser EGM”</b>	:	The Extraordinary General Meeting of the Purchaser to be convened to approve the Proposed Disposal
<b>“Purchaser Group”</b>	:	The Purchaser and its subsidiaries
<b>“Purchaser’s Announcement”</b>	:	The Purchaser’s announcement dated 8 May 2015 released on the HKExnews website in relation to the proposed acquisition by the Purchaser of the Magnum Note and the Disposal Assets
<b>“Revised Offer”</b>	:	The revised offer for the Disposal Assets submitted to the Board by the financial adviser to the Offeror subsequent to the Company’s rejection of the Unsolicited Offer
<b>“Sale Shares”</b>	:	7,314,015 ordinary shares of par value US\$0.0001 per share in CCBC
<b>“Securities Account”</b>	:	A securities account maintained by a depositor with CDP but does not include a securities sub-account
<b>“SFA”</b>	:	The Securities and Futures Act (Chapter 289 of Singapore)
<b>“SGX-ST”</b>	:	The Singapore Exchange Securities Trading Limited

- “Share Consideration”** : The total consideration for the sale of the Sale Shares, being the aggregate of (a) US\$46,809,696, being the product of the US\$6.40 Base Acquisition Price and the total number of Sale Shares (being 7,314,015) and (b) if CCBC declares any distribution between the date of the Agreement and the Completion Date, the amount of distribution per CCBC Share multiplied by 7,314,015, to the extent that such distribution is not paid to the Company prior to the Completion Date
- “Shareholders”** : Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the persons named as depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
- “Shares”** : Ordinary shares in the issued share capital of the Company
- “Substantial Shareholder”** : A Shareholder who has an interest in one or more voting Shares in the Company, and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company
- “S\$”** : Singapore dollars, being the currency of Singapore
- “Undertaking”** : The letter of undertaking from the Convenantor
- “Unsolicited Offer”** : The unsolicited offer from the Offeror for the Disposal Assets
- “US\$”** : United States dollars, being the currency of the United States of America
- “US\$6.40 Base Acquisition Price”** : US\$6.40 in cash, being the price at which the Purchaser proposed to acquire all the CCBC Shares which are not already directly or indirectly owned by the Purchaser
- “Zhongyuan”** : Zhongyuan Union Cell & Gene Engineering Corp., Ltd.
- “%” or “per cent.”** : Per centum or percentage

The terms **“depositor”** and **“Depository Register”** shall have the same meanings ascribed to them respectively in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter gender and *vice versa*. References to persons shall, where applicable, include firms, corporations and other entities.

Any reference in this Circular to any enactment is a reference to that statute or enactment for the time being amended or re-enacted up to the Latest Practicable Date. Any term defined under the Companies Act or the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act or the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided. Summaries of the provisions of any laws and regulations (including the Listing Manual) contained in this Circular are of such laws and regulations (including the Listing Manual) as at the Latest Practicable Date.

Any discrepancies in tables included herein between the amounts in the columns of the tables and the totals thereof and relevant percentages (if any) are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Unless otherwise stated, the following exchange rates have been used in this Circular: US\$1.00:S\$1.33, and RMB1.00:S\$0.22. These exchange rates are used for illustration purposes only and should not be construed as a representation that the relevant numbers have been or could be converted at such rates or at any other rate.

In this Circular, unless otherwise stated, the total number of issued Shares is 259,297,354 Shares, excluding 8,228,000 treasury shares, based on the results of searches conducted on the Accounting and Corporate Regulatory Authority of Singapore as at the Latest Practicable Date.

*All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and the Company does not undertake any obligation to update publicly or revise any forward-looking statements.*

# CORDLIFE GROUP LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200102883E)

## Directors:

Dr Ho Choon Hou (Chairman and Non-Executive Director)  
Mr Yee Pinh Jeremy (Executive Director and Chief Executive Officer)  
Mr Ho Sheng (Lead Independent Director)  
Dr Goh Jin Hian (Independent Director)  
Mr Joseph Wong Wai Leung (Independent Director)  
Mrs Eileen Tay-Tan Bee Kiew (Independent Director)

## Registered Office:

1 Yishun Industrial Street 1  
#06-01/09  
A'Posh Bizhub  
Singapore 768160

26 August 2015

To: The Shareholders of Cordlife Group Limited

Dear Sir / Madam

## THE PROPOSED DISPOSAL OF THE SALE SHARES AND THE CONVERTIBLE NOTE TO GOLDEN MEDITECH HOLDINGS LIMITED

### 1. INTRODUCTION

- 1.1 The Directors are convening the EGM to seek Shareholders' approval for the proposed sale by the Company to Golden Meditech Holdings Limited (the "**Purchaser**") of (a) 7,314,015 ordinary shares of par value US\$0.0001 per share (the "**Sale Shares**") in China Cord Blood Corporation ("**CCBC**") and (b) the Convertible Note, which is convertible into 8,809,020 fully paid CCBC Shares, on the terms and subject to the conditions of the conditional purchase agreement dated 8 May 2015 entered into by the Company with the Purchaser (the "**Agreement**").
- 1.2 The purpose of this Circular is to provide Shareholders with relevant information relating to the Proposed Disposal to be tabled at the EGM.
- 1.3 The SGX-ST takes no responsibility for the correctness of any statements made, reports contained or opinions expressed in this Circular.

### 2. INFORMATION ON THE PROPOSED DISPOSAL

#### 2.1 **Background on the Proposed Disposal**

On 27 April 2015, the Purchaser issued a non-binding proposal letter to the board of directors of CCBC in relation to acquiring all the ordinary shares of par value US\$0.0001 each in the issued share capital of CCBC (the "**CCBC Shares**") which are not already directly or indirectly owned by the Purchaser at US\$6.40 in cash (the "**US\$6.40 Base Acquisition Price**") per CCBC Share (the "**Proposal**"). The Purchaser had stated that in connection with the Proposal, it also intends to acquire all the 7% senior unsecured convertible notes of CCBC.

On 8 May 2015, the Company announced that it had entered into the Agreement, pursuant to which the Company had agreed to sell and the Purchaser had agreed to purchase from the Company the Sale Shares and the Convertible Note.

The Proposed Disposal does not constitute an "interested person transaction" under Chapter 9 of the Listing Manual. An "interested person transaction" is defined in Chapter 9 of the Listing Manual as a transaction between an entity at risk (i.e. the Company) and an "interested person". "Interested person" is in turn defined to mean a Director, the chief executive officer of the Company or a Controlling Shareholder, or an associate of any such Director, chief executive officer or Controlling



Shareholder. The Purchaser does not fall within the definition of “interested person” vis-à-vis the Company as it is not an associate of any Director or of the chief executive officer of the Company. The Company has no Controlling Shareholder.

As disclosed in paragraph 11 of this Circular, by virtue of Section 4 of the SFA, the Purchaser is deemed to be interested in the Shares held by, China Stem Cells (East) Company Limited (“**CSCE**”), a Shareholder. CSCE has a direct interest in 25,516,666 Shares representing approximately 9.84% of the issued share capital of the Company as at the Latest Practicable Date. CSCE is not the largest Shareholder and is not a Controlling Shareholder as it has no ability to exercise control over the Company whether through its shareholding in the Company, by way of board representation or any other contractual right. There is no connection or business relationship between the Company or the Directors and CSCE or its directors. In addition, CSCE does not have any nominee Directors on the Board and the Company does not have any nominee directors on the board of directors of CSCE.

Thus, the Proposed Disposal is not an “interested person transaction” under Chapter 9 of the Listing Manual and accordingly, no Shareholder is required to abstain from voting on the resolution on the Proposed Disposal pursuant to Rule 919 of the Listing Manual.

## 2.2 Information regarding CCBC

CCBC (NYSE: CO), a company incorporated in the Cayman Islands and listed on the New York Stock Exchange on 24 November 2009, is the first and largest umbilical cord blood banking operator in the PRC in terms of geographical coverage and is the only cord blood banking operator with multiple licences in the PRC. Under current PRC government regulations, only one licensed cord blood banking operator is permitted to operate in each licensed region and only seven (7) licences have been authorised. CCBC provides cord blood collection, laboratory testing, hematopoietic stem cell processing and stem cell storage services. For more information, please visit CCBC’s website at [www.chinacordbloodcorp.com](http://www.chinacordbloodcorp.com).

As at the Latest Practicable Date, the Company’s shareholding interest in CCBC, held in the form of the Sale Shares, represents approximately 9.13% of the total outstanding share capital of CCBC, based on 80,083,248 issued and outstanding CCBC Shares.

Information on CCBC’s shareholding interest in the Company can be found in paragraph 11 of this Circular.

On 3 March 2014, the Company announced the extension of its strategic alliance and cooperation with CordLabs Asia Pte. Ltd., and the entry into a similar strategic alliance agreement with CCBC pursuant to which it will collaborate with CCBC and CordLabs Asia Pte. Ltd. in relation to the provision of human postnatal umbilical cord tissue storage services to certain territories in the PRC. CordLabs Asia Pte. Ltd. is a wholly-owned subsidiary of CellResearch Pte. Ltd. and had been authorised by CellResearch Pte. Ltd. to use its patented technology to exploit stem or progenitor cells derived from human postnatal umbilical cord tissue for storage purposes.

Save as disclosed in this paragraph and in paragraph 11 of this Circular:

- (a) there is no connection or business relationship between the Company or the Directors and any of CCBC, its directors or its substantial shareholders; and
- (b) to the best of the Company’s knowledge, there is no connection or business relationship between the substantial Shareholders of the Company and any of CCBC, its directors or its substantial shareholders.

CCBC does not have any nominee Directors on the Board and the Company does not have any nominee director on CCBC’s board of directors.

### 2.3 Information regarding the Purchaser

The Purchaser and its group of companies is the PRC's leading integrated-healthcare device and service operator, and its first medical device enterprise that was publicly listed outside of the PRC on the Hong Kong Stock Exchange. The Purchaser Group is involved in five (5) different businesses, namely (a) the medical device business, (b) the cord blood banking business, which is listed, through the Purchaser's subsidiary, CCBC, on the NYSE, (c) the hospital management business, (d) the medical insurance administration business, and (e) the Chinese herbal medicine business.

The Purchaser does not hold any Shares but is deemed interested in the Shares held by CSCE by virtue of Section 4 of the SFA. Information on the Purchaser's deemed interest in the Company can be found in paragraph 11 of this Circular.

On 17 October 2013, the Company announced its entry into a non-binding memorandum of understanding with the Purchaser in relation to a proposed joint venture in the Shanghai Free Trade Pilot Zone (the "**Proposed Joint Venture**"). However, no definitive agreements were entered into and the Company and the Purchaser subsequently agreed not to proceed with the Proposed Joint Venture.

Save as disclosed in this paragraph and paragraph 11 of this Circular:

- (a) there is no connection or business relationship between the Company or the Directors and the Purchaser, its directors or its substantial shareholders; and
- (b) to the best of the Company's knowledge, there is no connection or business relationship between the substantial Shareholders of the Company and any of the Purchaser, its directors or its substantial shareholders.

In addition, the Purchaser does not have any nominee Directors on the Board and the Company does not have any nominee director on the Purchaser's board of directors.

### 2.4 Information regarding the Sale Shares

The Company had acquired the Sale Shares for a consideration of US\$20,844,942.75 on 12 November 2012. As at the Latest Practicable Date, the Sale Shares represent approximately 9.13% of the total outstanding share capital of CCBC, based on 80,083,248 issued and outstanding CCBC Shares. The volume weighted average price per Sale Share was US\$6.17 on 7 May 2015, being the market day on which the Sale Shares were traded on the NYSE preceding the date of the Agreement. Accordingly, as of 7 May 2015, the Sale Shares had a market value of US\$45,126,009.75.

### 2.5 Information regarding the Convertible Note

The Convertible Note bears interest at a rate equal to 7.00% per annum, which amounts to US\$1,750,000 annually. Interest on the Convertible Note is payable annually on 3 October in arrears until the maturity of the Convertible Note. The latest interest payment was paid on 3 October 2014 by CCBC to the Purchaser, being the then holder of the Convertible Note. The total number of CCBC Shares to be issued upon conversion of the Convertible Note will be 8,809,020 fully paid CCBC Shares (the "**Conversion Shares**") at a conversion price of approximately US\$5.00 per CCBC Share, based on the purchase price of US\$44,045,000 paid by the Company for the Convertible Note. Post conversion, the Conversion Shares represent approximately 9.91% of the enlarged share capital of CCBC, being 88,892,268 CCBC Shares.

## 3. **SALE CONSIDERATION**

### 3.1 Under the terms of the Agreement:

- (a) the total consideration for the sale of the Sale Shares (the "**Share Consideration**") is the aggregate of (i) US\$46,809,696, being the product of the US\$6.40 Base Acquisition Price and the total number of Sale Shares (being 7,314,015) and (ii) if CCBC declares any distribution between the date of the Agreement and the completion date of the Proposed

Disposal (the “**Completion Date**”), the amount of distribution per CCBC Share multiplied by 7,314,015, to the extent that such distribution is not paid to the Company prior to the Completion Date; and

- (b) the total consideration for the sale of the Convertible Note (the “**Note Consideration**”) shall be the aggregate of (i) US\$5,100,000, (ii) US\$56,377,728, being the product of the US\$6.40 Base Acquisition Price and the total number of Conversion Shares into which the Convertible Note is then convertible (being 8,809,020) and (iii) the total amount of interest accrued but unpaid on the Convertible Note during the period from 3 October 2014 to the Completion Date<sup>1</sup> and (iv) if CCBC declares any distribution between the date of the Agreement and the Completion Date, the amount of distribution per CCBC Share multiplied by 8,809,020, to the extent that such distribution is not paid to the Company prior to the Completion Date.

- 3.2 In addition, if the sum of (a) the consideration per CCBC Share paid to shareholders of CCBC upon completion of the Proposal and (b) the amount per CCBC Share of all distributions declared after the Completion Date and prior to the completion of the Proposal (the sum of (a) and (b), the “**Final Proposal Price**”) is higher than the US\$6.40 Base Acquisition Price per CCBC Share, then the Purchaser shall pay to the Company an additional payment (the “**Additional Consideration**”, and together with the Share Consideration and the Note Consideration, the “**Aggregate Consideration**”) computed as follows:

The difference between the Final Proposal Price and the US\$6.40 Base Acquisition Price  
multiplied by  
16,123,035 (being the aggregate number of Sale Shares and Conversion Shares)

- 3.3 The Aggregate Consideration was arrived at after arm’s length negotiations between the Purchaser and the Company on a willing-buyer and willing-seller basis taking into account factors such as:

- (a) the consolidated net asset value of CCBC of approximately RMB1,498,000,000 (which is equivalent to approximately S\$326,000,000 based on an exchange rate of RMB4.60:S\$1.00) as at 31 December 2014;
- (b) the prevailing market price of CCBC Shares of US\$6.19 (which is equivalent to approximately S\$8.23) as at 7 May 2015, being the last trading day of CCBC Shares immediately before the date of the Announcement; and
- (c) the net book value of the Convertible Note of approximately S\$54,549,000 in the Group’s unaudited consolidated financial statements as at 31 December 2014.

- 3.4 The final Share Consideration and the final Note Consideration payable under the Agreement are dependent on whether CCBC declares any distribution between the date of the Agreement and the Completion Date, which is unknown as at the Latest Practicable Date. In addition to the foregoing, the final Aggregate Consideration is also dependent on whether Additional Consideration is payable which is dependent on the Final Proposal Price which is also unknown as at the Latest Practicable Date. Accordingly, for the purposes of the computations in paragraphs 6 to 8 of this Circular, the Company has assumed that the total consideration to be paid to the Company for the Proposed Disposal is US\$110,066,591 (the “**Base Consideration**”)<sup>2</sup>.

<sup>1</sup> On 25 August 2014, the Company entered into a conditional convertible note sale agreement (the “Acquisition Agreement”) pursuant to which the Company acquired the Convertible Note from the Purchaser. The Company completed the acquisition of the Convertible Note on 10 November 2014. Under the terms of the Acquisition Agreement, the Purchaser is entitled to the interest payable on the Convertible Note up to and including 10 November 2014. Therefore, notwithstanding that the Note Consideration payable by the Purchaser to the Company under the terms of the Agreement includes the total amount of interest accrued but unpaid on the Convertible Note during the period from 3 October 2014 to the Completion Date, the Company is required to pay over to the Purchaser, the interest accrued but unpaid on the Convertible Note for the period from 3 October 2014 to 10 November 2014 pursuant to the terms of Acquisition Agreement (the “Purchaser’s Entitlement”). The Purchaser’s Entitlement amounts to US\$179,861.

<sup>2</sup> The Base Consideration of US\$110,066,561 assumes that the Share Consideration is US\$46,809,696 and the Note Consideration is US\$63,256,895, comprising US\$5,100,000 referred to in paragraph 3.1(b)(i) of this Circular, US\$56,377,728 referred to in paragraph 3.1(b)(ii) of this Circular and US\$1,779,167, being the total amount of interest accrued but unpaid on the Convertible Note during the period from 11 November 2014 to the assumed completion date of 16 November 2015.

#### **4. RATIONALE FOR THE PROPOSED DISPOSAL**

The rationale for, and benefits of, the Proposed Disposal are, among other things, as follows:

- (a) The Proposed Disposal allows the Company to realise value in its investment in CCBC at a time when the continued listing status and future business direction of CCBC is uncertain, given that CCBC may be delisted in the near future as a result of the Proposal and there is no assurance that CCBC will continue to expand in the PRC.
- (b) As the Company's investment in CCBC has been accounted for in the Group's books as a financial asset from 27 September 2013, the Proposed Disposal represents an opportunity for the Group to realise its investment in CCBC at a net gain of approximately S\$46,184,000.
- (c) Proceeds from the Proposed Disposal may be used for the Group's future business expansion, including expanding operations in the Group's existing geographical footprint, which includes the PRC.
- (d) Proceeds from the Proposed Disposal may also be used to deleverage<sup>3</sup> the financial position of the Company and/or for distribution to Shareholders.

While the Company's investments in CCBC comprising the Sale Shares and the Convertible Note gave the Company exposure to the restricted cord blood banking market in the PRC, the Proposed Disposal is not expected to impact the operations of the Company. As set out in paragraph 2.2 above, the Company had entered into strategic alliance agreements with both CCBC and CordLabs Asia Pte. Ltd. to collaborate on the provision of postnatal umbilical cord tissue storage services in certain territories in the PRC. These collaborations are independent of the Company's financial investment in CCBC. The Company remains committed to expanding its geographical footprint for cord blood and cord tissue banking in Asia.

#### **5. SALIENT TERMS OF THE PROPOSED DISPOSAL**

5.1 Under the terms of the Agreement, the obligations of the Company and of the Purchaser to complete the Proposed Disposal are conditional on:

- (a) the representations and warranties given by each party in the Agreement remaining true and correct on the Completion Date;
- (b) the Company having obtained the approval of the Shareholders for the Proposed Disposal at the EGM;
- (c) the Purchaser having obtained the approval of its shareholders for the Proposed Disposal at the Purchaser EGM; and
- (d) there being no (i) governmental authority or any other person that has instituted or threatened proceedings against either party to restrain or prohibit the Proposed Disposal or (ii) proposed or enacted statute, regulation or policy which would prohibit, materially restrict or delay the implementation of the transactions under the Agreement.

5.2 The Company and the Purchaser also agreed to share equally any liability or conveyance taxes which may be payable in connection with the Proposed Disposal.

#### **6. GAIN ON THE PROPOSED DISPOSAL AND INTENDED USE OF PROCEEDS**

6.1 Based on the Group 3Q2015 Accounts, the book value of the Convertible Note is approximately S\$61,720,000, and the book value of the Sale Shares is approximately S\$51,345,000. The excess of the proceeds of the Proposed Disposal over the book value of the Convertible Note and the Sale Shares is expected to be approximately S\$31,862,000<sup>4</sup>.

<sup>3</sup> The gearing ratio of the Company as at 31 March 2015 is 0.9x, as disclosed in the Company's unaudited financial statements for the period ended 31 March 2015.

<sup>4</sup> Computed using the Base Consideration but adjusted to only include interest accrued but unpaid on the Convertible Note during the period from 11 November 2014 to 31 March 2015.

6.2 Based on:

- (a) the Base Consideration (and the adjustments described in footnote 4 of paragraph 6.1 above);
- (b) the net book value of the Convertible Note of approximately S\$61,720,000 in the Group 3Q2015 Accounts; and
- (c) the net book value of the Sales Shares of approximately S\$51,345,000 in the Group 3Q2015 Accounts,

net gain on the Proposed Disposal to the Company is expected to be approximately S\$31,742,000, net of estimated related expenses of approximately S\$120,000.

- 6.3 The Group will consider deploying the net proceeds of approximately S\$146,269,000<sup>5</sup> from the Proposed Disposal for, *inter alia*, general working capital requirements, pre-payment of bank borrowings, redemption of the fixed rate notes issued under the Company's Multicurrency Debt Issuance Programme, as well as possible distribution to Shareholders by way of special dividend.
- 6.4 Pending the deploying of the unutilised proceeds from the Proposed Disposal, such 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 Directors may deem appropriate in the interests of the Group. The Company intends to decide on the use of the proceeds from the Proposed Disposal after the Completion Date, depending on the circumstances then existing but in line with the intentions outlined above.

## 7. **FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL**

- 7.1 The unaudited pro forma financial effects analysis of the Proposed Disposal has been prepared on the following key bases and assumptions:
- (a) for the purposes of illustrating the financial effects of the Proposed Disposal on the NTA per Share of the Group, it is assumed that (i) the Company completed acquisition of the Convertible Note on 30 June 2014<sup>6</sup>, and (ii) the Proposed Disposal had been completed on 30 June 2014;
  - (b) for the for the purposes of illustrating the financial effects of the Proposed Disposal on the EPS of the Group, it is assumed that (i) the Company completed acquisition of the Convertible Note on 1 July 2013, and (ii) the Proposed Disposal had been completed on 1 July 2013;
  - (c) the NTA per Share is computed based on the 264,103,354 Shares in issue, excluding 3,422,000 treasury shares as at 30 June 2014, and the EPS of the Group is computed based on the weighted average price of 256,520,000 Shares in issue for the financial year ended 30 June 2014;
  - (d) the financial effects of the Proposed Disposal are purely for illustrative purposes only and are neither indicative of the actual financial effects of the Proposed Disposal on the NTA per Share and EPS of the Group, nor do they represent the future financial performance and/or position of the Group immediately following the Completion Date; and
  - (e) assuming an exchange rate of US\$1.00:S\$1.33.

<sup>5</sup> Computed using the Base Consideration.

<sup>6</sup> The Company had in actual fact completed the acquisition of the Convertible Note on 10 November 2014. Rule 1010(8) of the Listing Manual requires the Company to disclose the effect of the Proposed Disposal on the NTA per Share of the Group for the most recently completed financial year, assuming that the Proposed Disposal had been effected at the end of that financial year. Rule 1010(9) of the Listing Manual requires the Company to disclose the effect of the Proposed Disposal on the EPS of the Group for the most recently completed financial year assuming the Proposed Disposal had been effected at the beginning of that financial year. For the purpose of complying with Rules 1010(8) and 1010(9) of the Listing Manual, the Company has assumed an earlier acquisition date for the Convertible Note.

## 7.2 Effect of the Proposed Disposal on the NTA per Share

On the bases and assumptions set out above in paragraphs 7.1 and 3.4, the pro forma effect of the Proposed Disposal on the NTA per Share of the Group is as follows:

	<b>Before the Proposed Disposal</b>	<b>After the Proposed Disposal</b>
NTA (S\$'000)	139,351	175,563
NTA per Share (Singapore cents)	52.76	66.48

## 7.3 Effect of the Proposed Disposal on EPS

On the bases and assumptions set out above in paragraphs 7.1 and 3.4, the pro forma effect of the Proposed Disposal on the EPS of the Group is as follows:

	<b>Before the Proposed Disposal</b>	<b>After the Proposed Disposal</b>
Profit attributable to Shareholders (S\$'000)	30,521	66,507
EPS (Singapore cents)	11.90	25.93

## 8. **RELATIVE FIGURES OF THE PROPOSED DISPOSAL UNDER CHAPTER 10 OF THE LISTING MANUAL**

Based on the Group 3Q2015 Accounts, the relative figures for the Proposed Disposal computed on the bases set out in Rule 1006 of the Listing Manual are set out as follows:

<b>Listing Rule</b>	<b>Bases</b>	<b>Disposal Assets (S\$'000)<sup>(i)</sup></b>	<b>Group (S\$'000)</b>	<b>Relative Figures</b>
1006(a)	The NAV of the Disposal Assets, compared with the Group's NAV	113,065	143,723	78.67%
1006(b)	The net profit attributable to the Disposal Assets, compared with the Group's net profit <sup>(ii)</sup>	5,267	12,293	42.85%
1006(c)	The Base Consideration <sup>(iii)</sup> , compared with the Group's market capitalisation <sup>(iv)</sup>	146,389	324,122	45.16%
1006(d)	The number of equity securities issued by the Company as consideration for the Proposed Disposal, compared with the number of equity securities of the Company previously in issue		Not applicable.	
1006(e)	The aggregate volume or amount of proven and probable reserves to be disposed of, compare with the aggregate of the Group's proven and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets		Not applicable.	

**Notes:**

- (i) Based on an assumed foreign exchange rate of US\$1.00:S\$1.33
- (ii) The Group's net profit is defined as profit before income tax, minority interests and exceptional items.
- (iii) The Aggregate Consideration is not used for this computation as it is dependent on circumstances which are unknown as at the Latest Practicable Date. Please refer to paragraph 3.4 of this Circular for more details. Shareholders should note that the relative figure computed on the basis set out in Rule 1006(c) may be larger if the Aggregate Consideration is more than the Base Consideration.
- (iv) The Group's market capitalisation is based on a total number of 259,297,354 Shares in issue, excluding 8,228,000 treasury shares, as at 7 May 2015 and the volume weighted average price per Share of S\$1.25 on 7 May 2015, being the market day preceding the date of the Agreement.

Based on the above, the Proposed Disposal constitutes a "major transaction" under Chapter 10 of the Listing Manual as the relative figures under Rule 1006 exceed 20%. The Proposed Disposal is therefore subject to the approval of Shareholders in general meeting and accordingly, the Company is seeking approval from Shareholders for the Proposed Disposal at the EGM.

**9. SALE OF NOTE BY MAGNUM**

- 9.1 As disclosed in the Purchaser's announcement dated 8 May 2015 released on the HKExnews website (the "**Purchaser's Announcement**"), the Company understands that the Purchaser has also entered into a conditional purchase agreement dated 8 May 2015 with Magnum Opus International Holdings Limited, a company incorporated in the British Virgin Islands ("**Magnum**"), pursuant to which Magnum has agreed to sell and the Purchaser has agreed to purchase from Magnum the Magnum Note<sup>7</sup>.
- 9.2 The Company and Magnum had entered into a facility agreement dated 25 August 2014 (details of which are set out in the Company's announcements dated 25 August 2014, 10 September 2014 and 17 October 2014) (the "**Facility Agreement**"). This was in line with the Group's strategy to redeploy its capital more efficiently through higher yield investments, as the terms of the Facility Agreement enabled the Company to generate a good return and interest income.
- 9.3 Under the terms of the Facility Agreement, the Company is entitled upon first drawdown of the Facility to an upfront non-refundable fee of approximately US\$1.45 million, being 3.12% of the total Facility amount of US\$46,500,000. Magnum is required to pay interest of 7% per annum semi-annually for the first three (3) years of the Facility. In the fourth and fifth years of the Facility, interest is payable at a rate of 4.6% over the swap offer rate or 7% per annum, whichever is higher. In addition, Magnum is required to repay the Facility in four (4) equal instalments, on the dates falling 42, 48, 54 and 60 months after the first drawdown date, unless the Facility was previously prepaid. Any amount repaid may not be reborrowed.
- 9.4 Pursuant to the terms of the Facility Agreement, Magnum shall ensure that the proceeds from its sale of the Magnum Note are first applied towards prepayment of the loan and any accrued interest under the Facility Agreement in full. Based on the Purchaser's Announcement, Magnum will receive more than US\$61,477,700<sup>8</sup> as consideration for the Magnum Note. Based on an assumed completion date for the Purchaser's acquisition of the Magnum Note of 16 November 2015, the amount outstanding under the Facility Agreement (including interest) will be approximately US\$47,492,000. The proceeds from the sale of the Magnum Note are expected to be sufficient to fully repay the outstanding amount under the Facility Agreement.
- 9.5 To the best of the Company's knowledge, the sole shareholder of Magnum is Mr Yuen Kam, the Chairman and a director of CCBC. The directors of Magnum are Mr Yuen Kam and Mr Leong Kim Chuan. Based on the Purchaser's Announcement, Mr Yuen Kam is also an executive director and the Chairman of the Purchaser. Save for the foregoing, the Company is not aware of any other connections between Magnum, Mr Yuen Kam, its directors and the Company or CCBC.

<sup>7</sup> The Magnum Note constitutes 50% of the original convertible note of US\$50,000,000 principal amount issued by CCBC to the Purchaser on 3 October 2012; the remainder 50% of which is the Convertible Note. For more information on the Company's acquisition of the Convertible Note, please refer to footnote 1 on page 9 of this Circular.

<sup>8</sup> The Magnum Consideration is the same as the Note Consideration. Accordingly, like the Note Consideration, the final Magnum Consideration is dependent on events which are unknown as at the Latest Practicable Date. US\$61,477,700 is the minimum Magnum Consideration payable by the Purchaser to Magnum for the Magnum Note.

## 10. **SUBSEQUENT UNSOLICITED OFFERS**

- 10.1 Subsequent to the Company entering into the Agreement, the Company received an unsolicited offer from Robust Plan Limited, a company incorporated in Hong Kong (the “**Offeror**”), for the Disposal Assets (the “**Unsolicited Offer**”)<sup>9</sup>. The terms of the offer states that the Offeror is wholly-owned by Shanghai Dunheng Capital Management Co., Ltd, which in turn is wholly-owned by Jiaxing Huiling No. 3 Investment Partnership (Limited Partnership), a limited partnership incorporated in the PRC (“**Huiling**”). Economically, the consideration offered under the terms of the Unsolicited Offer was higher than that contractually agreed between the Company and the Purchaser under the Agreement.
- 10.2 After due and careful consideration, the Board decided to reject the Unsolicited Offer. In coming to its decision, the Board took into consideration a number of commercial and legal factors, including the fact that the Company had already entered into the legally binding Agreement with the Purchaser, the performance obligations undertaken by the Company under the Agreement, the terms and conditions of the Unsolicited Offer, as well as the relative timing and completion risks associated with each of the Agreement and the Unsolicited Offer. The Board concluded after its deliberations that any economic benefit to be gained by accepting the Unsolicited Offer would be outweighed by the legal and transactional risks associated with such acceptance.
- 10.3 Subsequent to the rejection of the Unsolicited Offer, the financial adviser to the Offeror submitted a revised offer to the Company for the Disposal Assets (the “**Revised Offer**”)<sup>10</sup>. The Revised Offer was accompanied by a letter of undertaking (the “**Undertaking**”) from Vcanland Holding Group Company Limited, an investment holding company incorporated under the laws of the PRC (the “**Covenantor**”), pursuant to which the Covenantor offered to indemnify the Company against losses incurred in connection with breach of the Agreement arising out of the Company’s acceptance of the Revised Offer.
- 10.4 Under the terms of the Revised Offer:
- (a) the total consideration for the sale and transfer of the Sale Shares is the aggregate of (i) US\$58,512,120, being the product of US\$8.00 and the total number of Sale Shares (being 7,314,015) and (ii) if CCBC declares any distribution between the date of the Revised Offer and the completion date of the Revised Offer, the amount of distribution per CCBC Share multiplied by 7,314,015, to the extent that such distribution is not paid to the Company prior to such completion date; and
  - (b) the total consideration for the sale and transfer of the Convertible Note shall be the aggregate of (i) US\$79,281,180, being the product of US\$9.00 and the total number of Conversion Shares into which the Convertible Note is convertible (being 8,809,020), (ii) the total amount of interest accrued but unpaid on the Convertible Note during the period from 3 October 2014 to the completion date of the Revised Offer and (iii) if CCBC declares any distribution between the date of the Revised Offer and the completion date of the Revised Offer, the amount of distribution per CCBC Share multiplied by 8,809,020, to the extent that such distribution is not paid to the Company prior to such completion date.

Based on the terms above and assuming that no Additional Consideration is paid by the Purchaser to the Company, the gross proceeds from the sale of the Disposal Assets under the Revised Offer will be approximately US\$29.5 million or approximately 27.3% greater than the Aggregate Consideration.

- 10.5 The Revised Offer states that completion of the Revised Offer is subject to the following conditions:
- (a) the approval of Shareholders in general meeting for the sale and transfer of the Disposal Assets in accordance with the terms of the Revised Offer;
  - (b) Shareholders in general meeting rejecting the Proposed Disposal;

<sup>9</sup> Please refer to the Company’s SGXNET announcement on 7 July 2015.

<sup>10</sup> Please refer to the Company’s SGXNET announcement on 3 August 2015.



- (c) all approvals, waivers or consents required for the sale and transfer of the Disposal Assets, to enable the Offeror to be registered as holder of all of the Disposal Assets free and clear of all encumbrances, being obtained; and
  - (d) termination (or expiration) of any and all contractual obligations restricting the ability of the Company to sell and transfer the Disposal Assets to the Offeror.
- 10.6 While the Revised Offer represents a potentially greater economic gain of approximately 27.3% to the Company as compared to the Proposed Disposal, the Directors are of the view that the legal, transactional and reputational risks associated with acceptance of the Revised Offer still outweigh such economic gain. In particular, the Board noted the following concerns regarding any acceptance of the Revised Offer:
- (a) In taking any steps to accept the Revised Offer before the Agreement is properly terminated, the Company has been advised that it will be in breach of the Agreement. The potential damages that the Company may be liable to pay to the Purchaser as a result of the Company breaching the Agreement may be greater than any additional financial gain from accepting the Revised Offer.
  - (b) The Board also noted the Offeror is a special purpose vehicle incorporated outside Singapore. There is no performance guarantee in place for the Offeror's obligations under the Revised Offer.
  - (c) While the Offeror has offered to open an escrow account with an escrow agent jointly appointed by the Offeror and the Company to hold the funds for payment of the Revised Offer, the Company is prevented under the terms of the Agreement from taking any action that may amount to a commitment to transfer the Disposal Assets before the Completion Date or the termination of the Agreement. Accordingly, without the escrow account, the Company has no certainty of access to moneys for completion of the Revised Offer if the Revised Offer is accepted.
  - (d) The Board is also unclear as to the approvals, waivers or consents required by the Offeror to enable it to be registered as holder of the Disposal Assets free and clear of all encumbrances. As completion of the Revised Offer is stated to be conditional on such approvals and consents being obtained, the Board is unable to properly assess the risk of non-completion due to non-satisfaction of this condition.
- 10.7 On 6 August 2015, Zhongyuan Union Cell & Gene Engineering Corp., Ltd. ("**Zhongyuan**") made a statement on the website of the Shanghai Stock Exchange that it had entered into a non-binding letter of intent with Huiling pursuant to which Zhongyuan intends to acquire from Huiling the shares of a company known as SPV1. In the statement, it was disclosed that SPV1 holds SPV2 and if SPV2 acquires the Disposal Assets from the Company, SPV2 will hold the Disposal Assets. Although SPV1 and SPV2 are not named in the statement, the Board believes they are references to Shanghai Dunheng Capital Management Co., Ltd, and the Offeror, respectively. For the avoidance of doubt, the Board wishes to clarify that the Company has not accepted the Revised Offer<sup>11</sup>.
- 10.8 Also on 6 August 2015, CCBC released a statement relating to receipt by the board of directors of CCBC of a non-binding acquisition proposal letter from Nanjing Xinjiekou Department Store Co., Ltd. ("**Nanjing Xinjiekou**") pursuant to which Nanjing Xinjiekou offered to acquire all of CCBC's PRC business, including all of CCBC's equity interests in its PRC subsidiaries and CCBC's assets and resources relating to its business in the PRC. For the avoidance of doubt, as at the Latest Practicable Date, the Board has not been approached by Nanjing Xinjiekou with any offer.

**As there may be further developments relating to the above after the Latest Practicable Date, Shareholders are advised to refer to the Company's announcements on SGXNET for the latest developments.**

<sup>11</sup> Please refer to the Company's SGXNET announcement on 10 August 2015.

## 11. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

### 11.1 Interests of Directors

The interests of the Directors in the Shares, based on information as recorded in the Register of Directors' Shareholdings of the Company as the Latest Practicable Date are as follows:

Directors	Direct		Deemed	
	Number of Shares	% of total issued Shares <sup>(1)</sup>	Number of Shares	% of total issued Shares <sup>(1)</sup>
Dr Ho Choon Hou	792,061	0.31	–	–
Yee Pinh Jeremy	1,731,034	0.67	–	–
Ho Sheng	–	–	250,000	0.10
Dr Goh Jin Hian	–	–	–	–
Joseph Wong Wai Leung	–	–	–	–
Eileen Tay-Tan Bee Kiew	–	–	–	–

**Note:**

(1) As a percentage of the issued share capital of the Company (excluding the 8,228,000 Shares held as treasury shares), comprising 259,297,354 Shares as at the Latest Practicable Date.

### 11.2 Interests of Substantial Shareholders

The interests of the Substantial Shareholders of the Company in the Shares, based on information as recorded in the Register of Substantial Shareholders of the Company, as at the Latest Practicable Date are as follows:

Substantial Shareholders	Direct		Deemed	
	Number of Shares	% of total issued Shares <sup>(1)</sup>	Number of Shares	% of total issued Shares <sup>(1)</sup>
China Stem Cells (East) Company Limited	25,516,666	9.84	–	–
China Stem Cells Holdings Limited	–	–	25,516,666 <sup>(2)</sup>	9.84
China Cord Blood Services Corporation	–	–	25,516,666 <sup>(3)</sup>	9.84
China Cord Blood Corporation	–	–	25,516,666 <sup>(4)</sup>	9.84
Golden Meditech Stem Cells Company Limited	–	–	25,516,666 <sup>(5)</sup>	9.84
Golden Meditech Holdings Limited	–	–	25,516,666 <sup>(6)</sup>	9.84
Coop International Pte. Ltd.	29,092,000	11.22	–	–
Bonvests Holdings Limited	–	–	29,092,000 <sup>(7)</sup>	11.22
Wells Spring Pte. Ltd.	25,200,000	9.72	–	–
Providence Investments Pte Ltd	4,000,000	1.54	25,200,000 <sup>(8)</sup>	9.72
Chye Hin Pte Ltd	–	–	29,200,000 <sup>(9)</sup>	11.26
Tai Tak Estates Sdn Bhd	–	–	29,200,000 <sup>(10)</sup>	11.26
SG Investments Pte Ltd	–	–	29,200,000 <sup>(11)</sup>	11.26
Ho Han Leong Calvin	–	–	29,200,000 <sup>(12)</sup>	11.26
FIL Limited	–	–	23,503,000 <sup>(13)</sup>	9.06

**Notes:**

- (1) As a percentage of the issued share capital of the Company (excluding the 8,228,000 Shares held as treasury shares), comprising 259,297,354 Shares as at the Latest Practicable Date.
- (2) China Stem Cells Holdings Limited is the sole shareholder of China Stem Cells (East) Company Limited and is therefore deemed to be interested in the Shares held by China Stem Cells (East) Company Limited by virtue of Section 4 of the SFA.
- (3) China Cord Blood Services Corporation is the sole shareholder of China Stem Cells Holdings Limited and is therefore deemed to be interested in the Shares held by China Stem Cells (East) Company Limited by virtue of Section 4 of the SFA.
- (4) China Cord Blood Corporation is the sole shareholder of China Cord Blood Services Corporation and is therefore deemed to be interested in the Shares held by China Stem Cells (East) Company Limited by virtue of Section 4 of the SFA.
- (5) Golden Meditech Stem Cells Company Limited holds approximately 38.31% equity interests in China Cord Blood Corporation and is therefore deemed to be interested in the Shares held by China Stem Cells (East) Company Limited by virtue of Section 4 of the SFA.
- (6) Golden Meditech Holdings Limited is the sole shareholder of Golden Meditech Stem Cells Company Limited and is therefore deemed to be interested in the Shares held by China Stem Cells (East) Company Limited by virtue of Section 4 of the SFA.
- (7) Bonvests Holdings Limited is the sole shareholder of Coop International Pte. Ltd. and is therefore deemed to be interested in the Shares held by Coop International Pte. Ltd. by virtue of Section 4 of the SFA.
- (8) Providence Investments Pte Ltd is the sole shareholder of Wells Spring Pte. Ltd. and is therefore deemed to be interested in the Shares held by Wells Spring Pte. Ltd. by virtue of Section 4 of the SFA.
- (9) Chye Hin Pte Ltd is the sole shareholder of Providence Investments Pte Ltd and is therefore deemed to be interested in the Shares held by Wells Spring Pte. Ltd. and Providence Investments Pte Ltd by virtue of Section 4 of the SFA.
- (10) Tai Tak Estates Sdn Bhd is the sole shareholder of Chye Hin Pte Ltd and is therefore deemed to be interested in the Shares held by Wells Spring Pte. Ltd. and Providence Investments Pte Ltd by virtue of Section 4 of the SFA.
- (11) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 17 March 2014, SG Investments Pte Ltd is a shareholder of Tai Tak Estates Sdn Bhd and is deemed to be interested in the Shares held by Wells Spring Pte. Ltd. and Providence Investments Pte Ltd.
- (12) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 17 March 2014, Ho Han Leong Calvin is deemed to be interested in the Shares held by Wells Spring Pte. Ltd. and Providence Investments Pte Ltd as he is a shareholder of SG Investments Pte Ltd and Tai Tak Estates Sdn Bhd.
- (13) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 2 December 2014, FIL Limited is a privately-owned company incorporated under the laws of Bermuda. Pandanus Partners L.P. is deemed interested in the Shares held by FIL Limited.

### **11.3 Directors' and Controlling Shareholders' Interests in the Proposed Disposal**

None of the Directors of the Company has any interest, direct or indirect, in the Proposed Disposal. The Company has no Controlling Shareholder. No person is proposed to be appointed as a Director in connection with the Proposed Disposal.

## **12. DIRECTORS' RECOMMENDATIONS**

Having considered the rationale for the Proposed Disposal and taking into account the considerations highlighted in paragraph 10.6 above, the Directors are of the opinion that the Proposed Disposal is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the resolution on the Proposed Disposal. Any Shareholder who may require specific advice should consult his stockbroker, accountant, bank manager or other professional adviser.

**13. EXTRAORDINARY GENERAL MEETING**

The EGM, notice of which is set out on page 19 of this Circular, will be held at Auditorium 302, Level 3, NTU@one-north Executive Centre, 11 Slim Barracks Rise (off North Buona Vista Road), Singapore 138664 on Monday, 14 September 2015 at 3 p.m. for the purpose of considering and, if thought fit, passing with or without any modifications, the ordinary resolution in respect of the Proposed Disposal as set out in the notice of EGM.

**14. ACTION TO BE TAKEN BY SHAREHOLDERS**

If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the attached proxy form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Company's Share Registrar, Tricor Barbinder Share Registration Services either by hand at 80 Robinson Road, #11-02, Singapore 068898 or by post at 80 Robinson Road, #02-00, Singapore 068898, not less than 48 hours before the time fixed for the EGM. The completion and return of a proxy form by a Shareholder does not preclude him from attending and voting in person at the EGM if he wishes to do so. A depositor shall not be regarded as a member entitled to attend, speak and vote at the EGM unless his name appears in the Depository Register 48 hours before the time appointed for holding the EGM.

**15. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

**16. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of each of the following 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 (3) months from the date of the Announcement:

- (a) the Agreement; and
- (b) the Schedule 13D/A filed by the Company with the United States Securities and Exchange Commission in connection with the Proposed Disposal.

Yours faithfully  
For and on behalf of the Board of Directors of  
**CORDLIFE GROUP LIMITED**

MR. YEE PINH JEREMY  
EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER  
26 AUGUST 2015

# CORDLIFE GROUP LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200102883E)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**Notice is hereby given** that an Extraordinary General Meeting of Cordlife Group Limited (the “**Company**”) will be held at Auditorium 302, Level 3, NTU@one-north Executive Centre, 11 Slim Barracks Rise (off North Buona Vista Road), Singapore 138664 on Monday, 14 September 2015 at 3 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution which will be proposed as an ordinary resolution.

*All references to the Circular in this Notice of Extraordinary General Meeting shall mean the Company’s Circular to Shareholders dated 26 August 2015 (the “**Circular**”). All capitalised terms not otherwise defined herein shall have the meanings given to them in the Circular.*

### **ORDINARY RESOLUTION – THE PROPOSED DISPOSAL**

**THAT** pursuant to Chapter 10 of the Listing Manual, approval be and is hereby given for:

- (a) the proposed disposal on the terms and subject to the conditions set out in the conditional purchase agreement dated 8 May 2015 with Golden Meditech Holdings Limited (the “**Purchaser**”), pursuant to which the Company has agreed to sell and the Purchaser has agreed to purchase from the Company 7,314,015 ordinary shares of par value US\$0.0001 per share in China Cord Blood Corporation and a 7% senior unsecured convertible note due 3 October 2017 issued by China Cord Blood Corporation to the Company in the principal amount of US\$25,000,000 (the “**Proposed Disposal**”), the principal terms of which are set out in the Circular; and
- (b) the board of directors or any of them to complete and do all such acts and things (including without limitation, to execute all such documents and to approve any amendments, alteration or modification to any documents) as the board of directors or any of them may consider necessary, desirable or expedient to give effect to the Proposed Disposal and this ordinary resolution.

### **By Order of the Board**

Yee Pinh Jeremy  
Executive Director and Chief Executive Officer

26 August 2015

### **Notes:**

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one or two proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. Where a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
3. The instrument appointing a proxy or proxies must be under the hand of the appointor or by his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
4. The instrument appointing a proxy must be deposited at the Company’s Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd) either by hand at 80 Robinson Road, #11-02, Singapore 068898 or by post at 80 Robinson Road, #02-00, Singapore 068898, not less than forty-eight (48) hours before the time for holding the Extraordinary General Meeting.

**Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting, and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

# Proxy Form



(Registration Number: 200102883E)  
 (Incorporated in the Republic of Singapore on 2 May 2001)

## EXTRAORDINARY GENERAL MEETING

### IMPORTANT

1. For investors who have used their CPF monies to buy Cordlife Group Limited's shares, the Circular is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

### Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy term set out in Notice of EGM dated 26 August 2015.

I/We \_\_\_\_\_ (Name(s)) and \_\_\_\_\_ (NRIC/Passport Number(s)) of \_\_\_\_\_ (Address) being a shareholder/shareholders of Cordlife Group Limited (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

or failing \* him/her/them, the Chairman of the meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and if necessary, to demand a poll, at the Extraordinary General Meeting ("EGM") of the Company to be held on Monday, 14 September 2015 at 3 p.m. at Auditorium 302, Level 3, NTU@ one-north Executive Centre, 11 Slim Barracks Rise (off North Buona Vista Road), Singapore 138664 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/ their discretion, as he/they will on any other matter arising at the EGM.

No.	Ordinary Resolution	For*	Against*
1.	To approve the Proposed Disposal on the terms and subject to the conditions set out in the Agreement.		

\* If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2015

<b>Total number of Shares held</b>

\_\_\_\_\_  
 Signature(s) of Shareholder(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THE PROXY FORM



NOTES:

1. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one or two proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. Where a member appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
3. The instrument appointing a proxy or proxies must be under the hand of the appointor or by his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
4. The instrument appointing a proxy must be deposited at the Company's Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd) either by hand at 80 Robinson Road, #11-02, Singapore 068898 or by post at 80 Robinson Road, #02-00, Singapore 068898, not less than forty-eight (48) hours before the time for holding the Extraordinary General Meeting.

GENERAL:

The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form.

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Affix  
postage  
stamp

**Cordlife Group Limited**  
c/o Tricor Barbinder Share Registration Services  
80 Robinson Road, #02-00, Singapore 068898

*2nd fold here*

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*3rd fold here, glue along the dotted line and fold flap*

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