



**CORDLIFE GROUP LIMITED**

(Company Registration No. 200102883E)  
(Incorporated in the Republic of Singapore)

**Board of Directors:**

Mr. Ho Sheng (*Chairman and Independent Director*)  
Dr. Ho Choon Hou (*Vice Chairman and Non-Independent Non-Executive Director*)  
Dr. Wong Chiang Yin (*Executive Director and Group Chief Executive Officer*)  
Mr. Michael Steven Weiss (*Executive Director*)  
Dr. Goh Jin Hian (*Independent Director*)  
Mr. Joseph Wong Wai Leung (*Independent Director*)  
Mr. Chen Bing Chuen Albert (*Non-Independent Non-Executive Director*)  
Ms. Wong Christine Bei (*Non-Independent Non-Executive Director*)  
Ms. Wang Tongyan (*Non-Independent Non-Executive Director*)

**Registered Office:**

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

12 October 2017

To: The Shareholders of Cordlife Group Limited

Dear Sir/Madam

**PROPOSED CHANGE OF AUDITOR FROM ERNST & YOUNG LLP TO KPMG LLP AND PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE**

**1. INTRODUCTION**

**1.1 AGM.** We refer to:

- (a) the notice of AGM of the Company dated 12 October 2017 (the "**Notice of AGM**") convening an AGM to be held on 27 October 2017;
- (b) Resolution 9 under the heading "Ordinary Business", being the ordinary resolution relating to the proposed change of Auditor, as proposed in the Notice of AGM; and
- (c) Resolution 12 under the heading "Special Business", being the ordinary resolution relating to the proposed renewal of the Share Purchase Mandate, as proposed in the Notice of AGM.

**1.2 Letter to Shareholders (the "Letter").** The purpose of this Letter is to provide Shareholders with information relating to the proposed change of Auditor and the proposed renewal of the Share Purchase Mandate to be tabled at the AGM (collectively, the "**Proposals**").

**1.3 SGX-ST.** The SGX-ST takes no responsibility for the accuracy of any statements or opinions made

or reports contained in this Letter.

- 1.4 Advice to Shareholders.** If a Shareholder is in any doubt as to the course of action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.
- 1.5** Unless otherwise defined, all capitalised terms herein shall bear the definitions set out in the Schedule to this Letter.

## **2. THE PROPOSED CHANGE OF AUDITOR**

### **2.1 Introduction**

Resolution 9, being the ordinary resolution proposed in the Notice of AGM is to appoint KPMG LLP as the Auditor of the Company in place of the retiring Auditor, Ernst & Young LLP, and to authorise the Directors of the Company to fix their remuneration. Ernst & Young LLP has served as external Auditor of the Company for 13 years since the financial year ended 30 June 2005.

### **2.2 Rationale for the Proposed Change of Auditor**

On 18 September 2017, the Company received a notice of nomination from Kunlum Investment Holding Limited (“**KIHL**”), nominating KPMG LLP for appointment as Auditor of the Company in place of the retiring Auditor, Ernst & Young LLP. KIHL has been the Company’s substantial shareholder since November 2015 and currently holds approximately 21.99% equity interest in the Company.

Following receipt of the notice of nomination from KIHL, and in exercise of its duties to review and make recommendations to the Directors on proposals to Shareholders for the appointment of the external Auditor, the Audit Committee has evaluated the proposal for the appointment of KPMG LLP as the Company’s Auditor. In its evaluation, the Audit Committee reviewed, deliberated and considered factors such as the adequacy of the resources and experience of KPMG LLP, the audit engagement partner to be assigned to the audit, the number and experience of supervisory and professional staff to be assigned to the audit as well as the size and complexity of the Group. The Audit Committee also considered that as part of ongoing good corporate governance initiatives, it would be timely to effect a change of external Auditor with effect from the financial year ending 30 June 2018. Further, the Audit Committee has enquired with KPMG LLP and KPMG LLP has confirmed that Mr. Barry Lee, the partner-in-charge of the audit of the Company was subjected to the Practice Monitoring Programme review by the Accounting and Corporate Regulatory Authority (“**ACRA**”) in 2014 and had passed the inspection. The Audit Committee has also reviewed KPMG LLP’s Audit Quality Indicators for 2016 and is satisfied that: (a) the time spent by its partners, quality review partners and managers, (b) the average experience of its senior team, (c) the staff retention ratio, (d) its quality control function, and (e) training for the senior team and all staff are comparable to Ernst & Young LLP and meet the standards that are required by the Company for the performance of the audit of the Company. The Audit Committee has therefore recommended to the Directors that KPMG LLP be appointed as the Company’s Auditor in place of the retiring Auditor, Ernst & Young LLP. The Directors, after taking into account the Audit Committee’s recommendation, are of the view that KPMG LLP will be able to meet the audit requirements of the Company. The scope of the audit to be undertaken by KPMG LLP will be comparable to the services currently provided by Ernst & Young LLP.

Ernst & Young LLP, the retiring Auditor, will accordingly not be seeking re-appointment at the upcoming AGM. Subject to the approval of Shareholders being obtained at the upcoming AGM, the change of Auditor will be effective from the financial year ending 30 June 2018.

## **2.3 Information on KPMG LLP**

KPMG LLP in Singapore is a member firm of KPMG International, an international network of member firms offering audit, tax and advisory services in 155 countries with over 162,000 partners and staff. KPMG LLP is registered with ACRA. It is one of the largest professional services firms in Singapore today, and has a wide-ranging clientele base consisting of multi-national companies, private companies and public sector organisations. The audit partner who will be in charge of the audit is Mr. Barry Lee, who is a public accountant registered with ACRA, a Practising Member of the Institute of Singapore Chartered Accountants and a Fellow member of CPA Australia. Mr. Lee has had more than 22 years of audit experience covering multi-national companies and listed companies in a wide range of industries which includes clients from the healthcare sector. Mr. Lee is also head of the Capital Markets Group in KPMG Singapore.

For information on KPMG LLP, please visit <http://www.kpmg.com/SG/EN/Pages/default.aspx>.

## **2.4 Confirmations**

In accordance with the requirements of Rule 1203(5) of the Listing Rules:

- (a) the outgoing Auditor, Ernst & Young LLP, has confirmed that it is not aware of any professional reasons why the new Auditor, KPMG LLP, should not accept appointment as Auditor of the Company;
- (b) the Company confirms that there were no disagreements with the outgoing Auditor, Ernst & Young LLP, on accounting treatments within the last 12 months;
- (c) the Company confirms that, other than as set out above, it is not aware of any circumstances connected with the proposed change of Auditor that should be brought to the attention of the Shareholders; and
- (d) the Company confirms that it is or will be in compliance with Rule 712 and Rule 715 of the Listing Rules in relation to the appointment of KPMG LLP as the Auditor of the Company.

## **2.5 Appendix 1**

Pursuant to Section 205 of the Companies Act, a copy of the notice of nomination of the proposed new Auditor dated 18 September 2017 from KHL is attached as Appendix 1 to this Letter.

# **3. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE**

## **3.1 Introduction**

Any purchase or acquisition of Shares by the Company has to be made in accordance with, and in the manner prescribed by, the Companies Act, the Listing Rules and such other laws and regulations as may, for the time being, be applicable. The Company is also required to obtain the approval of its Shareholders at a general meeting of its Shareholders if it wishes to purchase or acquire its own Shares.

At the extraordinary general meeting held on 18 July 2017 (the “**July 2017 EGM**”), the

Shareholders had approved the renewal of the mandate to enable the Company to purchase or otherwise acquire its Shares (the “**July 2017 Share Purchase Mandate**”). The rationale for, the authority and limitations on, and the financial effects of the July 2017 Share Purchase Mandate were set out in the Company’s circular dated 3 July 2017.

The authority conferred pursuant to the July 2017 Share Purchase Mandate may be exercised by the Directors at any time during the period commencing on the date of the July 2017 EGM and expiring on the date when the next AGM of the Company is held, being 27 October 2017. Accordingly, the Directors seek the approval of the Shareholders for the renewal of the Share Purchase Mandate at the upcoming AGM.

### **3.2 Rationale for the Proposed Renewal of the Share Purchase Mandate**

The Share Purchase Mandate, if renewed, will give the Company the flexibility to undertake Share Purchases at any time, subject to market conditions, during the period that the Share Purchase Mandate is in force. Share Purchases provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient and cost-efficient manner. The Directors believe that Share Purchases by the Company will also help mitigate short-term market volatility, offset the effects of short-term speculation and bolster shareholder confidence. In addition, Share Purchases will also allow management to effectively manage and minimise the dilution impact (if any) on existing Shareholders associated with any issuance of Shares.

It should be noted that Share Purchases will only be undertaken if such Share Purchases can benefit the Company and Shareholders. If and when circumstances permit, the Directors will decide whether to effect such Share Purchases via Market Purchases or Off-Market Purchases, after taking into account the amount of cash available, the prevailing market conditions and the most cost-effective and efficient approach. The Directors do not propose to carry out Share Purchases to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial position of the Group as a whole and/or affect the listing status of the Company on the SGX-ST.

### **3.3 Authority and Limitations of the Share Purchase Mandate**

The authority and limitations placed on Share Purchases, if the Share Purchase Mandate is renewed at the AGM, are similar in terms to those previously approved by Shareholders at the July 2017 EGM, which for the benefit of Shareholders, are summarised below.

#### **3.3.1 Maximum Number of Shares**

Only Shares which are issued and fully paid-up may be purchased by the Company. The total number of Shares that may be purchased is limited to that number of Shares representing not more than 5% of the total number of issued Shares as at the date of the AGM at which the renewal of the Share Purchase Mandate is approved, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act at any time during the Relevant Period, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares of the Company, as altered. Any Shares which are held as treasury shares<sup>1</sup> and subsidiary holdings (as defined in the Listing Rules)<sup>2</sup> will be disregarded for the purpose of computing the 5% limit. As at the Latest Practicable Date,

---

<sup>1</sup> For these purposes, “treasury shares” shall be read as including shares held by a subsidiary under Sections 21(4B) or 21(6C) of the Companies Act, Chapter 50 of Singapore.

<sup>2</sup> “Subsidiary holdings” is defined in the Listing Rules to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act, Chapter 50 of Singapore.

the Company has 15,070,450 Shares held as treasury shares and no subsidiary holdings.

**For illustrative purposes only**, on the basis of 252,454,904 Shares in issue as at the Latest Practicable Date (excluding the 15,070,450 Shares held as treasury shares as at that date) and assuming that no further Shares are issued on or prior to the AGM, then not more than 12,622,745 Shares (representing approximately 5% of the total number of issued Shares, excluding the Shares held as treasury shares and subsidiary holdings, as at that date) may be purchased or acquired by the Company pursuant to the proposed Share Purchase Mandate during the duration referred to in paragraph 3.3.2 below.

**While the Share Purchase Mandate would authorise Share Purchases up to the 5% limit, Shareholders should note that Share Purchases may not be carried out up to the full 5% limit as authorised, or at all. In particular, no Share Purchase would be made in circumstances which would have or may have a material adverse effect on the financial condition of the Group as a whole.**

### 3.3.2 Duration of Authority

Share Purchases may be made, at any time and from time to time, on and from the date of the AGM at which the renewal of the Share Purchase Mandate is approved, up to the earliest of:

- (a) the date on which the next AGM of the Company is held or required by law to be held;
- (b) the date on which Share Purchases are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in a general meeting.

The authority conferred on the Directors by the Share Purchase Mandate may be renewed at the next AGM or at an extraordinary general meeting of the Company to be convened immediately after the conclusion or adjournment of the next AGM. When seeking approval of the Shareholders for the Share Purchase Mandate, the Company is required to disclose details pertaining to Share Purchases made during the previous 12 months, including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Share Purchases, where relevant, and the total consideration paid for such Share Purchases.

### 3.3.3 Manner of Purchase or Acquisition of Shares

Share Purchases may be made on the SGX-ST ("**Market Purchases**") and/or otherwise than on the SGX-ST, in accordance with an equal access scheme ("**Off-Market Purchases**").

Market Purchases refer to Share Purchases effected through the SGX-ST's trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose.

Off-Market Purchases refer to Share Purchases made under an equal access scheme or schemes for the purchase or acquisition of Shares from Shareholders. The Directors may impose such terms and conditions, which are not inconsistent with the Share Purchase Mandate, the Listing Rules and the Companies Act, as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme or schemes. Under the Companies Act, an equal access scheme must satisfy all the following conditions:

- (a) the offers under the scheme shall be made to every person who holds issued shares to purchase or acquire the same percentage of their issued shares;
- (b) all of the abovementioned persons shall be given a reasonable opportunity to accept the offers made to them; and
- (c) the terms of all the offers are the same except that there shall be disregarded:
  - (i) differences in consideration attributable to the fact that the offers relate to shares with different accrued dividend entitlements;
  - (ii) (if applicable) differences in consideration attributable to the fact that the offers relate to shares with different amounts remaining unpaid; and
  - (iii) differences in the offers introduced solely to ensure that each person is left with a whole number of shares.

In addition, pursuant to the Listing Rules, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (1) the terms and conditions of the offer;
- (2) the period and procedures for acceptances;
- (3) the reasons for the proposed Share Purchases;
- (4) the consequences of the proposed Share Purchases, if any, that will arise under the Take-over Code or other applicable takeover rules;
- (5) whether the Share Purchases, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (6) details of any Share Purchases in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the Share Purchases, where relevant, and the total consideration paid for the Share Purchases; and
- (7) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

#### **3.3.4 Maximum Purchase Price**

The purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the purchase price must not exceed (in the case of both a Market Purchase and an Off-Market Purchase pursuant to an equal access scheme) 105% of the Average Closing Market Price of the Shares (the “**Maximum Price**”), in either case, excluding related expenses of the Share Purchase.

For the above purposes:

“**Average Closing Market Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were

recorded, preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5)-day period; and

**“day of the making of the offer”** means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

### **3.4 Status of Purchased or Acquired Shares**

Any Share which is purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share will expire on such cancellation), unless such Share is held by the Company as a treasury share. All Shares (excluding Shares held by the Company as treasury shares) purchased or acquired by the Company will be automatically delisted by the SGX-ST, and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares. At the time of each Share Purchase, the Directors will decide whether the Shares purchased or acquired will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, depending on the needs of the Company at that time.

### **3.5 Treasury Shares**

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below.

#### **3.5.1 Maximum Holdings**

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

#### **3.5.2 Voting and Other Rights**

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of Shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a greater or smaller number is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as the total value of the treasury share before the subdivision or consolidation, as the case may be.

#### **3.5.3 Disposal and Cancellation**

Where Shares are held as treasury shares, the Company may at any time:

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under Rule 704(28) of the Listing Rules, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the “**usage**”). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of treasury shares comprised in the usage, the number of treasury shares before and after the usage, the percentage of the number of treasury shares comprised in the usage against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after the usage, and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

### **3.6 Source of Funds**

The Companies Act permits the Company to purchase or acquire its Shares out of capital, as well as from its distributable profits, so long as the Company is solvent.

The Company intends to use internal sources of funds, or a combination of internal sources of funds and external borrowings, to finance Share Purchases. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that the liquidity and capital of the Company and the Group would be materially adversely affected.

### **3.7 Financial Effects**

It is not possible for the Company to realistically calculate or quantify the impact of future Share Purchases on the net asset value and EPS/LPS as the resultant effect would depend on, *inter alia*, whether the purchase or acquisition is made out of capital or profits, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Pursuant to the Companies Act, Share Purchases may be made out of the Company’s capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the Share Purchase is made out of profits, such consideration (which may include expenses such as brokerage or commission incurred directly on the Share Purchase but exclude stamp duties, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for distribution of cash dividends by the Company. Where the consideration paid by the Company for the Share Purchase is made out of capital, the amount available for distribution of cash dividends by the Company will not be reduced.

The Directors do not propose to exercise the Share Purchase Mandate to such extent as to materially affect the working capital requirements or the gearing of the Company. Any Share Purchase will only be effected after considering relevant factors such as working capital requirements, the availability of financial resources, the expansion and investment plans of the Group and prevailing market conditions.



**For illustrative purposes only**, the financial effects of the Share Purchase Mandate on the Company and the Group, based on the audited financial statements of the Group for the financial year ended 30 June 2017, are based on the assumptions set out below:

- (a) based on 252,454,904 Shares in issue as at the Latest Practicable Date (excluding the 15,070,450 held as treasury shares as at that date) and assuming no further Shares are issued on or prior to the AGM, not more than 12,622,745 Shares (representing approximately 5% of the total number of issued Shares of the Company (excluding the 15,070,450 Shares held as treasury shares) as at that date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate;
- (b) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires 12,622,745 Shares at the Maximum Price of S\$0.849 for one (1) Share (being the price equivalent to 5% above the Average Closing Market Price of the Shares for the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 12,622,745 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S\$10,717,000; and
- (c) in the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 12,622,745 Shares at the Maximum Price of S\$0.849 for one (1) Share (being the price equivalent to 5% above the Average Closing Market Price of the Shares for the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 12,622,745 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S\$10,717,000.

**For illustrative purposes only**, and based on the assumptions set out in sub-paragraphs (a) to (c) above and assuming that (A) the Share Purchase is financed by internal sources of funds available as at 30 June 2017; (B) the Share Purchase Mandate had been effective on 1 July 2016; and (C) the Company had purchased or acquired the 12,622,745 Shares (representing approximately 5% of the total number of issued Shares of the Company (excluding the 15,070,450 Shares held as treasury shares) as at the Latest Practicable Date) on 1 July 2016 (for the purposes of computing the effect of the Share Purchases on the EPS/LPS) and 30 June 2017 (for all other cases), the financial effects of the purchase or acquisition of the 12,622,745 Shares by the Company pursuant to the Share Purchase Mandate:

- (i) by way of purchases made entirely out of capital and held as treasury shares; and
- (ii) by way of purchases made entirely out of capital and cancelled,

on the audited financial statements of the Company and the Group for the financial year ended 30 June 2017 are set out below:

**(1) Purchases made entirely out of capital and held as treasury shares**

**(A) Market Purchases**

	<b><u>Group Before Share Purchase</u></b>	<b><u>Group After Share Purchase</u></b>	<b><u>Company Before Share Purchase</u></b>	<b><u>Company After Share Purchase</u></b>
<b>As at 30 June 2017</b>				
Loss after income tax attributable to Shareholders (S\$'000)	(2,572)	(2,572)	(5,512)	(5,512)
Share capital (S\$'000)	96,666	96,666	96,666	96,666
Other reserves (S\$'000)	(13,827)	(13,827)	796	796
Accumulated profits (S\$'000)	54,660	54,660	50,779	50,779
	<b>134,927</b>	<b>134,927</b>	<b>142,729</b>	<b>142,729</b>
Treasury shares (S\$'000)	(9,766)	(20,483)	(9,766)	(20,483)
Shareholders' funds (S\$'000)	<b>125,161</b>	<b>114,444</b>	<b>132,963</b>	<b>122,246</b>
NTA (S\$'000)	111,817	101,100	131,411	120,694
Non-controlling interests (S\$'000)	169	169	-	-
Current assets (S\$'000)	90,424	79,707	54,873	44,156
Current liabilities (S\$'000)	32,177	32,177	25,800	25,800
Total borrowings (S\$'000)	8,731	8,731	8,731	8,731
Number of issued Shares <sup>(1)</sup> ('000)	252,455	239,832	252,455	239,832
Number of treasury shares <sup>(2)</sup> ('000)	15,070	27,693	15,070	27,693
Weighted average number of Shares <sup>(1)</sup> ('000)	266,375	253,752	266,375	253,752
<b>Financial ratios</b>				
NTA/Share (cents)	44.29	42.15	52.05	50.32
Gearing ratio	6.98%	7.63%	6.57%	7.14%
Current ratio (times)	2.81	2.48	2.13	1.71
LPS (cents)	(0.97)	(1.01)	(2.07)	(2.17)

**Notes:**

(1) Excludes 7,000,000 Shares repurchased and utilisation of 45,400 Shares held as treasury shares in the period commencing on 1 July 2017 up to and including the Latest Practicable Date.

(2) Includes 7,000,000 Shares repurchased and utilisation of 45,400 Shares held as treasury shares in the period commencing on 1 July 2017 up to and including the Latest Practicable Date.

**(B) Off-Market Purchases**

	<u>Group Before Share Purchase</u>	<u>Group After Share Purchase</u>	<u>Company Before Share Purchase</u>	<u>Company After Share Purchase</u>
<b>As at 30 June 2017</b>				
Loss after income tax attributable to Shareholders (S\$'000)	(2,572)	(2,572)	(5,512)	(5,512)
Share capital (S\$'000)	96,666	96,666	96,666	96,666
Other reserves (S\$'000)	(13,827)	(13,827)	796	796
Accumulated profits (S\$'000)	54,660	54,660	50,779	50,779
	134,927	134,927	142,729	142,729
Treasury shares (S\$'000)	(9,766)	(20,483)	(9,766)	(20,483)
Shareholders' funds (S\$'000)	125,161	114,444	132,963	122,246
NTA (S\$'000)	111,817	101,100	131,411	120,694
Non-controlling interests (S\$'000)	169	169	-	-
Current assets (S\$'000)	90,424	79,707	54,873	44,156
Current liabilities (S\$'000)	32,177	32,177	25,800	25,800
Total borrowings (S\$'000)	8,731	8,731	8,731	8,731
Number of issued Shares <sup>(1)</sup> ('000)	252,455	239,832	252,455	239,832
Number of treasury shares <sup>(2)</sup> ('000)	15,070	27,693	15,070	27,693
Weighted average number of Shares <sup>(1)</sup> ('000)	266,375	253,752	266,375	253,752
<u>Financial ratios</u>				
NTA/Share (cents)	44.29	42.15	52.05	50.32
Gearing ratio	6.98%	7.63%	6.57%	7.14%
Current ratio (times)	2.81	2.48	2.13	1.71
LPS (cents)	(0.97)	(1.01)	(2.07)	(2.17)

**Notes:**

- (1) Excludes 7,000,000 Shares repurchased and utilisation of 45,400 Shares held as treasury shares in the period commencing on 1 July 2017 up to and including the Latest Practicable Date.
- (2) Includes 7,000,000 Shares repurchased and utilisation of 45,400 Shares held as treasury shares in the period commencing on 1 July 2017 up to and including the Latest Practicable Date.

(2) Purchases made entirely out of capital and cancelled

(A) Market Purchases

	<u>Group Before Share Purchase</u>	<u>Group After Share Purchase</u>	<u>Company Before Share Purchase</u>	<u>Company After Share Purchase</u>
<b>As at 30 June 2017</b>				
Loss after income tax attributable to Shareholders (S\$'000)	(2,572)	(2,572)	(5,512)	(5,512)
Share capital (S\$'000)	96,666	85,949	96,666	85,949
Other reserves (S\$'000)	(13,827)	(13,827)	796	796
Accumulated profits (S\$'000)	54,660	54,660	50,779	50,779
	134,927	124,210	142,729	132,012
Treasury shares (S\$'000)	(9,766)	(9,766)	(9,766)	(9,766)
Shareholders' funds (S\$'000)	125,161	114,444	132,963	122,246
NTA (S\$'000)	111,817	101,100	131,411	120,694
Non-controlling interests (S\$'000)	169	169	-	-
Current assets (S\$'000)	90,424	79,707	54,873	44,156
Current liabilities (S\$'000)	32,177	32,177	25,800	25,800
Total borrowings (S\$'000)	8,731	8,731	8,731	8,731
Number of issued Shares <sup>(1)</sup> ('000)	252,455	239,832	252,455	239,832
Number of treasury shares <sup>(2)</sup> ('000)	15,070	15,070	15,070	15,070
Weighted average number of Shares <sup>(1)</sup> ('000)	266,375	253,752	266,375	253,752
<u>Financial ratios</u>				
NTA/Share (cents)	44.29	42.15	52.05	50.32
Gearing ratio	6.98%	7.63%	6.57%	7.14%
Current ratio (times)	2.81	2.48	2.13	1.71
LPS (cents)	(0.97)	(1.01)	(2.07)	(2.17)

**Notes:**

- (1) Excludes 7,000,000 Shares repurchased and utilisation of 45,400 Shares held as treasury shares in the period commencing on 1 July 2017 up to and including the Latest Practicable Date.
- (2) Includes 7,000,000 Shares repurchased and utilisation of 45,400 Shares held as treasury shares in the period commencing on 1 July 2017 up to and including the Latest Practicable Date.

**(B) Off-Market Purchases**

	<u>Group Before Share Purchase</u>	<u>Group After Share Purchase</u>	<u>Company Before Share Purchase</u>	<u>Company After Share Purchase</u>
<b>As at 30 June 2017</b>				
Loss after income tax attributable to Shareholders (S\$'000)	(2,572)	(2,572)	(5,512)	(5,512)
Share capital (S\$'000)	96,666	85,949	96,666	85,949
Other reserves (S\$'000)	(13,827)	(13,827)	796	796
Accumulated profits (S\$'000)	54,660	54,660	50,779	50,779
	134,927	124,210	142,729	132,012
Treasury shares (S\$'000)	(9,766)	(9,766)	(9,766)	(9,766)
Shareholders' funds (S\$'000)	125,161	114,444	132,963	122,246
NTA (S\$'000)	111,817	101,100	131,411	120,694
Non-controlling interests (S\$'000)	169	169	-	-
Current assets (S\$'000)	90,424	79,707	54,873	44,156
Current liabilities (S\$'000)	32,177	32,177	25,800	25,800
Total borrowings (S\$'000)	8,731	8,731	8,731	8,731
Number of issued Shares <sup>(1)</sup> ('000)	252,455	239,832	252,455	239,832
Number of treasury shares <sup>(2)</sup> ('000)	15,070	15,070	15,070	15,070
Weighted average number of Shares <sup>(1)</sup> ('000)	266,375	253,752	266,375	253,752
<b>Financial ratios</b>				
NTA/Share (cents)	44.29	42.15	52.05	50.32
Gearing ratio	6.98%	7.63%	6.57%	7.14%
Current ratio (times)	2.81	2.48	2.13	1.71
LPS (cents)	(0.97)	(1.01)	(2.07)	(2.17)

**Notes:**

- (1) Excludes 7,000,000 Shares repurchased and utilisation of 45,400 Shares held as treasury shares in the period commencing on 1 July 2017 up to and including the Latest Practicable Date.
- (2) Includes 7,000,000 Shares repurchased and utilisation of 45,400 Shares held as treasury shares in the period commencing on 1 July 2017 up to and including the Latest Practicable Date.

**Shareholders should note that the financial effects set out above are purely for illustrative purposes only. Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 5% of the total number of issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 5% of the total number of issued Shares. In addition, the Company may cancel all or part of the Shares purchased or acquired or hold all or part of the Shares purchased in treasury. The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a Share Purchase before execution.**

**Shareholders who are in doubt as to their respective tax positions or any tax implications arising from the Share Purchase Mandate or who may be subject to tax in a jurisdiction other than Singapore should consult their own professional advisers.**

### **3.8 Listing Status of the Shares**

Rule 723 of the Listing Rules requires a listed company to ensure that at least 10% of any class of its listed securities (excluding shares held as treasury shares) is held by public shareholders. The “public”, as defined in the Listing Rules, are persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders of the company and its subsidiaries, as well as the associates of such persons.

As at the Latest Practicable Date, there are 84,640,477 Shares in the hands of the public, representing approximately 33.52% of the total number of issued Shares of the Company (excluding the 15,070,450 Shares held as treasury shares). Assuming that the Company purchases or acquires its Shares through Market Purchases up to the full 5% limit pursuant to the Share Purchase Mandate from the public, the number of Shares in the hands of the public would be reduced to 72,017,732 Shares, representing approximately 30.03% of the reduced total number of issued Shares of the Company (excluding the 27,693,195 Shares held as treasury shares).

In undertaking any Share Purchase through a Market Purchase, the Directors will use their best efforts to ensure that a sufficient number of Shares remain in public hands so that the Share Purchases will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

### **3.9 Listing Rules**

Under the Listing Rules, a listed company may purchase or acquire shares by way of: Market Purchases at a price per share which is not more than 5% above the “average closing market price”, being the average of the closing market prices of a share over the last five (5) Market Days on which transactions in the shares were recorded, before the day on which the purchases or acquisitions were made (which is deemed to be adjusted for any corporate action that occurs after such five (5)-Market Day period). The Maximum Price for a Share in relation to Market Purchases by the Company, referred to in paragraph 3.3.4 above, conforms to this restriction. Although the Listing Rules do not prescribe a maximum price in relation to purchases or acquisitions of shares by way of off-market purchases, the Company has set a cap of 5% above the average closing market price of a Share as the Maximum Price for a Share to be purchased or acquired by way of an Off-Market Purchase.

While the Listing Rules do not expressly prohibit the purchase or acquisition of shares by a listed company during any particular time, as such a listed company would be considered an “insider” in relation to any purchase of its shares, the Company will not purchase or acquire any Shares

after a price-sensitive development has occurred or has been the subject of a decision until such time as the price-sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares through Market Purchases or Off-Market Purchases during the period of two (2) weeks immediately preceding the announcement of the Company's financial statements for each of the first three (3) quarters of its financial year, and one (1) month immediately preceding the announcement of the Company's financial statement for the financial year, as the case may be.

### **3.10 Reporting Requirements**

Within 30 days of the passing of a Shareholders' resolution to approve Share Purchases, the Company shall lodge a copy of such resolution with the Registrar of Companies.

The Company shall notify the Registrar of Companies within 30 days of a Share Purchase on the SGX-ST or otherwise. Such notification shall include details of the Share Purchase, including the date of the Share Purchase, the total number of Shares purchased or acquired by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before the Share Purchase, the Company's issued share capital after the Share Purchase, the amount of consideration paid by the Company for the Share Purchase, whether the Shares were purchased or acquired out of profits or the capital of the Company, and such other particulars as may be required in the prescribed form.

Rule 886(1) of the Listing Rules specifies that a listed company shall notify the SGX-ST of all purchases or acquisitions of its Shares not later than 9.00 a.m.:

- (a) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and
- (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

The notification of such Share Purchases to the SGX-ST (which must be in the form of Appendix 8.3.1 to the Listing Rules) must include, *inter alia*, details of the date of the purchase, the total number of Shares purchased, the number of Shares cancelled, the number of Shares held as treasury shares, the purchase price per Share or the highest and lowest prices paid for such Shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the Shares, the number of Shares purchased as at the date of announcement (on a cumulative basis), the number of issued Shares excluding treasury shares and subsidiary holdings after the purchase, the number of treasury shares held after the Purchase and the number of subsidiary holdings held after the purchase. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

### **3.11 Details of Previous Share Purchases**

The following table sets out details of purchases or acquisitions of Shares made by the Company in the 12 months immediately preceding the Latest Practicable Date:

<b>Date of purchase or acquisition</b>	<b>Total number of Shares purchased or acquired</b>	<b>Highest price paid per Share (S\$)</b>	<b>Lowest price paid per Share (S\$)</b>	<b>Total consideration paid (including brokerage, clearing fees and other charges) (S\$)</b>
19 July 2017	1,000,000	0.965	0.955	962,647.86
20 July 2017	1,000,000	0.96	0.95	962,693.75
21 July 2017	2,000,000	0.955	0.95	1,913,894.24
25 July 2017	3,000,000	0.95	0.9024	2,834,406.01
<b>TOTAL</b>	<b>7,000,000</b>			<b>6,673,641.86</b>

The above purchases or acquisitions were made pursuant to the July 2017 Share Purchase Mandate.

### **3.12 Proposed Acquisition of the New Target CCBC Shares by a Party Deemed to be Acting in Concert with Sanpower (the “CCBC Acquisition”)**

As set out in the circular of Golden Meditech Holdings Limited dated 6 March 2017, on 30 December 2016, GMSC (as vendor) and GMHL (as guarantor) entered into the Agreement with the Purchaser, pursuant to which GMSC conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, the New Target CCBC Shares, at the Consideration of RMB5,764 million.

One of the general partners of the Purchaser, namely Nanjing Ying Peng Asset Management Company Limited and one of the limited partners of the Purchaser, namely Sanpower Group Nanjing Investment Management Company, are wholly-owned subsidiaries of Sanpower. In addition, Nanjing Xinjiekou is also a limited partner of the Purchaser. Sanpower, through its subsidiaries and Nanjing Xinjiekou, has contributed capital to the Purchaser and accounts for approximately 15.31% of the Purchaser's total capital.

Completion of the CCBC Acquisition is conditional upon (i) satisfaction (or waiver) of the Purchaser's Conditions and the Vendor's Conditions on or before the Long Stop Date; and (ii) the Agreement having come into effect upon satisfaction of the Effectiveness Conditions. On the Completion Date, among others, the New Target CCBC Shares, representing, as at the Latest Practicable Date, approximately 65.40% of the issued and outstanding share capital of CCBC, shall be transferred to and registered under the name of the Purchaser (or its nominee(s)).

On completion of the CCBC Acquisition, CCBC would become a subsidiary of the Purchaser and this would result in Sanpower and its concert parties holding an aggregate of 77,386,666 Shares in the Company representing 30.65% of the issued Shares. The Company understands that the completion of the CCBC Acquisition remains subject to certain conditions being fulfilled as at completion.

### **3.13 Takeover Implications**

Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The takeover implications arising from any purchase or acquisition by the Company of its Shares are set out below:



### ***Obligation to make a Takeover Offer***

Any resultant increase in the percentage of voting rights held by a Shareholder and persons acting in concert with him, following any Share Purchase by the Company, will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code ("**Rule 14**"). Consequently, depending on the number of Shares purchased or acquired by the Company and the number of Shares (excluding treasury shares and subsidiary holdings) in issue at that time, a Shareholder or group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make a takeover offer under Rule 14.

### ***Persons Acting in Concert***

Under the Take-over Code, persons acting in concert ("**concert parties**") comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of the company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (a) the following companies:
  - (i) a company;
  - (ii) the parent company of (i);
  - (iii) the subsidiaries of (i);
  - (iv) the fellow subsidiaries of (i);
  - (v) the associated companies of any of (i), (ii), (iii) or (iv);
  - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v);  
and
  - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights;  
and
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts). Close relatives include immediate family (i.e. parents, siblings, spouse and children), siblings of parents (i.e. uncles and aunts) as well as their children (i.e. cousins) and children of siblings (i.e. nephews and nieces).

The circumstances under which Shareholders, including any Directors and other persons acting in concert with them, will incur an obligation to make a takeover offer under Rule 14 as a result of a Share Purchase by the Company are set out in full in Appendix 2 of the Take-over Code.

### ***Effect of Rule 14 and Appendix 2 of the Take-over Code***

The effect of Rule 14 when read with Appendix 2 of the Take-over Code is that unless exempted, Directors and persons acting in concert with them will incur an obligation to make a takeover offer

under Rule 14 if as a result of the Share Purchase by the Company:

- (a) the voting rights of such Directors and their concert parties increase to 30% or more; or
- (b) in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties increase by more than 1% in any period of 6 months.

In calculating the percentage of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

However, under Appendix 2 of the Take-over Code, a Shareholder will not be required to make a takeover offer under Rule 14 if:

- (a) he is not acting in concert with the Directors; and
- (b) as a result of a Share Purchase by the Company:
  - (i) the voting rights of such Shareholder increases to 30% or more; or
  - (ii) if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder increases by more than 1% in any period of 6 months.

Accordingly, such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

**Notwithstanding the above, Shareholders are reminded that those who are in doubt as to their obligations, if any, to make a mandatory offer under the Take-over Code as a result of any Share Purchase by the Company should consult the Securities Industry Council ("SIC") and/or their professional advisers at the earliest opportunity.**

***The Relevant Directors and Concert Parties***

- (a) As at the Latest Practicable Date, in respect of the following Directors:

- (i) Mr. Michael Steven Weiss (Executive Director);
- (ii) Ms. Wang Tongyan (Non-Independent Non-Executive Director); and
- (iii) Mr. Chen Bing Chuen Albert (Non-Independent Non-Executive Director),

(collectively referred hereinafter as the "**Relevant Directors**"), the following persons who are Shareholders or deemed to have an interest in Shares are deemed to be acting in concert with the Relevant Directors under the Take-over Code:

- (A) Nanjing Xijiekou Department Store Co., Ltd.;
- (B) Sanpower Group Corporation;
- (C) Yuan Yafei;
- (D) China Stem Cells (East) Company Limited;

- (E) China Stem Cells Holdings Limited;
- (F) China Cord Blood Services Corporation;
- (G) China Cord Blood Corporation;
- (H) Golden Meditech Stem Cells (BVI) Company Limited; and
- (I) Golden Meditech Holdings Limited,

(who, collectively with the Relevant Directors, shall be referred hereinafter as the “**Relevant Parties**”).

- (b) As at the Latest Practicable Date, the Relevant Parties have an aggregate interest (both deemed and direct) in 77,386,666 Shares representing approximately 30.65% in the total voting rights of the Company. This takes into account the 10.11% currently held by China Stem Cells (East) Company Limited which Sanpower would be deemed to be interested in upon the completion of the CCBC Acquisition.

Further details of the Relevant Parties’ direct and deemed interests in the shareholding of the Company as at the Latest Practicable Date, upon completion of the CCBC Acquisition and after the completion of the CCBC Acquisition and the full exercise of the Share Purchase Mandate are set out in paragraph 4.3 of this Letter.

- (c) Assuming the completion of the CCBC Acquisition, the aggregate total interest of Sanpower and its concert parties (being the Relevant Parties) would increase to approximately 32.27% as a result of the Share Purchase undertaken by the Company, assuming that:
  - (i) the Company purchases the maximum amount of 5% of the total number of Shares (excluding treasury shares and subsidiary holdings) in issue pursuant to the Share Purchase Mandate;
  - (ii) other than by reason of the completion of the CCBC Acquisition, there is no change in the number of Shares held by the Relevant Parties or which they are deemed interested in as at the Latest Practicable Date and as at the date of the AGM (including no change in such number of Shares as a result of purchases of Shares by the Company pursuant to the July 2017 Share Purchase Mandate); and
  - (iii) other than by reason of the completion of the CCBC Acquisition, there is no change in the number of Shares held by the Relevant Parties or which they are deemed interested in as at the date of the AGM and the date of the full exercise of the Share Purchase Mandate.

As a consequence, the Relevant Directors and other members of the Relevant Parties may be required to make a general offer to the other Shareholders under Rule 14.

#### **Conditions for Exemption from having to make a Takeover Offer**

The SIC has confirmed, in its ruling dated 19 June 2017 in respect of the July 2017 Share Purchase Mandate and the July 2017 EGM (the “**June 2017 SIC Ruling**”), that Sanpower and its concert parties will be exempted from the requirement to make a general offer for the Company under Rule 14, when read with Appendix 2 of the Take-over Code, following an increase in the aggregate percentage of total voting rights in the Company held by the Relevant Directors and

persons acting in concert with them to 30% or more or (if they already hold more than 30% at the time) by more than 1% in any 6-month period solely by reason of (i) the Share Purchase pursuant to the July 2017 Share Purchase Mandate and/or (ii) the completion of the CCBC Acquisition (whether such completion takes place before or after the approval of the renewal of the Share Purchase Mandate at the July 2017 EGM), subject to the following conditions:

- (i) the Circular on the resolution to approve the renewal of the Share Purchase Mandate at the July 2017 EGM discloses details of the CCBC Acquisition and contains information to the effect that by voting for the resolution to approve the renewal of the Share Purchase Mandate at the July 2017 EGM (the “**July 2017 Purchase Resolution**”), Shareholders are waiving their right to a general offer at the required price from any of the members of the Relevant Directors, Sanpower and persons acting in concert with them who, in the event the CCBC Acquisition is completed, would increase their voting rights to more than 30% or by more than 1% in any period of 6 months as a result of the Share Purchase pursuant to the July 2017 Share Purchase Mandate; and the names of each of the members of the Relevant Directors and persons acting in concert with them and their voting rights (i) at the time of the July 2017 Purchase Resolution, (ii) upon completion of the CCBC Acquisition and (iii) after the completion of the CCBC Acquisition and the Share Purchase pursuant to the July 2017 Share Purchase Mandate, to be disclosed in the same Circular;
- (ii) the July 2017 Purchase Resolution is approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer for the Company as a result of the Share Purchase pursuant to the July 2017 Share Purchase Mandate;
- (iii) the Relevant Directors and persons acting in concert with them (including the Relevant Parties) abstain from voting for and/or recommending Shareholders to vote in favour of the July 2017 Purchase Resolution;
- (iv) within 7 days after passing of the July 2017 Purchase Resolution, each of the Relevant Directors is to submit to the SIC a duly signed form as prescribed by the SIC; and
- (v) save for the CCBC Acquisition, the Relevant Directors and persons acting in concert with them (including Sanpower and its concert parties) have not acquired and will not acquire any Shares between the date on which they know that the announcement of the renewal of the Share Purchase Mandate at the July 2017 EGM is imminent and the earlier of:
  - (1) the date on which the authority of the July 2017 Share Purchase Mandate expires; and
  - (2) the date on which the Company announces that it has bought back such number of Shares as authorised by the July 2017 Share Purchase Mandate or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with those Shares purchased by the Company under the July 2017 Share Purchase Mandate, would cause the aggregate voting rights in the Company of the members of the Relevant Directors and persons acting in concert with them to increase to 30% or more or, if they already hold more than 30%, by more than 1% in any period of 6 months.

At the July 2017 EGM, the Shareholders approved the July 2017 Purchase Resolution for the July 2017 Share Purchase Mandate and the requisite submission under Appendix 2 of the Take-over Code was made on 19 July 2017 to SIC.

The SIC has confirmed, in its ruling dated 8 September 2017, that the June 2017 SIC Ruling would extend to the Share Purchase Mandate to be approved by the Shareholders at the upcoming AGM (and references under “Conditions for Exemption from having to make a Takeover Offer” above to (i) the “July 2017 Share Purchase Mandate” shall mean the Share Purchase Mandate to be approved at the upcoming AGM, (ii) the “July 2017 EGM” shall mean the upcoming AGM, (iii) the “Circular” shall refer to this Letter and (iv) the “July 2017 Purchase Resolution” shall mean the resolution to approve the renewal of the Share Purchase Mandate at the upcoming AGM).

It follows that where the aggregate voting rights held by the Relevant Directors and persons acting in concert with them increase to 30% or more (or if it is already more than 30%, it increases by more than 1% in any period of 6 months), solely as a result of the Share Purchase and/or the CCBC Acquisition and none of them has acquired any Shares during the relevant period defined above, then the Relevant Directors and/or persons acting in concert with them would be eligible for the SIC’s exemption from the requirement to make a general offer under Rule 14, or where such exemption has been granted, would continue to enjoy the exemption.

If the Company ceases to purchase its Shares pursuant to the Share Purchase Mandate and the aggregate voting rights held by the Relevant Directors and the persons acting in concert with them as a result of the Company buying back its Shares at the time of such cessation is less than 30%, the Relevant Directors and their concert parties may acquire further voting rights in the Company provided that if such acquisitions are other than as a result of the completion of the CCBC Acquisition, it is subject to it not exceeding 30% or more of the issued Shares of the Company.

If the Company ceases to purchase its Shares pursuant to the Share Purchase Mandate and the increase in the voting rights held by the Relevant Directors and the persons acting in concert with them as a result of the Company buying back its Shares at the time of such cessation is less than 1%, the Relevant Directors and their concert parties may acquire further voting rights in the Company provided that if such acquisitions are other than as a result of the completion of the CCBC Acquisition, it is subject to the voting rights held by the Relevant Directors and the persons acting in concert with them not increasing by more than 1% in any 6-month period (including any increase as a result of the Company purchasing its Shares pursuant to the Share Purchase Mandate and/or the completion of the CCBC Acquisition).

However, any increase in the percentage of voting rights of the Relevant Directors and their concert parties as a result of the Share Purchase and/or the completion of the CCBC Acquisition will be taken into account together with any voting rights acquired by the Relevant Directors and their concert parties (by whatever means, other than by reason of completion of the CCBC Acquisition) in determining whether the Relevant Directors and their concert parties have increased their aggregate voting rights in the Company to more than 30%, or if they already hold more than 30%, by more than 1%, in any period of 6 months.

**Shareholders are advised that by voting in favour of the Share Purchase Mandate, they are waiving their rights to a takeover offer by the Relevant Directors and persons acting in concert with them (including the Relevant Parties) in the circumstances set out above. Such a takeover offer, if required to be made and had not been exempted by SIC, would have to be made in cash or be accompanied by a cash alternative at the higher of (A) the highest price (excluding related expenses) paid by the Relevant Directors and persons acting in concert with them for any Share in the preceding 6 months or (B) the highest price paid by the Company for any Share in the preceding 6 months. Shareholders should note that this waiver applies even if the completion of the CCBC Acquisition takes place after the renewal of the Share Purchase Mandate.**

## **Form 2 submission to the SIC**

With regards to Condition (iv) of the “Conditions for Exemption from having to make a Takeover Offer” above, Form 2 (Submission by directors and their concert parties pursuant to Appendix 2 of the Take-over Code) is the prescribed form to be submitted to the SIC by a director and persons acting in concert with him pursuant to the conditions for exemption from the requirement to make a takeover offer under Rule 14 as a result of the purchase of shares by a listed company under its share purchase mandate.

As at the Latest Practicable Date, the Relevant Directors have informed the Company that they will respectively be submitting a Form 2 to the SIC within 7 days after the passing of Resolution 12 set out in the Notice of AGM.

## **4. DIRECTORS', SUBSTANTIAL SHAREHOLDERS' AND RELEVANT PARTIES' INTERESTS**

**4.1 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 at the Latest Practicable Date are as follows:

<b><u>Directors</u></b>	<b><u>Direct</u></b>		<b><u>Deemed</u></b>	
	<b><u>Number of</u></b> <b><u>Shares</u></b>	<b><u>% of total</u></b> <b><u>Issued</u></b> <b><u>Shares</u></b> <sup>(1)</sup>	<b><u>Number of</u></b> <b><u>Shares</u></b>	<b><u>% of total</u></b> <b><u>Issued</u></b> <b><u>Shares</u></b> <sup>(1)</sup>
Mr. Ho Sheng	—	—	302,000 <sup>(2)</sup>	0.12
Dr. Ho Choon Hou	792,061	0.31	—	—
Dr. Wong Chiang Yin	—	—	—	—
Mr. Michael Steven Weiss	—	—	—	—
Dr. Goh Jin Hian	—	—	—	—
Mr. Joseph Wong Wai Leung	—	—	—	—
Mr. Chen Bing Chuen Albert	—	—	—	—
Ms. Wong Christine Bei	—	—	—	—
Ms. Wang Tongyan	—	—	—	—

**Notes:**

(1) As a percentage of the issued share capital of the Company (excluding the 15,070,450 Shares held as treasury shares), comprising 252,454,904 Shares as at the Latest Practicable Date.

(2) The deemed interest of Mr. Ho Sheng arises by virtue of the Shares held by his spouse and children.

**4.2 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:

<u>Substantial Shareholders</u>	<u>Number of Shares</u>	<u>Direct</u>	<u>Number of Shares</u>	<u>Deemed</u>
		<u>% of total Issued Shares<sup>(1)</sup></u>		<u>% of total Issued Shares<sup>(1)</sup></u>
China Stem Cells (East) Company Limited	25,516,666	10.11	—	—
China Stem Cells Holdings Limited	—	—	25,516,666 <sup>(2)</sup>	10.11
China Cord Blood Services Corporation	—	—	25,516,666 <sup>(3)</sup>	10.11
China Cord Blood Corporation	—	—	25,516,666 <sup>(4)</sup>	10.11
Golden Meditech Stem Cells (BVI) Company Limited	—	—	25,516,666 <sup>(5)</sup>	10.11
Golden Meditech Holdings Limited	—	—	25,516,666 <sup>(6)</sup>	10.11
FIL Limited	—	—	17,904,300 <sup>(7)</sup>	7.09
Robust Plan Limited	15,920,000	6.31	—	—
Shanghai Dunheng Capital Management Co., Ltd	—	—	15,920,000 <sup>(8)</sup>	6.31
Jiaxing Huiling No. 3 Investment Partnership (Limited Partnership)	—	—	15,920,000 <sup>(9)</sup>	6.31
Minsheng (Shanghai) Asset Management Co., Ltd.	—	—	15,920,000 <sup>(10)</sup>	6.31
China Minsheng Investment Corp., Ltd	—	—	15,920,000 <sup>(11)</sup>	6.31
Jiaxing Huiling Capital Management Co., Ltd	—	—	15,920,000 <sup>(12)</sup>	6.31
CMI Capital Co., Ltd	—	—	15,920,000 <sup>(13)</sup>	6.31
Vcanland Holding Group Company Limited	—	—	18,133,000 <sup>(14)</sup>	7.18
Li Defu	—	—	18,133,000 <sup>(15)</sup>	7.18
Kunlum Investment Holding Limited	55,509,400	21.99	—	—
LH Capital I Limited	—	—	55,509,400 <sup>(16)</sup>	21.99
LH Partner Assets Limited	—	—	55,509,400 <sup>(17)</sup>	21.99
Shanghai Yuanzhan Haolin Investment L.P.	—	—	55,509,400 <sup>(18)</sup>	21.99
Lighthouse Capital Management, LLC	—	—	55,509,400 <sup>(19)</sup>	21.99
Hu Minglie	—	—	55,509,400 <sup>(20)</sup>	21.99
Yu Yuesu	—	—	55,509,400 <sup>(21)</sup>	21.99
Li Zhe	—	—	55,509,400 <sup>(22)</sup>	21.99
Huangpu Investment Holding Limited	—	—	55,509,400 <sup>(23)</sup>	21.99

China Huarong International Holdings Limited	—	—	55,509,400 <sup>(24)</sup>	21.99
Huarong Real Estate Co., Ltd.	—	—	55,509,400 <sup>(25)</sup>	21.99
China Huarong Asset Management Co., Ltd.	—	—	55,509,400 <sup>(26)</sup>	21.99
Nanjing Xinjiekou Department Store Co., Ltd.	51,870,000	20.55	—	—
Sanpower Group Corporation	—	—	51,870,000 <sup>(27)</sup>	20.55 <sup>(28)</sup>
Yuan Yafei	—	—	51,870,000 <sup>(29)</sup>	20.55

**Notes:**

- (1) As a percentage of the issued share capital of the Company (excluding the 15,070,450 Shares held as treasury shares), comprising 252,454,904 Shares as at the Latest Practicable Date.
- (2) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, China Stem Cells Holdings Limited ("CSCHL") is the sole shareholder of China Stem Cells (East) Company Limited ("CSCECL") and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (3) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, China Cord Blood Services Corporation ("CCBSC") is the sole shareholder of CSCHL and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (4) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, China Cord Blood Corporation ("CCBC") is the sole shareholder of CCBSC and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (5) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, Golden Meditech Stem Cells (BVI) Company Limited ("GMSCL") holds approximately 65.40% equity interests in CCBC and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (6) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, Golden Meditech Holdings Limited is the sole shareholder of GMSCL and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (7) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 3 December 2015, 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.
- (8) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 16 September 2015, Shanghai Dunheng Capital Management Co., Ltd ("SDCMCL") is the sole shareholder of Robust Plan Limited ("RPL") and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.
- (9) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 16 September 2015, Jiaying Huiling No. 3 Investment Partnership (Limited Partnership) ("JX No.3") is the sole shareholder of SDCMCL and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.
- (10) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 16 September 2015, Minsheng (Shanghai) Asset Management Co., Ltd. ("MSAMCL") holds 99.95% equity interest in JX No.3 and is therefore deemed to be interested in the Shares held by RPL 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 16 September 2015, China Minsheng Investment Corp., Ltd ("CMICL") is the sole shareholder of MSAMCL and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.
- (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 16 September 2015, Jiaying Huiling Capital Management Co., Ltd ("JHCMCL") holds 0.05% equity interest in JX No. 3 and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.



- (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 16 September 2015, CMI Capital Co., Ltd is the sole shareholder of JHCMCL and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.
- (14) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 24 December 2015, Vcanland Holding Group Company Limited ("VHGCL") is deemed interested in the Shares held by RPL pursuant to the sale and purchase agreement dated 23 December 2015 entered into with JX No. 3 and Jiaying Huiling Investment Management Co., Ltd for the acquisition of all the shares in the capital of SDCMCL. The completion under the sale and purchase agreement is subject to the satisfaction of several conditions precedents.
- (15) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 24 December 2015, Li Defu is the shareholder of VHGCL and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.
- (16) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 3 February 2016, LH Capital I Limited ("LHCIL") is the sole shareholder of Kunlum Investment Holding Limited ("KIHL") and is therefore deemed to be interested in the Shares held by KIHL by virtue of Section 4 of the SFA.
- (17) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 03 February 2016, LH Partner Assets Limited ("LHPAL") holds 95% equity interest in LHCIL and is therefore deemed to be interested in the Shares held by KIHL by virtue of Section 4 of the SFA.
- (18) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 3 February 2016, Shanghai Yuanzhan Haolin Investment L.P. ("SYHILP") is the sole shareholder of LHPAL and is therefore deemed to be interested in the Shares held by KIHL by virtue of Section 4 of the SFA.
- (19) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 3 February 2016, Lighthouse Capital Management, LLC ("LCM") is the general partner of and controls SYHILP and is therefore deemed to be interested in the Shares held by KIHL by virtue of Section 4 of the SFA.
- (20) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 3 February 2016, Hu Minglie holds 56% equity interest in LCM and is therefore deemed to be interested in the Shares held by KIHL by virtue of Section 4 of the SFA.
- (21) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 3 February 2016, Yu Yuesu holds 24% equity interest in LCM and is therefore deemed to be interested in the Shares held by KIHL by virtue of Section 4 of the SFA.
- (22) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 3 February 2016, Li Zhe holds 20% equity interest in LCM and is therefore deemed to be interested in the Shares held by KIHL by virtue of Section 4 of the SFA.
- (23) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 3 February 2016, Huangpu Investment Holding Limited ("HIHL") is deemed to be interested in the Shares held by KIHL pursuant to share charge granted by KIHL to HIHL in respect of the Shares acquired or to be acquired by KIHL and a call option over all of the issued ordinary shares in KIHL.
- (24) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 3 February 2016, China Huarong International Holdings Limited ("CHIHIL") is the sole shareholder of HIHL and is therefore deemed to be interested in the Shares held by KIHL by virtue of Section 4 of the SFA.
- (25) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 3 February 2016, Huarong Real Estate Co., Ltd. ("HRECL") holds 88.10% equity interest in CHIHIL and is therefore deemed to be interested in the Shares held by KIHL by virtue of Section 4 of the SFA.
- (26) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 3 February 2016, China Huarong Asset Management Co., Ltd. is the sole shareholder of HRECL and is therefore deemed to be interested in the Shares held by KIHL by virtue of Section 4 of the SFA.
- (27) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 10 March 2017, Sanpower holds 33.42% of the equity interest in Nanjing Xinjekou Department Store Co. Ltd ("NXDS") and is therefore deemed to be interested in the Shares held by NXDS by virtue of Section 4 of the SFA.
- (28) This figure does not account for the effects of the proposed CCBC Acquisition. In the event that the Purchaser acquires the New Target CCBC Shares, Sanpower will be deemed to hold 30.65% of the shares in the Company.

(29) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 10 March 2017, Yuan Yafei holds 95% of the equity interest in Sanpower and is therefore deemed to be interested in the Shares held by NXDS by virtue of Section 4 of the SFA.

**4.3 Interests of Relevant Parties at Latest Practicable Date.** The interests of the Relevant Parties in the Shares, based on information as recorded in the Register of Directors' Shareholdings and Register of Substantial Shareholders of the Company, as at the Latest Practicable Date are as follows:

<u>Relevant Parties</u>	<u>Direct</u>		<u>Deemed</u>	
	<u>Number of</u> <u>Shares</u>	<u>% of total</u> <u>Issued</u> <u>Shares</u> <sup>(1)</sup>	<u>Number of</u> <u>Shares</u>	<u>% of total</u> <u>Issued</u> <u>Shares</u> <sup>(1)</sup>
Mr. Michael Steven Weiss	–	–	–	–
Mr. Chen Bing Chuen Albert	–	–	–	–
Ms. Wang Tongyan	–	–	–	–
China Stem Cells (East) Company Limited	25,516,666	10.11	–	–
China Stem Cells Holdings Limited	–	–	25,516,666 <sup>(2)</sup>	10.11
China Cord Blood Services Corporation	–	–	25,516,666 <sup>(3)</sup>	10.11
China Cord Blood Corporation	–	–	25,516,666 <sup>(4)</sup>	10.11
Golden Meditech Stem Cells (BVI) Company Limited	–	–	25,516,666 <sup>(5)</sup>	10.11
Golden Meditech Holdings Limited	–	–	25,516,666 <sup>(6)</sup>	10.11
Nanjing Xinjiekou Department Store Co., Ltd.	51,870,000	20.55	–	–
Sanpower Group Corporation	–	–	51,870,000 <sup>(7)</sup>	20.55 <sup>(8)</sup>
Yuan Yafei	–	–	51,870,000 <sup>(9)</sup>	20.55

**Notes:**

- (1) As a percentage of the issued share capital of the Company (excluding the 15,070,450 Shares held as treasury shares), comprising 252,454,904 Shares as at the Latest Practicable Date.
- (2) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, China Stem Cells Holdings Limited ("CSCHL") is the sole shareholder of China Stem Cells (East) Company Limited ("CSCECL") and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (3) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, China Cord Blood Services Corporation ("CCBSC") is the sole shareholder of CSCHL and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (4) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, China Cord Blood Corporation ("CCBC") is the sole shareholder of CCBSC and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (5) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, Golden Meditech Stem Cells (BVI) Company Limited ("GMSCL") holds approximately 65.40% equity interests in CCBC and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (6) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, Golden Meditech Holdings Limited is the sole

shareholder of GMSCCL and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.

- (7) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 10 March 2017, Sanpower holds 33.42% of the equity interest in Nanjing Xinjiekou Department Store Co. Ltd ("NXDS") and is therefore deemed to be interested in the Shares held by NXDS by virtue of Section 4 of the SFA.
- (8) This figure does not account for the effects of the proposed CCBC Acquisition. In the event that the Purchaser acquires the New Target CCBC Shares, Sanpower will be deemed to hold 30.65% of the shares in the Company.
- (9) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 10 March 2017, Yuan Yafei holds 95% of the equity interest in Sanpower and is therefore deemed to be interested in the Shares held by NXDS by virtue of Section 4 of the SFA.

**Interests of Relevant Parties assuming completion of the CCBC Acquisition.** Assuming no change in the number of Shares held by the Relevant Parties or which they are deemed interested in as at the Latest Practicable Date, the interests of the Relevant Parties in the Shares assuming completion of the CCBC Acquisition are as follows:

<u>Relevant Parties</u>	<u>Direct</u>		<u>Deemed</u>	
	<u>Number of Shares</u>	<u>% of total Issued Shares<sup>(1)</sup></u>	<u>Number of Shares</u>	<u>% of total Issued Shares<sup>(1)</sup></u>
Mr. Michael Steven Weiss	—	—	—	—
Mr. Chen Bing Chuen Albert	—	—	—	—
Ms. Wang Tongyan	—	—	—	—
China Stem Cells (East) Company Limited	25,516,666	10.11	—	—
China Stem Cells Holdings Limited	—	—	25,516,666 <sup>(2)</sup>	10.11
China Cord Blood Services Corporation	—	—	25,516,666 <sup>(3)</sup>	10.11
China Cord Blood Corporation	—	—	25,516,666 <sup>(4)</sup>	10.11
Golden Meditech Stem Cells (BVI) Company Limited	—	—	—	—
Golden Meditech Holdings Limited	—	—	—	—
Nanjing Xinjiekou Department Store Co., Ltd.	51,870,000	20.55	—	—
Sanpower Group Corporation	—	—	77,386,666 <sup>(5)</sup>	30.65
Yuan Yafei	—	—	77,386,666 <sup>(6)</sup>	30.65

**Notes:**

- (1) As a percentage of the issued share capital of the Company (excluding the 15,070,450 Shares held as treasury shares), comprising 252,454,904 Shares as at the Latest Practicable Date.
- (2) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, China Stem Cells Holdings Limited ("CSCHL") is the sole shareholder of China Stem Cells (East) Company Limited ("CSCECL") and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (3) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, China Cord Blood Services Corporation ("CCBSC") is the sole shareholder of CSCHL and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (4) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in

Securities) received by the Company on 6 September 2017, China Cord Blood Corporation (“CCBC”) is the sole shareholder of CCBSC and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.

- (5) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 10 March 2017, Sanpower holds 33.42% of the equity interest in Nanjing Xinjiekou Department Store Co. Ltd (“NXDS”) and is therefore deemed to be interested in the Shares held by NXDS by virtue of Section 4 of the SFA.
- (6) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 10 March 2017, Yuan Yafei holds 95% of the equity interest in Sanpower and is therefore deemed to be interested in the Shares held by NXDS by virtue of Section 4 of the SFA.

**Interests of Relevant Parties assuming completion of the CCBC Acquisition and the full exercise of the Share Purchase Mandate.** Assuming no change in the number of Shares held by the Relevant Parties or which they are deemed interested in as at the Latest Practicable Date, the interests of the Relevant Parties in the Shares assuming completion of the CCBC Acquisition and upon the Company purchasing the maximum amount of 5% of the total number of Shares (excluding treasury Shares and subsidiary holdings) in issue pursuant to the Share Purchase Mandate are as follows:

<u>Relevant Parties</u>	<u>Direct</u>		<u>Deemed</u>	
	<u>Number of Shares</u>	<u>% of total Issued Shares<sup>(1)</sup></u>	<u>Number of Shares</u>	<u>% of total Issued Shares<sup>(1)</sup></u>
Mr. Michael Steven Weiss	–	–	–	–
Mr. Chen Bing Chuen Albert	–	–	–	–
Ms. Wang Tongyan	–	–	–	–
China Stem Cells (East) Company Limited	25,516,666	10.64	–	–
China Stem Cells Holdings Limited	–	–	25,516,666 <sup>(2)</sup>	10.64
China Cord Blood Services Corporation	–	–	25,516,666 <sup>(3)</sup>	10.64
China Cord Blood Corporation	–	–	25,516,666 <sup>(4)</sup>	10.64
Golden Meditech Stem Cells (BVI) Company Limited	–	–	–	–
Golden Meditech Holdings Limited	–	–	–	–
Nanjing Xinjiekou Department Store Co., Ltd.	51,870,000	21.63	–	–
Sanpower Group Corporation	–	–	77,386,666 <sup>(5)</sup>	32.27
Yuan Yafei	–	–	77,386,666 <sup>(6)</sup>	32.27

**Notes:**

- (1) As a percentage of the issued share capital of the Company (excluding the 27,693,195 Shares that would be held as treasury shares) after the full exercise of the Share Purchase Mandate, comprising 239,832,159 Shares (rounded up).
- (2) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, China Stem Cells Holdings Limited (“CSCHL”) is the sole shareholder of China Stem Cells (East) Company Limited (“CSCECL”) and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (3) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, China Cord Blood Services Corporation (“CCBSC”) is the sole shareholder of CSCHL and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.

- (4) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 6 September 2017, China Cord Blood Corporation ("CCBC") is the sole shareholder of CCBSC and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (5) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 10 March 2017, Sanpower holds 33.42% of the equity interest in Nanjing Xinjiekou Department Store Co. Ltd ("NXDS") and is therefore deemed to be interested in the Shares held by NXDS by virtue of Section 4 of the SFA.
- (6) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by the Company on 10 March 2017, Yuan Yafei holds 95% of the equity interest in Sanpower and is therefore deemed to be interested in the Shares held by NXDS by virtue of Section 4 of the SFA.

## **5. DIRECTORS' RECOMMENDATION**

### **5.1 The Proposed Change of Auditor**

The Directors are of the opinion that the proposed change of Auditor is in the interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of Resolution 9 set out in the Notice of AGM.

### **5.2 The Proposed Renewal of the Share Purchase Mandate**

The Directors (other than the Relevant Directors, namely Mr. Michael Steven Weiss, Ms. Wang Tongyan and Mr. Chen Bing Chuen Albert, who are required to abstain from making any recommendation to Shareholders to vote in favour of Resolution 12 set out in the Notice of AGM) are of the opinion that the proposed renewal of the Share Purchase Mandate is in the interests of the Company. Accordingly, the Directors (other than the Relevant Directors) recommend that Shareholders vote in favour of Resolution 12 set out in the Notice of AGM.

## **6. ABSTENTION FROM VOTING**

The Relevant Parties will abstain from voting on Resolution 12, set out in the Notice of AGM, at the AGM. Mr. Michael Steven Weiss, Ms. Wang Tongyan and Mr. Chen Bing Chuen Albert will also not accept nominations to act as proxy, corporate representative or attorney to vote in respect of the said resolution. The renewal of the Share Purchase Mandate must be approved by a majority of those Shareholders present and voting at the AGM on a poll, who could not become obliged to make a takeover offer as a result of the Share Purchase.

## **7. ANNUAL GENERAL MEETING**

The AGM, notice of which is set out on pages 135 to 140 of the 2017 Annual Report, will be held at the Seletar Room, Level 3, Temasek Club, 131 Rifle Range Road, Singapore 588406 on Friday, 27 October 2017 at 10.00 a.m. for the purpose of, *inter alia*, considering and, if thought fit, passing with or without any modifications, the Proposals as set out in the Notice of AGM.

## **8. INSPECTION OF DOCUMENTS**

Copies of the following documents are available for inspection at the registered office of the Company during normal business hours on any weekday (public holidays excluded) from the date of this Letter up to and including the date of the AGM:

- (a) the 2017 Annual Report;
- (b) the Constitution of the Company; and

(c) KPMG LLP's formal letter of consent to act as Auditor of the Company.

## **9. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the Proposals, the Company and its subsidiaries which are relevant to the Proposals, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter 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 Letter in its proper form and context.

Yours faithfully

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

Dr. Wong Chiang Yin  
Executive Director and Group Chief Executive Officer

---

## SCHEDULE

---

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

<b>“2017 Annual Report”</b>	: The annual report of the Company for the financial year ended 30 June 2017
<b>“AGM”</b>	: The annual general meeting of the Company
<b>“Agreement”</b>	: The conditional sale and purchase agreement dated 30 December 2016 and entered into between GMSC, GMHL and the Purchaser in relation to the Disposal
<b>“associate”</b>	: Shall have the meaning ascribed to it in the Listing Rules
<b>“associated company”</b>	: Shall have the meaning ascribed to it in the Listing Rules
<b>“Audit Committee”</b>	: The audit committee of the Company (currently comprising Mr. Joseph Wong Wai Leung, Mr. Ho Sheng and Dr. Ho Choon Hou)
<b>“Average Closing Market Price”</b>	: Shall have the meaning ascribed to it in paragraph 3.3.4 of this letter
<b>“Business Days”</b>	: A day on which banks are generally open for regular banking business in the PRC and Hong Kong, other than Saturdays Sundays and public holidays
<b>“CCBC”</b>	: China Cord Blood Corporation, a company incorporated in the Cayman Islands with limited liability, a non wholly-owned subsidiary of GMHL and whose shares are listed on the NYSE as at 1 March 2017
<b>“CCBC Conversion Shares”</b>	: New CCBC Shares(s) issuable upon conversion of the CGL CN, the Excellent CN and the Magnum CN at the Conversion Price, as the case may be
<b>“CCBC Minority Shares”</b>	: All the CCBC Shares issued and outstanding other than the New Target CCBC Shares, which in aggregate will account for approximately 34.6% of the entire issued and outstanding share capital of CCBC as enlarged by the CCBC Conversion Shares upon full conversion of the CNs, and will be cancelled against receipt of the Going Private cash consideration upon consummation of the Going Private
<b>“CCBC Shares”</b>	: Ordinary shares(s) of US\$0.0001 per share in the share capital of CCBC
<b>“CDP”</b>	: The Central Depository (Pte) Limited
<b>“CGL Agreement”</b>	: The sale and purchase agreement dated 8 May 2015 and entered into between GMHL and CGL in respect of the sale and purchase of, among others, the CGL CN

---

## SCHEDULE

---

<b>“CGL CN”</b>	: The 7% senior convertible note issued by CCBC due October 2017 in an aggregate outstanding principal amount of US\$25,000,000 convertible into the CCBC Conversion Shares acquired by GMHL pursuant to the CGL Agreement and held by GMSC as at 1 March 2017
<b>“CGL CN Conversion Shares”</b>	: 8,809,020 CCBC Conversion Shares issuable upon full conversion of the CGL CN at the Conversion Price
<b>“CN”</b>	: Collectively, the CGL CN, the Excellent CN and the Magnum CN
<b>“Companies Act”</b>	: The Companies Act (Chapter 50 of Singapore), as amended, modified or supplemented from time to time
<b>“Company”</b>	: Cordlife Group Limited
<b>“Completion Date”</b>	: The date on which the New Target CCBC Shares shall be transferred to and registered under the name of the Purchaser (or its nominee(s)), being (a) a date that falls within 20 Business Days after (i) fulfilment of the Effectiveness Conditions and (ii) fulfilment or waiver of the Purchaser’s Conditions and the Vendor’s Conditions or such other dates as the parties to the Agreement may agree in writing; or (b) the date on which transfer of the New Target CCBC Shares otherwise actually occurs as contemplated by the Agreement
<b>“Consideration”</b>	: RMB5,764 million, being the consideration for the Disposal
<b>“controlling shareholder”</b>	: Shall have the meaning ascribed to it in the Listing Rules
<b>“Conversion Price”</b>	: US\$2.838 per CCBC Conversion Share
<b>“day of the making of the offer”</b>	: Shall have the meaning ascribed to it in paragraph 3.3.4 of this Letter
<b>“Directors”</b>	: The Directors of the Company for the time being
<b>“Disposal”</b>	: The proposed disposal of the New Target CCBC Shares by GMSC to the Purchaser
<b>“Effectiveness Conditions”</b>	: The Effectiveness Conditions can be summarised as follows: <ul style="list-style-type: none"><li>(i) the transactions contemplated under the Agreement having been approved by the shareholders of GMHL;</li><li>(ii) GMHL having complied with all the applicable requirements of The Stock Exchange of Hong Kong Limited and other competent authorities and those</li></ul>



---

## SCHEDULE

---

competent authorities having approved the transactions contemplated under the Agreement (if required);

(iii) Termination Agreement A having come into effect;

(iv) the Profit Compensation Termination Agreement having come into effect; and

(v) GMHL and GMSC having obtained the waivers and/or consents from third parties in relation to the entering into and performance of the Agreement and the transactions contemplated thereunder (if required)

<b>“EPS”</b>	: Earnings per Share
<b>“Excellent Agreement”</b>	: The sale and purchase agreement dated 3 November 2015 and entered into between GMHL and Excellent China in relation to the sale and purchase of the Excellent CN
<b>“Excellent China”</b>	: Excellent China Healthcare Investment Limited, a company incorporated in the Cayman Islands with limited liability which is indirectly wholly-owned by Mr. Kam Yuen, the chairman of GMHL and an executive director
<b>“Excellent CN”</b>	: The 7% senior convertible note issued by CCBC due April 2017 in an aggregate outstanding principal amount of US\$65,000,000 convertible into the CCBC Conversion Shares acquired by GMHL pursuant to the Excellent Agreement and held by GMSC as at 1 March 2017
<b>“Excellent CN Conversion Shares”</b>	: 22,903,454 CCBC Conversion Shares issuable upon full conversion of the Excellent CN at the Conversion Price
<b>“GMHL”</b>	: Golden Meditech Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the main board of The Stock Exchange of Hong Kong Limited
<b>“GMSC”</b>	: Golden Meditech Stem Cells Company Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of GMHL
<b>“Going Private”</b>	: The process through which GMSC shall take CCBC private and have CCBC delisted from the NYSE by means of the Long Form Merger
<b>“Group”</b>	The Company and its subsidiaries

---

## SCHEDULE

---

<b>“June 2017 SIC Ruling”</b>	: Shall have the meaning ascribed to it in paragraph 3.13 of this Letter
<b>“July 2017 EGM”</b>	: Shall have the meaning ascribed to it in paragraph 3.1 of this Letter
<b>“July 2017 Purchase Resolution”</b>	: Shall have the meaning ascribed to it in paragraph 3.13 of this Letter
<b>“July 2017 Share Purchase Mandate”</b>	: Shall have the meaning ascribed to it in paragraph 3.1 of this Letter
<b>“Latest Practicable Date”</b>	: 21 September 2017, being the latest practicable date prior to the printing of this Letter
<b>“Listing Rules”</b>	: The listing rules of the SGX-ST, as set out in the Listing Manual of the SGX-ST, as amended, modified or supplemented from time to time
<b>“Long Form Merger”</b>	<p>: The statutory process pursuant to Part XVI of the Companies Law (2016 revision) of the Cayman Islands, by which:</p> <ul style="list-style-type: none"><li>(i) MergerSub shall be merged with and into CCBC, with CCBC as the Surviving Company;</li><li>(ii) each of the CCBC Minority Shares will be cancelled for cash to be paid by GMHL and its subsidiaries;</li><li>(iii) CCBC, as the Surviving Company, will allot and issue an equal number of new shares to GMSC (whose shares will constitute the Previous Target CCBC Shares B);</li><li>(iv) each of the New Target CCBC Shares shall be cancelled for no consideration; and</li><li>(v) each of the New Target CCBC Shares shall be converted into one share in CCBC, as the Surviving Company (and constitute the Previous Target CCBC Rollover Shares A)</li></ul>
<b>“Long Stop Date”</b>	: The date which falls on the 90th day from the date on which the Agreement comes into effect or such other dates as may be agreed by the parties to the Agreement
<b>“LPS”</b>	: Loss per share
<b>“Magnum”</b>	: Magnum Opus International Holdings Limited, a company incorporated under the laws of the BVI with limited liability

---

## SCHEDULE

---

	which is wholly-owned by Mr. Kam Yuen, the chairman of GMHL and an executive director
<b>“Magnum Agreement”</b>	: The sale and purchase agreement dated 8 May 2015 and entered into between GMHL and Magnum in relation to the sale and purchase of the Magnum CN
<b>“Magnum CN”</b>	: The 7% senior convertible note issued by CCBC due October 2017 in an aggregate outstanding principal amount of US\$25,000,000 convertible into the CCBC Conversion Shares acquired by GMHL pursuant to the Magnum Agreement and held by GMSC as at 1 March 2017
<b>“Magnum CN Conversion Shares”</b>	: 8,809,020 CCBC Conversion Shares issuable upon full conversion of the Magnum CN at the Conversion Price
<b>“Market Day”</b>	: A day on which the SGX-ST is open for securities trading
<b>“Market Purchases”</b>	: Shall have the meaning ascribed to it in paragraph 3.3.3 of this Letter
<b>“Maximum Price”</b>	: Shall have the meaning ascribed to it in paragraph 3.3.4 of this Letter
<b>“MergerSub”</b>	: COM Company Limited, an exempted company incorporated in the Cayman Islands and a wholly-owned subsidiary of GMSC
<b>“Nanjing Xinjiekou”</b>	: 南京新街口百货商店股份有限公司(Nanjing Xinjiekou Department Store Co., Ltd.*), a company established in the PRC whose shares are listed on the Shanghai Stock Exchange
<b>“New Target CCBC Shares”</b>	: An aggregate of 78,874,106 CCBC Shares represented by the CGL CN Conversion Shares, the Excellent CN Conversion Shares, the Magnum CN Conversion Shares and 38,352,612 CCBC Shares in issue and held by GMSC as at 1 March 2017
<b>“Notice of AGM”</b>	: Shall have the meaning ascribed to it in paragraph 1.1(a) of this Letter
<b>“NTA”</b>	: Net tangible assets
<b>“NYSE”</b>	: New York Stock Exchange, Inc. or any successor thereto
<b>“Off-Market Purchases”</b>	: Shall have the meaning ascribed to it in paragraph 3.3.3 of this Letter
<b>“PRC”</b>	: The People’s Republic of China excluding, for the purpose of this Letter, Hong Kong, the Macau Special Administrative Region and Taiwan

---

## SCHEDULE

---

<b>“Previous Agreement A”</b>	: The sale and purchase agreement dated 6 January 2016 and entered into between GMSC, GMHL and Nanjing Xinjiekou in relation to the sale and purchase of Previous Target CCBC Shares A and the acquisition of consideration shares to be issued by Nanjing Xinjiekou for partial settlement of the consideration in accordance with the terms and conditions thereof
<b>“Previous Profit Compensation Agreement”</b>	: The profit compensation agreement dated 6 January 2016 and entered into between GMSC and Nanjing Xinjiekou in relation to the profit guarantee and compensation made by GMSC in favour of Nanjing Xinjiekou in respect of the financial performance of CCBC
<b>“Previous Target CCBC Shares A”</b>	: The New Target CCBC Shares or the Previous Target CCBC Rollover Shares A, as the case may be
<b>“Previous Target CCBC Rollover Shares A”</b>	: 78,874,106 shares in CCBC, as the Surviving Company immediately after completion of the Long Form Merger
<b>“Previous Target CCBC Shares B”</b>	: 41,730,636 new shares of CCBC, as the Surviving Company, to be issued to GMSC immediately after completion of the Long Form Merger
<b>“Profit Compensation Termination Agreement”</b>	: The termination agreement dated 30 December 2016 and entered in between GMSC and Nanjing Xinjiekou in relation to the termination of the Previous Profit Compensation Agreement
<b>“Purchaser”</b>	: 南京盈鹏蕙康医疗产业投资合伙企业 (有限合伙) (Nanjing Ying Peng Hui Kang Medical Industry Investment Partnership (Limited Partnership)*), a limited partnership established in the PRC
<b>“Purchaser’s Conditions”</b>	: The Purchaser’s Conditions can be summarised as follows: <ul style="list-style-type: none"><li>(i) except as disclosed to or waived by the Purchaser, within the Transitional Period, CCBC shall have conducted its business normally, no material adverse change shall have occurred to the legal person status, shareholding structure, financial status or substantial assets of CCBC, and CCBC shall not have committed any material violation of laws or regulations;</li><li>(ii) the transactions contemplated under the Agreement having been approved by the board of directors of GMSC;</li></ul>

---

## SCHEDULE

---

- (iii) the transactions contemplated under the Agreement having been approved by the board of directors of GMHL; and
  - (iv) on the Completion Date, all the representations and warranties made by each of GMSC and GMHL, the guarantor under the Agreement, are true, accurate and complete in all material respects, free from false records, misleading representations or material omissions
- “Relevant Directors”** : Shall have the meaning ascribed to it in paragraph 3.13 of this Letter
- “Relevant Parties”** : Shall have the meaning ascribed to it in paragraph 3.13 of this Letter
- “Relevant Period”** : The period commencing on the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date the resolution relating to the Share Purchase Mandate is passed
- “Sanpower”** : 三胞集团有限公司 (Sanpower Group Corporation\*), a company established in the PRC with limited liability
- “SFA”** : The Securities and Futures Act (Chapter 289 of Singapore), as amended, modified or supplemented from time to time
- “SGX-ST”** : Singapore Exchange Securities Trading Limited
- “Share Purchase”** : Purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate
- “Share Purchase Mandate”** : A general mandate given by Shareholders to authorise the Directors to purchase or acquire, on behalf of the Company, Shares in accordance with the terms of this Letter, as well as the rules and regulations set forth in the Companies Act and the Listing Rules
- “Shareholders”** : Registered holders for the time being of the Shares (other than CDP), or in the case of depositors, depositors who have Shares entered against their names in the Depository Register
- “Shares”** : Ordinary shares in the 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

---

## SCHEDULE

---

<b>“Surviving Company”</b>	: CCBC as the surviving company of the Long Form Merger
<b>“S\$” and “cents”</b>	: Singapore dollars and cents respectively
<b>“Take-over Code”</b>	: The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
<b>“Termination Agreement A”</b>	: The termination agreement dated 30 December 2016 and entered into between GMSC, GMHL and Nanjing Xinjiekou in relation to the termination of Previous Agreement A
<b>“Transitional Period”</b>	: The period from the date of the Agreement up to the Completion Date
<b>“US\$”</b>	: United States dollars
<b>“Vendor’s Conditions”</b>	: The Vendor’s Conditions can be summarised as follows: <ul style="list-style-type: none"><li>(i) except as disclosed to or waived by GMSC, within the Transitional Period, the Purchaser shall have been legally existing and shall have the right and capacity to enter into and perform the Agreement in accordance with the applicable laws which shall continue to be valid;</li><li>(ii) on the Completion Date, all the representations and warranties made by the Purchaser under the Agreement are true, accurate and complete in all material respects, free from false records, misleading representations or material omissions; and</li><li>(iii) the transactions contemplated under the Agreement having been approved in accordance with the Purchaser’s partnership agreement</li></ul>
<b>“%” or “per cent.”</b>	: Per centum or percentage

The terms **“depositor”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA. The term **“subsidiary”** shall bear the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Letter to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Companies Act or any statutory modification thereof and not otherwise defined in this Letter shall have the same meaning assigned to it in the Companies Act or any statutory modification thereof, as the case may be. Summaries of the provisions of any laws

---

## **SCHEDULE**

---

and regulations contained in this Letter are of such laws and regulations as at the Latest Practicable Date.

The headings in this Letter are inserted for convenience only and shall be ignored in construing this Letter.

Any reference to a time of day in this Letter is made by reference to Singapore time unless otherwise stated.

Any reference to a time of day in this Letter is made by reference to Singapore time unless otherwise stated.

The English names marked with “\*” are for identification purposes only.

---

## APPENDIX 1

---

# Kunlum

---

## Investment

---

September 18, 2017

The Board of Directors  
**Cordlife Group Limited**  
1 Yishun Industrial Street 1  
A'Posh Bizhub, #06-01/09  
Singapore 768160

Dear Sirs,

### NOTICE OF NOMINATION

Pursuant to the provisions of Section 205(11) of the Companies Act, Chapter 50 of Singapore, we, Kunlum Investment Holding Limited, being a member of Cordlife Group Limited (the "Company"), hereby give notice of our nomination of Messrs KPMG LLP for appointment as Auditor of the Company in place of the retiring Auditor, Messrs Ernst & Young LLP, at the forthcoming Annual General Meeting of the Company, or any adjournment thereof, until the conclusion of the Company's next Annual General Meeting.

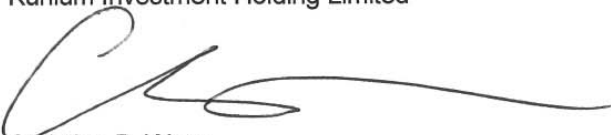
We propose the following resolution to be passed at the forthcoming Annual General Meeting of the Company:-

#### Proposed Change of Auditors

"That, Messrs KPMG LLP be appointed as Auditor of the Company in place of the retiring Auditor, Messrs Ernst & Young LLP, to hold office until the conclusion of the next Annual General Meeting of the Company and to authorise the Directors to fix the remuneration of the Auditor."

Kindly table the proposed resolution at the Company's forthcoming Annual General Meeting.

For and on behalf of  
Kunlum Investment Holding Limited



Christine B. Wong  
Director