

PART 1 – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2, Q3), HALF YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) An income statement and statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group 3 months ended 31 March			Group 9 months ended 31 March		
	2018	2017	+ / (-) Increase/ (Decrease)	2018	2017	+ / (-) Increase/ (Decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	17,705	14,225	24.5	50,684	44,105	14.9
Cost of sales	(5,843)	(5,013)	16.6	(16,862)	(15,835)	6.5
Gross profit	11,862	9,212	28.8	33,822	28,270	19.6
Other operating income	114	147	(22.4)	654	659	(0.8)
Selling and marketing expenses	(5,412)	(4,994)	8.4	(15,652)	(14,693)	6.5
Administrative expenses	(5,702)	(5,089)	12.0	(16,386)	(14,504)	13.0
Finance income	422	383	10.2	1,011	1,478	(31.6)
Finance costs	(75)	(53)	41.5	(204)	(162)	25.9
Profit/(loss) before income tax from operations *	1,209	(394)	n.m.	3,245	1,048	>100.0
Note repurchase expense	–	–	n.m.	–	(2,149)	n.m.
Finance costs	–	–	n.m.	–	(1,781)	n.m.
Profit/(loss) before income tax	1,209	(394)	n.m.	3,245	(2,882)	n.m.
Income tax expense	(388)	(26)	>100.0	(1,086)	(389)	>100.0
Profit/(loss) for the financial period	821	(420)	n.m.	2,159	(3,271)	n.m.
Other comprehensive income/(loss) for the financial period, net of tax:						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Fair value gain arising from revaluation of available-for-sale financial asset	13	–	n.m.	36	–	n.m.
Foreign currency translation^	183	(593)	n.m.	502	(1,215)	n.m.
Total comprehensive income/(loss) for the financial period	1,017	(1,013)	n.m.	2,697	(4,486)	n.m.

1(a)(i) An income statement and statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

	Group 3 months ended 31 March			Group 9 months ended 31 March		
	2018 \$'000	2017 \$'000	+ / (-) Increase/ (Decrease) %	2018 \$'000	2017 \$'000	+ / (-) Increase/ (Decrease) %
Profit/(loss) for the financial period attributable to:						
- Shareholders of the company	843	(401)	n.m.	2,228	(3,250)	n.m.
- Non-controlling interest	(22)	(19)	15.8	(69)	(21)	>100.0
	<u>821</u>	<u>(420)</u>	n.m.	<u>2,159</u>	<u>(3,271)</u>	n.m.
Total comprehensive income/(loss) for the financial period attributable to:						
- Shareholders of the company	1,044	(991)	n.m.	2,771	(4,429)	n.m.
- Non-controlling interest	(27)	(22)	22.7	(74)	(57)	29.8
	<u>1,017</u>	<u>(1,013)</u>	n.m.	<u>2,697</u>	<u>(4,486)</u>	n.m.

n.m. denotes not meaningful

*In order to provide more clarity to readers, the Group has presented separately its finance costs relating to the fixed rate notes under the Group's S\$500 million Multicurrency Debt Issuance Programme (the "Notes") and note repurchase expenses from its profit before income tax from operations.

^Foreign currency translation classified as other comprehensive income/(loss) and presented in the foreign currency translation reserve in equity, represents the exchange differences arising from:

- translation of assets and liabilities of foreign operations, excluding goodwill and fair value adjustments arising on acquisition, to Singapore dollars at exchange rates at the reporting date; and
- translation of income and expenses of foreign operations to Singapore dollars at exchange rates at the dates of the transactions.

When a foreign operation is disposed of, such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

1(a)(ii) Notes to the income statement

	Group 3 months ended 31 March			Group 9 months ended 31 March		
	2018	2017		2018	2017	
	\$'000	\$'000		\$'000	\$'000	
Depreciation of property, plant and equipment	451	467		1,332	1,365	
Amortisation of intangibles	252	313	[1]	795	917	[1]
Impairment loss on trade receivables and bad debts written off, net	169	223		294	243	
Foreign exchange (gain)/loss	(142)	467	[2]	217	(97)	[2]
Other operating income	(114)	(147)	[3]	(654)	(659)	
Over-provision of tax in respect of prior years	–	–		–	(110)	[4]

Notes

1. The amortisation expense was lower in the three months ended 31 March 2018 ("3Q2018") and the nine months ended 31 March 2018 ("9M2018") as compared to the three months ended 31 March 2017 ("3Q2017") and the nine months ended 31 March 2017 ("9M2017") mainly due to the amortisation of licensing fee by the Group's Malaysia subsidiary in 3Q2017 and 9M2017 that did not recur in 3Q2018 and 9M2018 as the licensing fee has been fully amortised in May 2017. The decrease was partially offset by an increase in amortisation of intangibles arising from computer software as the Group continued to invest in technology and automation to boost efficiency and efficacy.
2. The foreign exchange gain in 3Q2018 was mainly due to the reclassification of foreign exchange loss of S\$147,000 recognised by the Indonesia subsidiary for the six months ended 31 December 2017 ("HY2018") to the other comprehensive income in 3Q2018. The foreign exchange loss arose due to the revaluation of intercompany payables, which formed part of the Group's net investment in foreign operations in Indonesia, denominated in S\$. The foreign exchange loss will be accounted for in the other comprehensive income and accumulated under the foreign currency translation reserve. The foreign currency translation reserve will be reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

The foreign exchange loss in 3Q2017 was attributable to revaluation of the Group's cash and cash equivalents denominated in US\$ as US\$ weakened against S\$. In 3Q2018, the Group's cash and cash equivalents denominated in US\$ was significantly reduced following the acquisition of Healthbaby Biotech (Hong Kong) Co, Limited ("Healthbaby") and consequently, the foreign exchange loss significantly decreased in 3Q2018.

The weakening of the US\$ against S\$ in the 9M2018 resulted in the Group recognising a foreign exchange loss mainly from the revaluation of the Group's cash and cash equivalents denominated in US\$. The Group recognised a foreign exchange gain of S\$97,000 as US\$ strengthened against S\$ in 9M2017.

3. The decrease in other operating income for 3Q2018 compared to 3Q2017 of approximately S\$33,000 was mainly due to a decrease of S\$118,000 in fair value on the short-term investments. The decrease was partially offset by the reversal of provision for expenses no longer required of approximately S\$76,000.

4. Over-provision of tax in respect of prior years of S\$110,000 recorded in 9MFY17 comprised an over-provision of tax in respect of FY2016 for Singapore of S\$277,000, offset by an under-provision of tax in respect of FY2016 of S\$167,000 for the Indonesian subsidiary. There was no such over/under-provision in 9MFY18.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group As at		Company As at	
	31 March 2018 \$'000	30 June 2017 \$'000	31 March 2018 \$'000	30 June 2017 \$'000
ASSETS				
Non-current assets				
Property, plant and equipment	12,645	13,062	6,343	6,732
Investment properties	8,564	8,256	2,880	2,880
Intangible assets	42,862	13,513	1,266	1,552
Investment in subsidiaries	–	–	91,739	58,710
Long-term investments	6,271	6,176	4,200	4,200
Trade receivables	64,912	63,090	45,776	45,802
Other receivables	4,211	4,211	4,211	4,211
	<u>139,465</u>	<u>108,308</u>	<u>156,415</u>	<u>124,087</u>
Current assets				
Inventories	1,457	1,279	212	376
Prepayments	2,103	1,760	713	836
Trade receivables	26,878	24,459	10,530	9,450
Other receivables	2,318	2,102	356	527
Amounts owing by subsidiaries	–	–	18,597	14,533
Short-term investments	30,307	22,261	–	–
Fixed deposits	883	11,778	–	10,747
Pledged fixed deposits	520	258	–	–
Cash and cash equivalents	12,439	26,527	8,145	18,404
	<u>76,905</u>	<u>90,424</u>	<u>38,553</u>	<u>54,873</u>
Current liabilities				
Trade and other payables	13,389	11,247	3,630	3,197
Amounts owing to subsidiaries	–	–	42,125	16,733
Interest-bearing borrowings	2,136	2,118	2,136	2,118
Insurance contract liabilities	1,282	1,272	64	64
Deferred revenue	17,955	16,296	3,531	3,688
Tax payable	2,121	1,244	–	–
	<u>36,883</u>	<u>32,177</u>	<u>51,486</u>	<u>25,800</u>
Net current assets/(liabilities)	<u>40,022</u>	<u>58,247</u>	<u>(12,933)</u>	<u>29,073</u>

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year (cont'd)

	Group As at		Company As at	
	31 March 2018 \$'000	30 June 2017 \$'000	31 March 2018 \$'000	30 June 2017 \$'000
Non-current liabilities				
Other payables	198	200	—	4
Interest-bearing borrowings	4,548	6,613	4,548	6,613
Deferred revenue	50,028	30,521	15,048	13,565
Deferred tax liabilities	3,855	3,891	15	15
	<u>58,629</u>	<u>41,225</u>	<u>19,611</u>	<u>20,197</u>
Net assets	<u>120,858</u>	<u>125,330</u>	<u>123,871</u>	<u>132,963</u>
Capital and reserves				
Share capital	96,628	96,666	96,628	96,666
Treasury shares	(16,104)	(9,766)	(16,104)	(9,766)
Accumulated profits	53,054	52,088	42,082	45,267
Other reserves	(12,815)	(13,827)	1,265	796
	<u>120,763</u>	<u>125,161</u>	<u>123,871</u>	<u>132,963</u>
Non-controlling interests	95	169	—	—
Total equity	<u>120,858</u>	<u>125,330</u>	<u>123,871</u>	<u>132,963</u>

1(b)(ii) Aggregate amount of Group's borrowings and debt securities

	31 March 2018	As at 30 June 2017
	\$'000	\$'000
Amount repayable in one year or less, or on demand		
- Loan I – secured	289	271
- Loan III – secured	680	680
- Loan IV – secured	1,167	1,167
Amount repayable after one year		
- Loan I – secured	4,548	4,767
- Loan III – secured	–	680
- Loan IV – secured	–	1,166
	6,684	8,731

Loan I, Loan III and Loan IV are secured by:

- a) First legal mortgage of the leasehold properties and investment properties (the "Properties") of Cordlife Group Limited (the "Company");
- b) The assignment of the rights, title and interest with respect to the Properties; and
- c) Charge over all current receivables of the Company.

Loan I is drawn down in different tranches and repayable in 240 monthly instalments. It will be repaid in full in June 2031.

Loan III is a 5-year term loan with yearly principal repayments. It will be repaid in full in November 2018.

Loan IV is a 3-year term loan with yearly principal repayments. It will be repaid in full in July 2018.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group 3 months ended 31 March		Group 9 months ended 31 March	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities:				
Profit/(loss) before income tax	1,209	(394)	3,245	(2,882)
Adjustments for:				
Depreciation of property, plant and equipment	451	467	1,332	1,365
Amortisation of intangible assets	252	313	795	917
Gain on disposal of property, plant and equipment	(1)	—	(1)	(2)
Impairment loss on trade receivables and bad debts written off, net	169	223	294	243
Interest income	(422)	(383)	(1,011)	(1,478)
Interest expense	75	54	204	1,944
Share-based compensation expense	221	66	768	197
Note repurchase expense	—	—	—	2,149
Unrealised exchange loss/(gain)	156	(615)	400	(1,280)
Operating cash flows before changes in working capital	2,110	(269)	6,026	1,173
<u>Changes in working capital</u>				
Increase in trade receivables	(846)	(2,169)	(3,808)	(3,890)
Decrease/(increase) in other receivables, deposits and prepayments	913	458	95	(438)
Decrease/(increase) in inventories	53	149	(128)	(167)
Increase/(decrease) in trade and other payables	65	(1,003)	865	(1,111)
Increase in deferred revenue	551	3,221	2,591	4,821
Cash generated from operations	2,846	387	5,641	388
Interest received	703	383	1,251	1,478
Interest paid	(75)	(54)	(204)	(163)
Income tax (paid)/recovered	(403)	(64)	(650)	213
Net cash flows generated from operating activities	3,071	652	6,038	1,916
Cash flows from investing activities:				
Purchase of property, plant and equipment	(247)	(315)	(717)	(833)
Purchase of intangible assets	(279)	(399)	(394)	(580)
Acquisition of subsidiary, net of cash	(8,813)	—	(8,813)	—
Placement of short term investments	(522)	(1,118)	(7,463)	(6,950)
Transfer (to)/from term deposits	(312)	969	10,519	37,005
Net cash flows (used in)/generated from investing activities	(10,173)	(863)	(6,868)	28,642

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

	Group 3 months ended 31 March		Group 9 months ended 31 March	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Cash flows from financing activities:				
Transfer from pledged fixed deposits	—	—	28	—
Purchase of treasury shares	—	—	(6,675)	—
Repayment of interest-bearing borrowings	(2,807)	(73)	(4,784)	(2,064)
Acquisition of non-controlling interest in subsidiary	—	(352)	—	(4,004)
Dividends paid	—	—	(1,262)	—
Interest paid on Notes	—	—	—	(2,053)
Repurchase of Notes	—	—	—	(69,826)
Net cash flows used in financing activities	(2,807)	(425)	(12,693)	(77,947)
Net decrease in cash and cash equivalents	(9,909)	(636)	(13,523)	(47,389)
Cash and cash equivalents at the beginning of the financial period	22,452	23,167	26,527	69,701
Effects of exchange rate changes on the balance of cash	(104)	235	(565)	454
Cash and cash equivalents at end of the financial period	12,439	22,766	12,439	22,766

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with a maturity of three months or less.

Third Quarter Unaudited Financial Statements for the Period Ended 31 March 2018

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Share-based compensation reserve \$'000	Capital reserve \$'000	Merger reserve \$'000	Acquisition reserve \$'000	Other reserve \$'000	Foreign currency translation reserve \$'000	Non-controlling interest \$'000	Total \$'000
Balance at 1 July 2016	96,672	(9,828)	54,660	167	568	534	(9,387)	–	(2,697)	2,066	132,755
Loss for the financial period	–	–	(3,250)	–	–	–	–	–	–	(21)	(3,271)
Other comprehensive loss for the financial period, net of tax											
- Foreign currency translation	–	–	–	–	–	–	–	–	(1,179)	(36)	(1,215)
Total comprehensive loss for the period, net of tax	–	–	(3,250)	–	–	–	–	–	(1,179)	(57)	(4,486)
<u>Contributions by and distributions to owners</u>											
Grant of share awards to employees	–	–	–	197	–	–	–	–	–	–	197
Treasury shares re-issued pursuant to equity compensation plan	(6)	62	–	(56)	–	–	–	–	–	–	–
Total contributions by and distributions to owners	(6)	62	–	141	–	–	–	–	–	–	197
Acquisition of non-controlling interest in subsidiary*	–	–	–	–	–	–	(2,385)	–	–	(1,798)	(4,183)
Put option for acquisition of remaining shares in subsidiary^	–	–	–	–	–	–	–	(443)	–	–	(443)
Balance at 31 March 2017	96,666	(9,766)	51,410	308	568	534	(11,772)	(443)	(3,876)	211	123,840

*On 10 November 2016 and 17 November 2016, the Group announced that it had, through Maybank Investment Bank Berhad, served a notice of a voluntary take-over offer (the “VGO”) to acquire all the remaining ordinary shares of RM0.10 each in the capital of Stemlife not already owned by the Company, representing approximately 10.12% of the issued and paid-up capital of Stemlife at RM0.575 per Stemlife share. As at 31 March 2017, the Group obtained a further 9.01% interest from the non-controlling interest in Stemlife to arrive at a total interest in Stemlife of approximately 99.01%. As a result of the further 9.01% interest acquired, the carrying value of the non-controlling interest being approximately S\$1,798,000 was reversed and the difference between the consideration and the carrying value of the non-controlling interest, being S\$2,385,000, was recognised in acquisition reserve.



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Third Quarter Unaudited Financial Statements for the Period Ended 31 March 2018

^ As at 31 March 2017, the Group had obtained a total interest in Stemlife of approximately 99.01%. Pursuant to subsection 223(2) of the Capital Markets and Services Act 2007 of Malaysia ("CMSA"), holders of non-controlling interests in Stemlife may elect to exercise their rights under subsection 223(1) of the CMSA by serving a notice to require the Group to acquire their Stemlife Shares by 2 May 2017, being 3 months after the close of the VGO on 31 January 2017. Therefore, the Group has recognised a liability on the remaining non-controlling interest in Stemlife of 2,441,072 shares at the VGO price of RM0.575 (approximately S\$0.185) per Stemlife share as at 31 March 2017.

Third Quarter Unaudited Financial Statements for the Period Ended 31 March 2018

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Company	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Total \$'000
Balance at 1 July 2016	96,672	(9,828)	50,779	422	167	138,212
Loss for the period, representing total comprehensive loss for the period	—	—	(5,031)	—	—	(5,031)
<u>Contributions by and distributions to owners</u>						
Grant of share awards to employees	—	—	—	—	197	197
Treasury shares re-issued pursuant to equity compensation plan	(6)	62	—	—	(56)	—
Total contributions by and distributions to owners	(6)	62	—	—	141	197
Balance at 31 March 2017	96,666	(9,766)	45,748	422	308	133,378

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Third Quarter Unaudited Financial Statements for the Period Ended 31 March 2018

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

Group	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Share-based compensation reserve \$'000	Capital reserve \$'000	Merger reserve \$'000	Acquisition reserve \$'000	Other Reserve \$'000	Foreign currency translation reserve \$'000	Non-controlling interest \$'000	Total \$'000
Balance at 1 July 2017	96,666	(9,766)	52,088	374	568	534	(11,740)	–	(3,563)	169	125,330
Profit/(loss) for the financial period	–	–	2,228	–	–	–	–	–	–	(69)	2,159
Other comprehensive income for the financial period, net of tax											
- Foreign currency translation	–	–	–	–	–	–	–	–	507	(5)	502
- Fair value gain arising from revaluation of available-for-sale financial asset	–	–	–	–	–	–	–	36	–	–	36
Total comprehensive profit/(loss) for the financial period, net of tax	–	–	2,228	–	–	–	–	36	507	(74)	2,697
<u>Contributions by and distributions to owners</u>											
Purchase of treasury shares	–	(6,675)	–	–	–	–	–	–	–	–	(6,675)
Grant of share awards to employees	–	–	–	768	–	–	–	–	–	–	768
Dividends	–	–	(1,262)	–	–	–	–	–	–	–	(1,262)
Reissuance of treasury shares pursuant to equity compensation plan	(38)	337	–	(299)	–	–	–	–	–	–	–
Total contributions by and distributions to owners	(38)	(6,338)	(1,262)	469	–	–	–	–	–	–	(7,169)
Balance at 31 March 2018	96,628	(16,104)	53,054	843	568	534	(11,740)	36	(3,056)	95	120,858

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

Company	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Total \$'000
Balance at 1 July 2017	96,666	(9,766)	45,267	422	374	132,963
Loss for the financial period, representing total comprehensive loss for the financial period	—	—	(1,923)	—	—	(1,923)
<u>Contributions by and distributions to owners</u>						
Purchase of treasury shares	—	(6,675)	—	—	—	(6,675)
Grant of share awards to employees	—	—	—	—	768	768
Dividends	—	—	(1,262)	—	—	(1,262)
Reissuance of treasury shares pursuant to equity compensation plan	(38)	337	—	—	(299)	—
Total contributions by and distributions to owners	(38)	(6,338)	(1,262)	—	469	(7,169)
Balance at 31 March 2018	96,628	(16,104)	42,082	422	843	123,871

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Company	Number of shares	Share capital (\$)
As at 30 June 2017	259,409,504	96,665,612
Purchase of treasury shares	(7,000,000)	—
Treasury shares reissued pursuant to equity compensation plan	309,450	(37,376)
As at 31 March 2018	252,718,954	96,628,236

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

	As at	
	31 March 2018 No. of shares	30 June 2017 No. of shares
Total number of issued shares	267,525,354	267,525,354
Less: Treasury shares	(14,806,400)	(8,115,850)
Total number of issued shares excluding treasury shares	252,718,954	259,409,504

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

45,400 and 264,050 treasury shares were utilised on 2 August 2017 and 9 November 2017 respectively for the issue of a total of 309,450 shares under the Cordlife Share Grant Plan.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in note (5) below, the financial statements for the current period reported on have been presented using the same accounting policies and methods of computation as presented in the Company's most recently audited financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted all new and revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") which became effective for the financial year ("FY") beginning 1 July 2017.

The adoption of these new/revised FRS and INT FRS did not result in any substantial change to the Group's accounting policies and has no material/significant impact on the financial statements of the Group for the current reporting period or the reporting periods in prior years.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group 3 months ended 31 March		Group 9 months ended 31 March	
Basic Earnings Per Share	2018	2017	2018	2017
Earnings per ordinary share of the group for the financial period based on net profit attributable to shareholders of the Company:				
Profit/(loss) attributable to shareholders of the Company (S\$ '000)	843	(401)	2,228	(3,250)
Weighted average number of shares in issue during the period ('000)	252,719	259,372	253,131	259,363
Basic earnings/(loss) per share based on weighted average number of ordinary shares (cents)	0.33	(0.15)	0.88	(1.25)

Diluted Earnings Per Share

Earnings per ordinary share of the group for the financial period based on net profit attributable to shareholders of the Company:

Profit/(loss) attributable to shareholders of the Company (S\$ '000)	843	(401)	2,228	(3,250)
Weighted average number of shares in issue during the period ('000)	255,080	259,372	254,417	259,363
Diluted (loss)/earnings per share based on weighted average number of ordinary shares (cents)	0.33	(0.15)	0.88	(1.25)

Notes:

Basic earnings per share are calculated by dividing profit net of tax attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial period.

Diluted earnings per share are calculated by dividing profit net of tax attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Potential ordinary shares shall be treated as dilutive only when their conversion to ordinary shares would decrease earnings per share or increase loss per share.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	31 March 2018 (cents)	30 June 2017 (cents)	31 March 2018 (cents)	30 June 2017 (cents)
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the period reported on	47.82	48.31	49.02	51.26

The number of shares in issue and used in calculating the net asset value per share as at 31 March 2018 is 252,718,954 (30 June 2017: 259,409,504).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

COMPARING 9 MONTHS ENDED 31 MARCH 2018 ("9M2018") AGAINST 9 MONTHS ENDED 31 MARCH 2017 ("9M2017")

Income Statement

Healthbaby's financial results for the 3 months ended 31 March 2018 have been included in the Group's financial results for 9M2018 as Healthbaby became a subsidiary of the Group on 2 January 2018.

Revenue

Revenue increased by 14.9% or S\$6.6 million from 9M2017 to 9M2018, mainly contributed by the Group's operations in Singapore, India, the Philippines and the newly acquired subsidiary, Healthbaby.

The higher revenue contributions from Singapore, India and the Philippines were driven by an increase in deliveries, as well as lower discounts in India and an increase in contract prices in the Philippines, in lieu of more value-added services provided to clients in these countries.

The increase in deliveries in these three markets was partly offset by a decrease in the number of deliveries in Malaysia. Nonetheless, the total client deliveries for the Group increased from 19,000 for 9M2017 to 19,600 for 9M2018.

Healthbaby accounted for S\$1.8 million of the increase in revenue.

Cost of sales

Cost of sales increased by 6.5% or S\$1.0 million in 9M2018 compared to 9M2017, mainly attributable to the consolidation of cost of sales of Healthbaby, which became a subsidiary of the Group on 2 January 2018. It was also due to additional value-added services provided to clients in India and the Philippines and the increase in total client deliveries.

Gross profit and gross profit margin

Gross profit increased by 19.6% or S\$5.6 million and gross profit margin increased from 64.1% in 9M2017 to 66.7% in 9M2018.

The increase in gross profit margin was partly due to an increase in client deliveries, and consequently revenue contributions from Singapore, which has a higher margin compared to the other markets. The increase was also attributable to lower discounts given in India and the increase in contract prices in the Philippines.

Administrative expenses

Administrative expenses increased by S\$1.9 million or 13.0% from 9M2017 to 9M2018, mainly due to the consolidation of administrative expenses of Healthbaby and an increase in foreign exchange loss of S\$314,000. The weakening of the US\$ against S\$ in the 9M2018 resulted in the Group recognising a foreign exchange loss mainly from the revaluation of the Group's cash and cash equivalents denominated in US\$. The Group recognised a foreign exchange gain of S\$97,000 as US\$ strengthened against S\$ in the 9M2017.

There was also an increase in information technology expense and amortisation expense from 9M2017 to 9M2018 by S\$141,000 and S\$91,000 respectively, as the Group continued to invest in technology and automation to boost efficiency and efficacy. Share grant expense increased by S\$571,000 from 9M2017 to 9M2018 due to additional share grants in 9M2018. There were no share grants issued in 9M2017.

The increase was partially offset by a decrease in legal and professional fees of approximately S\$71,000. This decrease was largely contributed by additional legal and professional fees incurred by the Group for the VGO in 9M2017 which was slightly offset by the fees incurred in relation to acquisition of Healthbaby in 9M2018.

Finance income

Finance income decreased by 31.6% or S\$467,000 from 9M2017 compared to 9M2018 mainly due to a lower amount of funds placed in fixed deposits as a result of the redemption in December 2016 of the remaining aggregate outstanding S\$68.25 million in principal amount of the Notes and the acquisition of Healthbaby in January 2018.

Finance costs

Finance costs increased by 25.9% or S\$42,000 from 9M2017 compared to 9M2018 mainly due to higher interest rates on the Group's interest-bearing borrowings, which are subject to market fluctuations and consolidation of finance costs of Healthbaby.

Profit before income tax from operations

As a result of the foregoing, the Group's profit before income tax from operations for 9M2018 was higher than 9M2017 at S\$3.2 million (9M2017: S\$1.0 million).

Note repurchase expense

Note repurchase expense of S\$2.1 million was incurred in relation to the full redemption of the remaining aggregate outstanding S\$68,250,000 in principal amount of the Notes in December 2016. No such expense was recognised for 9M2018.

Finance costs (non-operating)

Finance costs of approximately S\$1.8 million were recognised on the Notes for 9M2017. No such finance cost was recorded for 9M2018 due to the full redemption of the Notes in December 2016.

Tax

In 9M2017, non-operational finance costs and note repurchase expense were not deductible. Adjusting for these non-deductible items, the effective tax rate for 9M2018 was 33.5%, compared to a higher effective tax rate of 37.1% for 9M2017.

The higher effective tax rate in 9M2017 was due to recording of the under-provision of income tax of S\$167,000 in respect of FY2016 in 9M2017, deferred tax assets not recognised on unutilised tax losses, and increased profit contribution by subsidiaries in tax regimes with higher tax rates in 9M2017. It was partially offset by the reversal of over-provision of income tax of S\$277,000 in Singapore.

There was no such under and over-provision and under recognition of deferred tax assets in 9M2018.

COMPARING 3 MONTHS ENDED 31 MARCH 2018 ("3Q2018") AGAINST 3 MONTHS ENDED 31 MARCH 2017 ("3Q2017")

Income Statement

Healthbaby's financial results for 3Q2018 have been included in the Group's financial results for 3Q2018 as Healthbaby became a subsidiary of the Group on 2 January 2018.

Revenue

Revenue increased by 24.5% or S\$3.5 million from S\$14.2 million in 3Q2017 to S\$17.7 million in 3Q2018.

The increase in revenue was mainly contributed by India and Singapore as well as the inclusion of the newly acquired subsidiary, Healthbaby. Total client deliveries increased from 6,000 in 3Q2017 to 6,400 in 3Q2018. Revenue per customer in India increased due to lower discounts given as more value-added services were provided to them. The increase in revenue in Singapore was mainly due to higher client deliveries.

Healthbaby accounted for S\$1.8 million of the increase in revenue.

Cost of sales

Cost of sales increased by 16.6% or S\$830,000 in 3Q2018 compared to 3Q2017, in line with the increase in client deliveries.

Gross profit and gross profit margin

Gross profit increased by 28.8% or S\$2.7 million and gross profit margin rose from 64.8% in 3Q2017 to 67.0% in 3Q2018.

The increase in gross profit margin was mainly due to more deliveries in Singapore, which has a higher margin compared to the rest of the countries. The increase was also due to lower discounts given in India, in lieu of more value-added services provided to clients.

Other operating income

Other operating income decreased by 22.4% or S\$33,000 mainly due to decrease of S\$118,000 in fair value on the short-term investments. The decrease was partially offset by the reversal of provision for expenses no longer required of approximately S\$76,000.

Administrative expenses

Administrative expenses rose by 12.0% or S\$613,000 in 3Q2018 compared to 3Q2017 mainly due to the consolidation of administrative expenses of Healthbaby and an increase in legal and professional fees of approximately S\$80,000 as a result of the acquisition of Healthbaby in 3Q2018. No such fees were incurred in 3Q2017. Share grant expense increased by S\$155,000 due to additional share grants in November 2017. There were no share grants issued in 3Q2017. There was also a reversal of over-provision of bonus of S\$399,000 in 3Q2017. There was no such reversal of over-provision of bonus in 3Q2018.

The overall increase in administrative expenses was slightly offset by a decrease in foreign exchange loss of S\$609,000. The foreign exchange gain in 3Q2018 was mainly due to the reclassification of foreign exchange loss of S\$147,000 recognised by the Indonesia subsidiary for HY2018 to the other comprehensive income in 3Q2018. The foreign exchange loss arose due to the revaluation of intercompany payables, which formed part of the Group's net investment in foreign operations in Indonesia, denominated in S\$. The foreign exchange loss will be accounted for in the other comprehensive income and accumulated under the foreign currency translation reserve. The foreign currency translation reserve will be reclassified from equity to profit or loss of the Group on disposal of the foreign operations.

The foreign exchange loss in 3Q2017 was attributable to revaluation of the Group's cash and cash equivalents denominated in US\$ as US\$ weakened against S\$. In 3Q2018, the Group's cash and cash equivalent denominated in US\$ was significantly reduced following the acquisition of Healthbaby and consequently, the foreign exchange loss has significantly decreased in 3Q2018.

Finance income

Finance income increased by S\$39,000 mainly due to the increase in fixed-income investments in the Malaysian subsidiary.

Finance costs

Finance costs increased by 41.5% or S\$22,000 from 3Q2017 to 3Q2018 due to higher interest rates on the Group's interest-bearing borrowings, which are subject to market fluctuations. Healthbaby accounted for S\$13,000 increase in finance costs.

Profit before income tax from operations

As a result of the foregoing, the profit of S\$1.2 million from operations before income tax for 3Q2018 was higher than for 3Q2017.

Tax

In 3Q2017, the effective tax rate was 6.6% against loss before tax of S\$394,000. In 3Q2018, the effective tax rate was 32.1% against profit before tax of S\$1.2 million. The higher effective tax rate in 3Q2018 was due mainly due to increased profit contribution by subsidiaries in tax regimes with higher tax rates.

Balance sheet

Cash and cash equivalents and fixed deposits

As at 31 March 2018, the Group maintained a strong balance sheet, with cash and cash equivalents, fixed deposits and short-term investments of S\$43.6 million (30 June 2017: S\$60.6 million). The decrease in cash and cash equivalents was mainly due to net cash used in investing activities, which comprised mainly the acquisition of Healthbaby amounting to S\$8.8 million, placement of short term investments of S\$7.5 million, offset by the transfer from term deposits of S\$10.5 million. In addition, the decrease was also due to net cash used in financing activities of S\$12.7 million, which comprised mainly shares repurchases amounting to S\$6.7 million, repayment of interest-bearing borrowings of S\$4.8 million and dividend payment of S\$1.3 million.

This decrease was partly offset by net cash generated from operating activities of S\$6.0 million comprising mainly operating cash flows before movements in working capital of S\$6.0 million, net interest received of S\$1.0 million, offset by net working capital outflow of S\$385,000 and income tax paid of S\$650,000.

Net working capital outflow of approximately S\$385,000 comprised the following:

- increase in trade receivables of approximately S\$3.8 million;
- decrease in other receivables, deposits and prepayments of approximately S\$95,000;
- increase in inventory of approximately S\$128,000;
- increase in trade and other payables of approximately S\$0.9 million and
- increase in deferred revenue of approximately S\$2.6 million.

Property, plant and equipment

As at 31 March 2018, the Group recorded S\$12.6 million on the balance sheet for property, plant and equipment (30 June 2017: S\$13.1 million).

Investment properties

As at 31 March 2018, the Group recorded S\$8.6 million on the balance sheet for investment properties (30 June 2017: S\$8.3 million).

Intangible assets

Intangible assets comprise customer contracts acquired in business combinations and computer software. Intangible assets of approximately S\$29.2 million were recognised in 3Q2018 as a result of the consolidation of Healthbaby as a subsidiary of the Company. Provisional goodwill, if any, relating to the acquisition has not been recognised separately subject to the finalisation of a purchase price allocation exercise.

Long term investments

Long term investments comprise a S\$4.2 million investment in approximately 4.2 million unquoted ordinary shares of CellResearch Corporation Pte Ltd ("CRC"), and approximately S\$2.1 million of investments in money market funds. The investment in CRC aims to strengthen the strategic alliance with CRC and to add value to the Group's clinical and quality assurance capacity. The ordinary shares are carried at cost less impairment, if any.

Trade receivables, non-current

Non-current trade receivables represent cord blood, cord lining and cord tissue banking service revenues receivable under instalment payment plans that have yet to be billed to customers. Upon billing, the billed amount will be receivable under the same terms as the current trade receivables.

Other receivables, non-current

On 1 February 2016, the Group announced that it had subscribed for a Class A Redeemable Convertible Note ("RCN") maturing three years from the issue date in the principal amount of S\$4.2 million from CRC. The yielding interest is at a rate of three month SIBOR plus 7% per annum payable annually in arrears. The RCN is carried at cost less impairment, if any.

Inventories

As at 31 March 2018, the Group recorded inventories of S\$1.5 million (30 June 2017: \$1.3 million).

Prepayments

Prepayments increased from S\$1.8 million as at 30 June 2017 to S\$2.1 million as at 31 March 2018 mainly due to the consolidation of Healthbaby.

Trade receivables, current

As at 31 March 2018, the Group recorded current trade receivables of S\$26.9 million (30 June 2017: \$24.5 million).

Other receivables, current

Other receivables include non-trade receivables and interest receivable on the RCN.

Trade and other payables, current and non-current

As at 31 March 2018, the Group recorded current trade and other payables of S\$13.4 million (30 June 2017: \$11.2 million) and non-current other payables of S\$198,000 (30 June 2017: S\$200,000).

Interest-bearing borrowings, current and non-current

Interest-bearing borrowings decreased by approximately S\$2.0 million, from S\$8.7 million as at 30 June 2017 to S\$6.7 million as at 31 March 2018, due to repayments made during the financial period.

Insurance contract liabilities

Insurance contract liabilities represent outstanding claims liability and liability for expected future claims to be incurred as a result of the Group entering into insurance arrangements with customers.

Deferred revenue

Deferred revenue represents revenue received in advance for services to be rendered under cord blood, cord lining and cord tissue banking contracts.

Income tax payable

As at 31 March 2018, the Group recorded income tax payable of S\$2.1 million (30 June 2017: \$1.2 million). The increase in income tax payable was due to tax payable on profits earned in 9M2018.

Deferred tax liabilities

Deferred tax liabilities comprise deferred tax liabilities on temporary differences and on intangible assets recognised on business combination.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable as no forecast or prospect statement was previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Group remains upbeat about prospects for stem-cell banking, especially in view of the influx of investment capital into the field of cellular immunotherapies. Notable transactions over the past 12 months include Gilead Sciences, Inc's US\$11.9 billion acquisition of Kite Pharma, Inc, Celgene Corporation's US\$9 billion takeover of Juno Therapeutics, Inc, and Sanpower Group Co., Ltd's US\$820 million acquisition of Dendreon Pharmaceuticals LLC. These developments, the Group believes, bode well for companies involved in stem-cell banking and cryopreservation.

Having achieved four consecutive quarters of net profits as at 31 March 2018, the Group will continue to drive profitability organically while exploring earnings-accretive acquisition and/or investment opportunities. The recent acquisition of Healthbaby validates the Group's approach to growth, as seen from the new subsidiary's contributions to its overall financial performance in 3Q2018. Healthbaby has already started cross-selling some of Cordlife's services to its own customers. On 2 May 2018, it launched in Hong Kong a non-invasive screening service, Metascreen, that can detect more than 100 inherited metabolic disorders in newborn babies.

In seeking to provide more holistic services to its target audience, the Group expanded its suite of non-invasive diagnostics services in February 2018 through a tie-up with US-based PlumCare LLC. The new service, known as Plumcare™ DNA Advisor, helps families detect possible disease-causing genetic mutations associated with common hereditary conditions such as breast and ovarian cancers. The service was launched in Singapore in April 2018.

Barring unforeseen circumstances and exceptional non-operating items, the Group expects to be profitable in the financial year ending 30 June 2018.

11. Dividends

(a) ***Current financial period reported on***

Any dividend recommended for the current financial period reported on? No

(b) ***Corresponding period of the immediately preceding financial year***

Any dividend declared for the corresponding period of the immediately preceding financial year?
No

(c) ***The date the dividend is payable.***

Not applicable.

(d) ***Book closure date.***

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared for the current financial period reported on.

13. Interested person transactions

The Company has not obtained a general mandate from shareholders for interested person transactions.

There were no interested person transactions of S\$100,000 or more for the financial period reported on.

14. Confirmation Pursuant to Rule 705(5) of the Listing Manual

To the best of knowledge of the Board of Directors of the Company (the "Board"), nothing has come to the attention of the Board which may render the unaudited financial statements of the Company and the Group for the three months ended 31 March 2018 presented in this announcement, to be false or misleading in any material aspect.

15. Confirmation Pursuant to Rule 720(1) of the Listing Manual

The Company confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

16. Disclosure on the use of placement proceeds

Capitalised terms used herein, unless otherwise defined, have the meanings as defined in the announcements on Private Placement Of An Aggregate Of Up To 26,838,000 New Ordinary Shares In The Capital Of The Company dated 2 October 2013, 11 October 2013 and 14 October 2013.

The Company issued 26,838,000 Placement Shares at an issue price of S\$1.25 per Placement Share by way of private placement (the "Private Placement") to raise aggregate gross proceeds of S\$33,547,500 on 14 October 2013.

The Board wishes to announce that the Group has utilised approximately S\$22.2 million out of the approximately S\$33.5 million raised from the Private Placement.

The breakdown of the total use of proceeds by the Group for general working capital purposes is as follows:

	Amount (S\$ million)
Amount utilised as working capital:	
Trade purchases	5.4
Legal and professional fees	0.1
Total	<u>5.5</u>

Third Quarter Unaudited Financial Statements for the Period Ended 31 March 2018

As at 11 May 2018, the Group has utilised approximately S\$22.2 million of the Private Placement proceeds as follows:

Intended Use of Placement Proceeds	Estimated amount (\$ m)	Estimated percentage of gross proceeds raised from the Private Placement	Amount utilised (\$ m)	Percentage of gross proceeds raised from the Private Placement
Further, fund and support the Group's operations in connection with its enlarged geographical footprint developed after the Company's initial public offering, including funding of additional strategic investments, joint ventures, acquisitions and/or strategic alliances as and when opportunities materialise and are deemed appropriate by the Board	23.5	70.1%	16.1	48.1%
General working capital	8.6	25.7%	5.5	16.4%
Expenses incurred in connection with the Private Placement	1.4	4.2%	0.6	1.8%
	33.5	100.0%	22.2	66.3%

Note:

The numbers in the table above may not exactly add up due to rounding.

The Board is of the view that the above utilisation is in accordance with the intended use disclosed in the aforementioned announcement dated 2 October 2013.

The Board is also pleased to announce that due to the Company's prudent management of financial resources and negotiations with vendors, there is a balance of approximately S\$0.8 million from the approximately S\$1.4 million which was originally allocated to pay for expenses incurred in connection with the Private Placement. The Board, after deliberation, deemed it in the best interests of the Company and its shareholders to re-deploy the said balance amount for general working capital purposes.

The Company will make further announcements via SGXNET as and when the balance of the Private Placement proceeds are materially disbursed in accordance with Rule 704(30) of the Listing Manual of the SGX-ST.

By Order of the Board

Michael Steven Weiss
Group Chief Executive Officer and Executive Director
11 May 2018