



Media Release

Cordlife Achieves 12-Month Net Profit after Tax of S\$3.2M as Revenue Hits Record S\$68M

- *Performance marks turnaround from net loss of S\$2.6m in previous 12 months ended 30 June 2017*
- *Pre-tax operating profit at S\$4.2m, highest since the financial year ended 30 June 2015*
- *S\$44.6 million in cash, fixed deposits, short-term investments; gearing at 4.5%*
- *S\$9.0 million in net cash from operating activities*
- *Interim dividend of 0.8 Singapore cents a share declared*

S\$'000	Quarter Ended 30 June 2018	Quarter Ended 30 June 2017	Change (%)	12 Months Ended 30 June 2018	12 Months Ended 30 June 2017	Change (%)
Revenue	17,625	15,857	11.1	68,309	59,962	13.9
Gross Profit	11,940	10,556	13.1	45,762	38,826	17.9
Pre-tax Operating Profit	986	1,129	(12.7)	4,231	2,177	94.4
Net Profit/(Loss) Attributable to Shareholders	1,044	678	54.0	3,272	(2,572)	N.M.

N.M. – Not Meaningful

SINGAPORE, 14 August 2018 – Cordlife Group Limited (“**Cordlife**” and together with its subsidiaries, the “**Group**”) announced today record-high revenue and a return to net profitability in the 12 months ended 30 June 2018 (“**12M2018**”), underscoring the growing acceptance of regenerative cellular therapy in Asia, its home base of nearly two decades.

The private cord blood bank made a net profit attributable to shareholders of approximately S\$3.3 million in 12M2018, reversing a loss in the previous financial year (“**12M2017**”) of approximately S\$2.6 million, which included some S\$3.9 million of expenses related to an early redemption of a debt security. Pre-tax operating profit for 12M2018 rose 94.4% to approximately S\$4.2 million, the highest since the financial year ended 30 June 2015.

The improvement came on the back of a 13.9% rise in revenue to S\$68.3 million, the highest since Cordlife’s public listing in 2012. Total newborn deliveries rose to 25,800 in 12M2018 from 25,200 in 12M2017, with Singapore, India and the Philippines being the key drivers.



Healthbaby Biotech (Hong Kong) Co., Limited (“Healthbaby”), a leading private cord blood bank in Hong Kong which Cordlife acquired in January this year, contributed S\$3.7 million to the Group’s total revenue.

For the three months ended 30 June 2018, the Group achieved profit attributable to shareholders of S\$1.0 million, its fifth consecutive quarterly net profit and 54.0% more than for the same period last year. This was driven mainly by an 11.1% increase in revenue to S\$17.6 million as well as lower income tax expenses. The increase in revenue was mainly contributed by Singapore and the consolidation of Healthbaby. Total deliveries increased from 6,100 in 4Q2017 to 6,200 in 4Q2018.

In view of its improved financial performance, Cordlife has declared an interim dividend of 0.8 Singapore cents a share.

Mr Michael Weiss, Group CEO and Executive Director of Cordlife, said: “Our latest financial results underscore the growing acceptance of cellular therapy and genomics-based wellness in Asia, where there is still a lot more room for us to deepen our reach, especially in emerging markets such as India, the Philippines and Indonesia. Besides our stem-cell banking services, we also want to expand our portfolio of non-invasive diagnostics services in the region to better serve our sizable and growing installed client base as well as our potential new clients.”

To augment growth, the Group will continue to explore earnings-accretive acquisition and investment opportunities. Inorganic growth can be funded partly through internal resources given its healthy balance sheet, low gearing and strong net operating cash flow. As at 30 June 2018, the Group had S\$44.6 million in cash and cash equivalents, fixed deposits and short-term investments in money market funds, as well as S\$9.0 million in net cash generated from operating activities. Debt as a percentage of equity was 4.5%.

As announced on 8 June 2018, Cordlife has changed its financial year-end to 31 December from 30 June to align with that of its controlling shareholder. With the change, Cordlife’s current financial year, which started on 1 July 2017, will end on 31 December 2018, spanning 18 months. Its subsequent financial year will begin on 1 January 2019 and end on 31 December 2019.

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

Incorporated in 2001, Cordlife Group Limited (“Cordlife”, together with its subsidiaries, the “Group”) is a consumer healthcare company and one of the leading providers of cord blood as well as cord lining banking services in Asia. Cordlife has been listed on the mainboard of Singapore Exchange (SGX: P8A) since March 2012.

Cordlife owns the largest network of cord blood banks in Asia with full stem cell processing and storage facilities in six key markets, namely Singapore, Hong Kong, Indonesia, India, Malaysia and the Philippines. In Singapore, the Philippines and Indonesia, Cordlife operates the largest¹ private cord blood banks. It is amongst the top three market leaders in India and Malaysia. In January 2018, Cordlife became the market leader in Hong Kong with the acquisition of the largest private cord blood bank there, HealthBaby Biotech (Hong Kong) Co., Limited. Through its majority owned subsidiary, Stemlife Berhad in Malaysia, Cordlife controls an indirect stake in Thailand’s largest private cord blood bank, Thai Stemlife. Cordlife is also the first Singapore private cord blood bank to provide cord blood and cord lining banking services in Myanmar and Vietnam.

Beyond cord blood and cord lining banking, Cordlife offers a comprehensive suite of diagnostics services for the mother and child segment including urine-based newborn metabolic screening, non-invasive prenatal testing, paediatric vision screening and other genetic screening services.

The Group's stem cell processing and storage facilities in Singapore, Hong Kong, India and the Philippines are accredited by AABB (formerly known as the American Association of Blood Banks), the organisation behind the world's gold standard for cord blood banking. Cordlife Singapore is also accredited by FACT-Netcord, another world-class accreditation body for cord blood banks globally, co-founded by American Society of Blood and Marrow Transplantation and the International Society of Cellular Therapy. This makes Cordlife Singapore one of just six private cord blood banks in the world to be accredited by both AABB and FACT-Netcord simultaneously. The Group's majority-owned Hong Kong Screening Centre and Cordlife India also attained accreditation from the College of American Pathologists (“CAP”) for meeting the highest industry standards for laboratory services. These quality achievements underpin the Group’s commitment to providing the highest service quality for clients. For more information, visit <http://cordlife.listedcompany.com>

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