



Media Release

Cordlife Achieves Revenue of S\$59.9M in FY2017, Highest Since 2012 SGX Listing

- *Malaysian unit Stemlife key revenue driver in FY2017*
- *Group borrowings substantially lower at S\$8.7 million in FY2017 vs S\$78.3 million in FY2016*

SINGAPORE, 29 August 2017 – Cordlife Group Limited (“**Cordlife**”, and together with its subsidiaries, the “**Group**”) reported today its highest annual revenue since its public listing in 2012 as it expanded its client base and grew its diagnostics business across Asia, where it has brand presence in eight markets.

The SGX Mainboard-listed consumer healthcare company generated total revenue of S\$59.9 million in the financial year ended 30 June 2017 (“**FY2017**”), compared to S\$59.6 million in the previous financial year ended 30 June 2016 (“**FY2016**”).

Stemlife Berhad (“**Stemlife**”) was a key revenue driver, helping the Group achieve a 9.8% increase in newborn deliveries to approximately 25,200 in FY2017 from approximately 22,950 in FY2016.

Cordlife raised its stake in Stemlife, Malaysia’s first private cord blood bank, from 89.88% to 99.03% in FY2017, during which the subsidiary started offering cord tissue banking in addition to cord blood and cord lining banking. Cord tissue banking is the processing and storage of Wharton’s jelly, one of the components of the umbilical cord. This service was not previously offered by Stemlife

Overall, the Group’s revenue of S\$59.0 million in FY2017 from cord blood, cord lining and cord tissue banking services was comparable to the revenue of S\$59.1 million generated from such services in FY2016. Revenue from diagnostics services rose to S\$896,000 from S\$532,000 over the comparative period. Cordlife’s diagnostics business comprises non-invasive prenatal testing, urine-based metabolic screening for newborns, and paediatric vision screening for children aged 6 months to 6 years.

The Group generated a pre-tax operating profit of S\$2.2 million in FY2017, but ended up with a S\$2.6 million net loss attributable to shareholders which was mainly due to non-recurring expenses related to the redemption of S\$68.25 million of fixed-rate notes in December 2016 (the “Notes”).



The Notes were part of the S\$120 million Cordlife raised in October 2014 through a multi-currency debt issuance programme. With the Notes fully redeemed and cancelled, the Group substantially reduced its overall borrowings to S\$8.7 million in FY2017 from S\$78.3 million in FY2016.

The Group generated net cash of S\$4.0 million from operations in FY2017, compared with S\$4.4 million used in operations in the previous year. It ended FY2017 with S\$62.5 million in cash and cash equivalents, fixed deposits and short-term investments, compared with S\$138.1 million as at 30 June 2016. The decline in cash balance was mainly due to the redemption of the Notes.

With its balance sheet strengthened, the Group is well placed to pursue acquisition and investment opportunities to augment its market leadership in the consumer healthcare sector in Asia, according to Dr Wong Chiang Yin, Cordlife's Group CEO and Executive Director.

“Demand for our services remains encouraging as public awareness of the benefits of cord blood, cord lining and cord tissue banking continues to grow. As one of the leading providers of such services in the region, we are well positioned to reach out to even more people given the growing use of stem cells in therapeutics and rising incidences of life-threatening genetic disorders,” said Dr Wong.

According to Statistics Market Research Consulting, the global cord blood banking services market is expected to be worth US\$19.32 billion by 2022, up from US\$12.50 billion in 2015, with the Asia-Pacific region seen as the fastest-growing market in the world during this period. Rising disposable incomes and increased government support in this region are expected to drive the increase.¹

“Even as we continue to roll out our banking services in Asia, we will also endeavour to expand our suite of non-invasive diagnostics services. While nascent, the diagnostics business is highly scalable and has fast growth potential, as demonstrated by the 68.4% increase in revenue from this business in FY2017,” said Dr Wong.

1: Source: “Cord Blood Banking Services – Global Market Outlook (2015-2022)”, Statistics Market Research Consulting

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Cordlife Group Limited
1 Yishun Industrial Street 1 • A'Posh Bizhub • #06-01/09 • Singapore 768160
Phone (65) 6238 0808 • Fax (65) 6238 1108
Find Out More • info@cordlife.com • For Cordlife Parents • customercare@cordlife.com
Company Registration Number: 200102883E



Media & Investor Contact Information

WeR1 Consultants Pte Ltd
3 Phillip Street, #12-01, Royal Group Building
Singapore 048693
Tel: (65) 6737 4944
Frankie Ho – frankieho@wer1.net
Wendy Sim – wendysim@wer1.net
Grace Yew – graceyew@wer1.net

About Cordlife Group Limited (Bloomberg: CLGL; Reuters: CORD.SI)

Incorporated in May 2001, Cordlife Group Limited (“Cordlife”, together with its subsidiaries, the “Group”) is a leading provider of cord blood, cord tissue and umbilical cord lining banking services in Asia.

As a consumer healthcare company catering to, among others, the mother and child segment, Cordlife has the largest market share among private cord blood banks in Singapore, the Philippines and Indonesia. It is among the Top 3 market leaders in Hong Kong and India¹. In February 2017, Cordlife increased its shareholding in Stemlife Berhad, the largest cord blood bank in Malaysia and the latest addition to the subsidiaries of the Group, to 99.03%. Cordlife is also the first Singapore private cord blood bank in Myanmar and Vietnam.

Cordlife’s cord blood processing and cryopreservation facility in Singapore is one of only six private cord blood banks in the world to be dually accredited by AABB and Fact-Netcord, two of the world’s gold standards for cord blood banking. The Group’s majority-owned Hong Kong Screening Centre Limited and Cordlife Sciences (India) Pvt Ltd have also received accreditation from the College of American Pathologists, which only recognises facilities that meet or exceed the highest standards in laboratory services. Cordlife has been listed on the mainboard of Singapore Exchange since March 2012.

For more information, visit <http://cordlife.listedcompany.com>

¹ Source : Deloitte & Touche Financial Advisory Services Limited report, 10 April 2013