CORDLIFE GROUP LIMITED

Fifth Quarter Unaudited Financial Statements for the Period Ended 30 September 2018

PART 1 – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2, Q3, Q4, Q5), HALF YEAR AND FULL YEAR ANNOUNCEMENTS

Change of financial year end

On 8 June 2018, the Company announced a change in its financial year end from June 30 to December 31. With this change, the Company's current financial year, which began on 1 July 2017, will cover an 18-month period ending 31 December 2018.

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 30 September		+/(-) Increase/ (Decrease)	Group 15 months ended 30 September		+/(-) Increase/ (Decrease)
	2018	**2017**		**2018**	**2017**	
	$'000	$'000	%	$'000	$'000	%
Revenue	16,871	16,589	1.7	85,180	76,551	11.3
Cost of sales	(5,750)	(5,577)	3.1	(28,297)	(26,713)	5.9
Gross profit	11,121	11,012	1.0	56,883	49,838	14.1
Other operating income	145	131	10.7	1,089	1,005	8.4
Selling and marketing expenses	(5,450)	(5,273)	3.4	(26,416)	(24,895)	6.1
Administrative expenses	(5,486)	(5,252)	4.5	(27,998)	(24,786)	13.0
Finance income	440	370	18.9	1,691	2,228	(24.1)
Finance costs	(41)	(63)	(34.9)	(289)	(288)	0.3
Profit before income tax from operations *	729	925	(21.2)	4,960	3,102	59.9
Fair value gain/(loss) on investment properties	–	–	n.m.	95	(168)	n.m.
Note repurchase expense	–	–	n.m.	–	(2,149)	n.m.
Finance costs	–	–	n.m.	–	(1,781)	n.m.
Profit/(loss) before income tax	729	925	(21.2)	5,055	(996)	n.m.
Income tax expense	(261)	(298)	(12.4)	(1,403)	(973)	44.2
Profit/(loss) for the financial period	468	627	(25.4)	3,652	(1,969)	n.m.
Other comprehensive loss for the financial period, net of tax:						
Items that may be reclassified subsequently to profit or loss						
Fair value loss arising from revaluation of available-for-sale financial asset	(77)	–	n.m.	(24)	–	n.m.
Foreign currency translation^	(672)	(414)	62.3	(754)	(1,314)	(42.6)
Total comprehensive (loss)/income for the financial period	(281)	213	n.m.	2,874	(3,283)	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 30 September		+/(-) Increase/ (Decrease)	Group 15 months ended 30 September		+/(-) Increase/ (Decrease)
	2018 $'000	**2017** $'000	%	**2018** $'000	**2017** $'000	%
Profit/(loss) for the financial period attributable to:						
- Shareholders of the Company	476	649	(26.7)	3,748	(1,923)	n.m.
- Non-controlling interest	(8)	(22)	(63.6)	(96)	(46)	>100.0
	468	627	(25.4)	3,652	(1,969)	n.m.
Total comprehensive (loss)/income for the financial period attributable to:						
- Shareholders of the Company	(275)	235	n.m.	2,975	(3,203)	n.m.
- Non-controlling interest	(6)	(22)	(72.7)	(101)	(80)	26.3
	(281)	213	n.m.	2,874	(3,283)	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 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 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 30 September			Group 15 months ended 30 September		
	2018	**2017**		**2018**	**2017**	
	$'000	$'000		$'000	$'000	
Depreciation of property, plant and equipment	400	448		2,158	2,287	
Amortisation of intangibles	381	272	[1]	1,430	1,562	[1]
Impairment loss on trade receivables and bad debts written off, net	17	9		574	894	[2]
Foreign exchange loss	380	229	[3]	1,012	210	[3]
Other operating income	(145)	(131)		(1,089)	(1,005)	
Under-provision of tax in respect of prior years	–	–		–	113	[4]

Notes

1. Amortisation expense was higher in the three months ended 30 September 2018 ("5Q2018") as compared to the three months ended 30 September 2017 ("5Q2017") mainly due to amortisation of intangible assets from the acquisition of Healthbaby Biotech (Hong Kong) Co., Limited ("Healthbaby").

   Amortisation expense was lower in the fifteen months ended 30 September 2018 ("15M2018") as compared to the fifteen months ended 30 September 2017 ("15M2017") mainly due to the amortisation of license fee by the Group's Malaysia subsidiary in 15M2017 that did not recur in 15M2018 as the license fee had been fully amortised by May 2017. The decrease was slightly offset by the amortisation of intangible assets arising from the acquisition of Healthbaby in 15M2018. There was no such amortisation expense in 15M2017.

2. The decrease in allowance for doubtful debts and bad debts written off in 15M2018 as compared to 15M2017 was mainly due to a decrease in doubtful debts provided for in India, a result of increased collection efforts.

3. Foreign exchange loss increased by S$802,000 from S$210,000 in 15M2017 to S$1.0 million in 15M2018. The increase was partly contributed by the weakening of US$ against S$ in 15M2018, resulting in the Group recognising a foreign exchange loss of approximately S$283,000 in 15M2018, compared to a gain of S$42,000 in 15M2017, from the revaluation of cash and cash equivalents denominated in US$.

   On 3 January 2018, the Group announced the acquisition of Healthbaby, with part of the consideration being an assumption of a HK$ denominated debt owed by the seller Stemgen Biotech Holding Limited ("Stemgen") to Healthbaby (the "HK$ debt"). The Group recognised foreign exchange losses of S$455,000 and S$122,000 in 15M2018 and 5Q2018 respectively from the revaluation of the loan as HK$ strengthened against S$ from January 2018 to September 2018 and from July 2018 to September 2018. There were no such foreign exchange losses in 15M2017 and 5Q2017.

4. Under-provision of tax in respect of prior years of S$113,000 recorded in 15M2017 comprised an under-provision of deferred tax of S$220,000, offset by an over-provision of corporate income tax of S$277,000 in respect of the financial year ending 30 June 2016 ("FY2016") for Singapore, as well as an under-provision of tax in respect of FY2016 of S$170,000 for the Indonesian subsidiary. There was no such over/under-provision in 15M2018.

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	
	30 September 2018	30 June 2017	30 September 2018	30 June 2017
	$'000	$'000	$'000	$'000
ASSETS				
Non-current assets				
Property, plant and equipment	12,727	13,062	6,241	6,732
Investment properties	8,522	8,256	2,975	2,880
Intangible assets	34,814	13,513	1,111	1,552
Deferred tax assets	100	–	–	–
Investment in subsidiaries	–	–	91,807	58,710
Long-term investments	6,156	6,176	4,200	4,200
Trade receivables	66,298	63,090	45,580	45,802
Other receivables	7	4,211	7	4,211
	128,624	108,308	151,921	124,087
Current assets				
Inventories	1,271	1,279	168	376
Prepayments	2,091	1,760	660	836
Trade receivables	26,263	24,459	11,137	9,450
Other receivables	6,858	2,102	4,785	527
Amounts owing by subsidiaries	–	–	18,817	14,533
Short-term investments	28,552	22,261	–	–
Fixed deposits	2,772	11,778	–	10,747
Pledged fixed deposits	183	258	–	–
Cash and cash equivalents	11,532	26,527	5,835	18,404
	79,522	90,424	41,402	54,873
Current liabilities				
Trade and other payables	13,698	11,247	3,798	3,197
Amounts owing to subsidiaries	–	–	44,989	16,733
Interest-bearing borrowings	973	2,118	973	2,118
Insurance contract liabilities	1,233	1,272	64	64
Deferred revenue	17,172	16,296	3,836	3,688
Tax payable	1,703	1,244	–	–
	34,779	32,177	53,660	25,800
Net current assets/(liabilities)	44,743	58,247	(12,258)	29,073

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	
	30 September 2018 $'000	30 June 2017 $'000	30 September 2018 $'000	30 June 2017 $'000
Non-current liabilities				
Other payables	188	200	–	4
Interest-bearing borrowings	4,388	6,613	4,388	6,613
Deferred revenue	43,960	30,521	15,997	13,565
Deferred tax liabilities	5,556	3,891	15	15
	54,092	41,225	20,400	20,197
Net assets	119,275	125,330	119,263	132,963
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	52,552	52,088	37,212	45,267
Other reserves	(13,869)	(13,827)	1,527	796
	119,207	125,161	119,263	132,963
Non-controlling interests	68	169	–	–
Total equity	119,275	125,330	119,263	132,963

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

	As at 30 September 2018 $'000	30 June 2017 $'000
Amount repayable in one year or less, or on demand		
- Loan I – secured	293	271
- Loan III – secured	680	680
- Loan IV – secured	–	1,167
Amount repayable after one year		
- Loan I – secured	4,388	4,767
- Loan III – secured	–	680
- Loan IV – secured	–	1,166
	5,361	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 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 was repaid in full in June 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 30 September		Group 15 months ended 30 September	
	2018	2017	2018	2017
	$'000	$'000	$'000	$'000
Cash flows from operating activities:				
Profit/(loss) before income tax	729	925	5,055	(996)
Adjustments for:				
Depreciation of property, plant and equipment	400	448	2,158	2,287
Amortisation of intangible assets	381	272	1,430	1,562
Gain on disposal of property, plant and equipment	–	–	(2)	(2)
Loss on disposal of intangible assets	–	–	–	56
Impairment loss on trade receivables and bad debts written off, net	17	9	574	894
Interest income	(440)	(370)	(1,691)	(2,228)
Interest expense	41	63	289	2,070
Investment income	(82)	–	(233)	–
Share-based compensation expense	87	300	1,030	562
Note repurchase expense	–	–	–	2,149
Fair value (gain)/loss on investment properties	–	–	(95)	168
Unrealised exchange loss/(gain)	353	221	1,029	(652)
Operating cash flows before changes in working capital	1,486	1,868	9,544	5,870
<u>Changes in working capital</u>				
Increase in trade receivables	(862)	(1,639)	(7,068)	(8,553)
(Increase)/decrease in other receivables, deposits and prepayments	(76)	396	(132)	372
(Increase)/decrease in inventories	(16)	(105)	58	(327)
(Decrease)/increase in trade and other payables	(720)	173	1,109	(526)
Increase in deferred revenue	1,742	816	6,059	7,414
Cash generated from operations	1,554	1,509	9,570	4,250
Interest received	49	294	1,424	2,152
Interest paid	(41)	(63)	(289)	(288)
Income tax paid	(435)	(24)	(1,426)	(373)
Net cash flows generated from operating activities	1,127	1,716	9,279	5,741
Cash flows from investing activities:				
Purchase of property, plant and equipment	(200)	(202)	(1,834)	(1,145)
Purchase of intangible assets	(34)	(94)	(633)	(822)
Acquisition of subsidiary, net of cash	–	–	(8,813)	–
Placement of short term investments	(143)	(5,643)	(6,341)	(13,193)
Transfer (to)/from term deposits	(189)	79	8,774	39,812
Net cash flows (used in)/generated from investing activities	(566)	(5,860)	(8,847)	24,652

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 30 September		Group 15 months ended 30 September	
	2018	**2017**	**2018**	**2017**
	$'000	$'000	$'000	$'000
Cash flows from financing activities:				
Transfer from pledged fixed deposits	–	28	26	28
Purchase of treasury shares	–	(6,675)	(6,675)	(6,675)
Repayment of interest-bearing borrowings	(76)	(1,230)	(6,107)	(3,364)
Acquisition of non-controlling interest in subsidiary	–	–	–	(3,972)
Dividends paid	(2,022)	–	(3,284)	–
Interest paid on Notes	–	–	–	(2,053)
Repurchase of Notes	–	–	–	(69,826)
Net cash flows used in financing activities	(2,098)	(7,877)	(16,040)	(85,862)
Net decrease in cash and cash equivalents	(1,537)	(12,021)	(15,200)	(55,469)
Cash and cash equivalents at the beginning of the financial period	12,882	26,527	26,527	69,701
Effects of exchange rate changes on cash and cash equivalents	187	(30)	205	244
Cash and cash equivalents at end of the financial period	11,532	14,476	11,532	14,476

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.

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	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	–	–	(2,572)	–	–	–	–	–	(24)	(2,596)
Other comprehensive loss for the financial period, net of tax - Foreign currency translation	–	–	–	–	–	–	–	(866)	(34)	(900)
Total comprehensive loss for the period, net of tax	–	–	(2,572)	–	–	–	–	(866)	(58)	(3,496)
Contributions by and distributions to owners										
Grant of share awards to employees	–	–	–	263	–	–	–	–	–	263
Treasury shares re-issued pursuant to equity compensation plan	(6)	62	–	(56)	–	–	–	–	–	–
Total contributions by and distributions to owners	(6)	62	–	207	–	–	–	–	–	263
Acquisition of non-controlling interest in subsidiary*	–	–	–	–	–	–	(2,353)	–	(1,839)	(4,192)
Balance at 30 June 2017	96,666	(9,766)	52,088	374	568	534	(11,740)	(3,563)	169	125,330

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	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	–	–	649	–	–	–	–	–	(22)	627
Other comprehensive loss for the financial period, net of tax										
- Foreign currency translation	–	–	–	–	–	–	–	(414)	–	(414)
Total comprehensive income/(loss) for the period, net of tax	–	–	649	–	–	–	–	(414)	(22)	213
Contributions by and distributions to owners										
Purchase of treasury shares	–	(6,675)	–	–	–	–	–	–	–	(6,675)
Grant of share awards to employees	–	–	–	300	–	–	–	–	–	300
Treasury shares re-issued pursuant to equity compensation plan	42	49	–	(91)	–	–	–	–	–	–
Total contributions by and distributions to owners	42	(6,626)	–	209	–	–	–	–	–	(6,375)
Balance at 30 September 2017	96,708	(16,392)	52,737	583	568	534	(11,740)	(3,977)	147	119,168

*On 12 October 2015, the Company announced that its wholly-owned subsidiary CS Cell Technologies Pte. Ltd. acquired 585,778 ordinary shares in Cordlife Sciences (India) Pvt. Ltd ("Cordlife India") from Strassenburg Pharmaceuticals Limited, representing approximately 15% of all the issued ordinary shares of Cordlife India for INR40,000,000 (approximately S$891,000). As a result of the acquisition, the carrying value of the non-controlling interest being approximately S$(85,000) was reversed, and the difference between the consideration and the carrying value of the non-controlling interest, being S$976,000, was recognised in other reserves.

On 12 November 2015, the Company announced that it had, through Maybank Investment Bank Berhad, served a notice of conditional mandatory take-over offer (the "Offer") to the board of directors of StemLife Berhad ("StemLife") to acquire all the remaining ordinary shares of RM0.10 each in the capital of StemLife not already owned by the Company. The Group obtained control of StemLife on 7 December 2015 with an interest in StemLife of approximately 50.03%. Subsequent to gaining control, the Group continued to receive acceptances to the Offer and acquired shares in StemLife up to the close of the Offer on 2 February 2016. At the close of the Offer, the Group obtained a 39.85% interest from the non-controlling interests in StemLife to arrive at a total interest in StemLife of approximately 89.88%. As a result of the further 39.85% interest acquired, the carrying value of the non-controlling interest being approximately S$8,378,000 was reversed and the difference between the consideration and the carrying value of the non-controlling interest, being S$6,227,000, was recognised in other reserves.

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 2016	96,672	(9,828)	50,779	422	167	138,212
Loss for the period, representing total comprehensive loss for the period	–	–	(5,512)	–	–	(5,512)
Contributions by and distributions to owners						
Grant of share awards to employees	–	–	–	–	263	263
Treasury shares re-issued pursuant to equity compensation plan	(6)	62	–	–	(56)	–
Total contributions by and distributions to owners	(6)	62	–	–	207	263
Balance at 30 June 2017	96,666	(9,766)	45,267	422	374	132,963
Loss for the period, representing total comprehensive loss for the period	–	–	(878)	–	–	(878)
Contributions by and distributions to owners						
Purchase of treasury shares	–	(6,675)	–	–	–	(6,675)
Grant of share awards to employees	–	–	–	–	300	300
Treasury shares re-issued pursuant to equity compensation plan	42	49	–	–	(91)	–
Total contributions by and distributions to owners	42	(6,626)	–	–	209	(6,375)
Balance at 30 September 2017	96,708	(16,392)	44,389	422	583	125,710

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	–	–	3,272	–	–	–	–	–	–	(88)	3,184
Other comprehensive (loss)/income for the financial period, net of tax											
- Foreign currency translation	–	–	–	–	–	–	–	–	(75)	(7)	(82)
- Fair value gain arising from revaluation of available-for-sale financial asset	–	–	–	–	–	–	–	53	–	–	53
Total comprehensive income/(loss) for the financial period, net of tax	–	–	3,272	–	–	–	–	53	(75)	(95)	3,155
<u>Contributions by and distributions to owners</u>											
Purchase of treasury shares	–	(6,675)	–	–	–	–	–	–	–	–	(6,675)
Grant of share awards to employees	–	–	–	943	–	–	–	–	–	–	943
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)	644	–	–	–	–	–	–	(6,994)
Balance at 30 June 2018	96,628	(16,104)	54,098	1,018	568	534	(11,740)	53	(3,638)	74	121,491

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 2018	96,628	(16,104)	54,098	1,018	568	534	(11,740)	53	(3,638)	74	121,491
Profit/(loss) for the financial period	–	–	476	–	–	–	–	–	–	(8)	468
Other comprehensive (loss)/income for the financial period, net of tax											
- Foreign currency translation	–	–	–	–	–	–	–	–	(674)	2	(1,266)
- Fair value loss arising from revaluation of available-for-sale financial asset	–	–	–	–	–	–	–	(77)	–	–	(77)
Total comprehensive income/(loss) for the financial period, net of tax	–	–	476	–	–	–	–	(77)	(674)	(6)	(281)
<u>Contributions by and distributions to owners</u>											
Grant of share awards to employees	–	–	–	87	–	–	–	–	–	–	87
Dividends	–	–	(2,022)	–	–	–	–	–	–	–	(2,022)
Total contributions by and distributions to owners	–	–	(2,022)	87	–	–	–	–	–	–	(1,935)
Balance at 30 September 2018	96,628	(16,104)	52,552	1,105	568	534	(11,740)	(24)	(4,312)	68	119,275

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	–	–	(4,097)	–	–	(4,097)
<u>Contributions by and distributions to owners</u>						
Purchase of treasury shares	–	(6,675)	–	–	–	(6,675)
Grant of share awards to employees	–	–	–	–	943	943
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)	–	644	(6,994)
Balance at 30 June 2018	96,628	(16,104)	39,908	422	1,018	121,872
Loss for the financial period, representing total comprehensive loss for the financial period	–	–	(674)	–	–	(674)
<u>Contributions by and distributions to owners</u>						
Grant of share awards to employees	–	–	–	–	87	87
Dividends	–	–	(2,022)	–	–	(2,022)
Total contributions by and distributions to owners	–	–	(2,022)	–	87	(1,935)
Balance at 30 September 2018	96,628	(16,104)	37,212	422	1,105	119,263

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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 (S$)
As at 30 June 2018 and 30 September 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

		As at	
	30 September 2018 No. of shares	30 September 2017 No. of shares	30 June 2017 No. of shares
Total number of issued shares	267,525,354	267,525,354	267,525,354
Less: Treasury shares	(14,806,400)	(15,070,450)	(8,115,850)
Total number of issued shares excluding treasury shares	252,718,954	252,454,904	259,409,504
Percentage of treasury shares against total number of shares outstanding	5.5%	5.6%	3.0%

1(d)(iv) A statement showing all sales, transfers, 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.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable.

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 annual 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 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 30 September		Group 15 months ended 30 September	
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)	476	649	3,748	(1,923)
Weighted average number of shares in issue during the period ('000)	252,719	254,059	252,966	258,304
Basic earnings/(loss) per share based on weighted average number of ordinary shares (cents)	0.19	0.26	1.48	(0.74)
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)	476	649	3,748	(1,923)
Weighted average number of shares in issue during the period ('000)	254,111	254,395	254,237	258,304
Diluted (loss)/earnings per share based on weighted average number of ordinary shares (cents)	0.19	0.26	1.47	(0.74)

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	
	30 September 2018 (cents)	30 June 2017 (cents)	30 September 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 relevant period	47.20	48.31	47.19	51.26

The number of shares in issue and used in calculating the net asset value per share as at 30 September 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 15 MONTHS ENDED 30 SEPTEMBER 2018 ("15M2018") AGAINST 15 MONTHS ENDED 30 SEPTEMBER 2017 ("15M2017")

Income Statement

Healthbaby's financial results for 2 January 2018 to 30 September 2018 have been included in the Group's financial results for 15M2018 while the Group's financial results for 15M2017 do not include any results of Healthbaby as it became a subsidiary of the Group on 2 January 2018.

Revenue

Revenue increased by 11.3% or S$8.6 million from 15M2017 to 15M2018, mainly contributed by the Group's operations in Singapore, India, the Philippines and newly acquired Healthbaby in Hong Kong.

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

The increase in deliveries in these three markets and the addition of nine months of deliveries from Healthbaby in 15M2018 (15M2017: nil deliveries from Healthbaby) were partly offset by a decrease in the number of deliveries in Malaysia. Nonetheless, the total client deliveries for the Group increased slightly from 31,800 in 15M2017 to 31,900 in 15M2018.

Healthbaby accounted for S$5.2 million of the increase in revenue.

Cost of sales

Cost of sales increased by 5.9% or S$1.6 million in 15M2018 compared to 15M2017, mainly attributable to the consolidation of cost of sales of Healthbaby, which became a subsidiary of the Group on 2 January 2018. The increase was also due to additional value-added services provided to clients in India and the Philippines and the increase in total client deliveries.

The increase was mitigated by a decline in cost of sales in Malaysia due to fewer deliveries.

Gross profit and gross profit margin

Gross profit increased by 14.1% or S$7.0 million and gross profit margin increased from 65.1% in 15M2017 to 66.8% in 15M2018.

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 other markets. The increase was also attributable to lower discounts in India and higher contract prices in the Philippines.

Administrative expenses

Administrative expenses increased by S$3.2 million or 13.0% from 15M2017 to 15M2018, partly due to the consolidation of Healthbaby's administrative expenses of S$1.0 million in 15M2018 (15M2017: nil) and an increase in foreign exchange loss of S$802,000.

The increase in foreign exchange loss was partly contributed by the weakening of US$ against S$ in 15M2018, resulting in the Group recognising a foreign exchange loss from the revaluation of the Group's cash and cash equivalents denominated in US$ of approximately S$283,000 in 15M2018, compared to a gain of S$42,000 in 15M2017.

The Group announced the acquisition of Healthbaby on 3 January 2018. Part of the consideration involved an assumption of the HK$ debt owed by Stemgen to Healthbaby. Foreign exchange loss of S$455,000 from the revaluation of the loan was recognised in 15M2018 as HK$ strengthened against S$ from January 2018 to September 2018. There was no such foreign exchange loss in 15M2017.

Share grant expense also increased by S$468,000 from 15M2017 to 15M2018 due to the issuance of share grants in 15M2018. There were no share grants issued in 15M2017. Excluding Healthbaby, staff-related expenses increased in 15M2018 as compared to 15M2017 by S$1.3 million, partly attributable to annual salary increment and an increase in variable performance bonuses as a result of the increase in profits of the Group in 15M2018.

There was also an increase in information technology expense from 15M2017 to 15M2018 by S$213,000, as the Group continued to invest in technology and automation to boost efficiency and efficacy.

The increase was offset by a reduction in allowance for doubtful debts and bad debts written off in 15M2018 against 15M2017 of S$320,000, which was mainly attributable to India as a result of increased collection efforts.

Finance income

Finance income decreased by 24.1% or S$537,000 from 15M2017 compared to 15M2018 mainly due to a lower amount of funds placed in fixed deposits as a result of the fund outflow for 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.

Profit before income tax from operations

As a result of the foregoing, the Group's profit before income tax from operations for 15M2018 was higher than 15M2017 at S$5.0 million (15M2017: S$3.1 million).

Fair value gain/loss on investment properties

Certain units owned by the Group in A'Posh Bizhub and certain properties owned by Stemlife have been designated as investment properties because these are allocated to either be leased to third parties to earn rental income or for capital appreciation. Investment properties are initially recognised at cost and subsequently measured at fair value which reflects the market conditions at the end of the reporting period. The Group engaged independent professional valuers to value these investment properties, resulting in a fair value gain of S$95,000 in 15M2018 and a fair value loss of $168,000 in 15M2017 which are recorded in the income statement.

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$68.25 million in principal amount of the Notes in December 2016. No such expense was incurred for 15M2018.

Finance costs (non-operating)

Finance costs of approximately S$1.8 million were recognised on the Notes for 15M2017. No such finance cost was recorded for 15M2018 due to the full redemption of the Notes in December 2016.

Tax

In 15M2017, non-operational fair value loss on investment properties, finance costs and note repurchase expense were not deductible. In 15M2018, non-operating fair value gain on investment properties was not taxable. In addition, in 15M2017, under-provision of tax in respect of prior years of S$113,000 was recorded, comprising an under-provision of tax in respect of FY2016 of S$170,000 for the Indonesian subsidiary, offset by an over-provision of tax for Singapore of S$57,000. There was no such under-provision for tax in 15M2018. Adjusting for these non-deductible and non-taxable items and the under-provision of tax, the effective tax rate for 15M2018 was 28.3%, comparable to an effective tax rate of 27.7% for 15M2017.

COMPARING 3 MONTHS ENDED 30 SEPTEMBER 2018 ("5Q2018") AGAINST 3 MONTHS ENDED 30 SEPTEMBER 2017 ("5Q2017")

Income Statement

Healthbaby's financial results for 5Q2018 have been included in the Group's financial results for 5Q2018 while the Group's financial results for 5Q2017 does not include any results of Healthbaby as it became a subsidiary of the Group on 2 January 2018.

Revenue

Revenue increased by 1.7% or S$282,000 from S$16.6 million in 5Q2017 to S$16.9 million in 5Q2018 mainly contributed by Healthbaby.

Healthbaby's deliveries and revenue contribution for 5Q2018 were offset by lower deliveries and revenue from the rest of the markets due to increased competition and weakening economies, resulting in a shift in clients' purchasing behaviour. Deeper discounts were also offered in India in order to remain competitive. As a result, the number of deliveries decreased slightly from 6,700 in 5Q2017 to 6,600 in 5Q2018.

Cost of sales

Cost of sales increased by 3.1% or S$173,000 in 5Q2018 compared to 5Q2017 mainly contributed by Healthbaby. The increase was partly offset by the decrease in deliveries in other markets.

Gross profit and gross profit margin

Gross profit increased by 1.0% or S$109,000 and gross profit margin decreased slightly from 66.4% in 5Q2017 to 65.9% in 5Q2018.

The slight decrease in gross profit margin was mainly due to deeper discounts offered in India, as well as slightly lower contributions from Singapore, which has a higher margin compared to the other markets.

Other operating income

Other operating income increased 10.7% from S$131,000 in 5Q2017 to S$145,000 in 5Q2018, mainly due to increase in investment income from short-term investments in the Malaysian subsidiary.

Finance income

Finance income increased by 18.9% or S$70,000 mainly due to an increase in interest income from short-term investments in the Malaysia subsidiary.

Finance costs

Finance costs decreased by 34.9% or S$22,000 from 5Q2017 to 5Q2018. Out of the total repayments on interest-bearing borrowings of S$6.1 million made during the year, approximately S$2.7 million was repayment of interest-bearing borrowings of Healthbaby, which was consolidated in January 2018 and repaid in February 2018. Excluding the repayment for Healthbaby, the Group made principal repayments on its interest-bearing borrowings of approximately S$3.4 million, which partly contributed to the decrease in finance costs in 5Q2018.

Profit before income tax from operations

As a result of the foregoing, the profit of S$729,000 from operations before income tax for 5Q2018 was lower than for 5Q2017.

Tax

The effective tax rate for 5Q2018 was 35.8%, comparable to an effective tax rate of 32.2% for 5Q2017. The slightly higher effective rate in 5Q2018 was due mainly to increased profit contributions from subsidiaries in tax regimes with higher tax rates.

Balance sheet

Cash and cash equivalents, fixed deposits and short term investments

As at 30 September 2018, the Group maintained a strong balance sheet, with cash and cash equivalents, fixed deposits and short-term investments of S$42.9 million (30 June 2017: S$60.6 million). Short-term investments mainly comprise investments in money market funds. The decrease in the total cash and cash equivalents, fixed deposits and short term investments was mainly due to net cash used in financing activities of S$16.0 million, which comprised share repurchases amounting to S$6.7 million, repayment of interest-bearing borrowings of S$6.1 million and dividend payments of S$3.3 million. The decrease was also partly contributed by net cash used in certain investing activities including the acquisition of Healthbaby amounting to S$8.8 million and the purchase of property, plant and equipment and intangible assets of S$2.5 million.

The decrease was partly offset by net cash generated from operating activities of S$9.3 million comprising mainly operating cash flows before movements in working capital of S$9.5 million, net interest received of S$1.1 million and net working capital inflow of S$26,000, offset by income tax paid of S$1.4 million.

Net working capital inflow of approximately S$26,000 comprised the following:
- increase in trade receivables of approximately S$7.1 million;
- increase in other receivables, deposits and prepayments of approximately S$132,000;
- decrease in inventory of approximately S$58,000;
- increase in trade and other payables of approximately S$1.1 million and
- increase in deferred revenue of approximately S$6.1 million.

Property, plant and equipment

As at 30 September 2018, the Group recorded S$12.7 million on its balance sheet for property, plant and equipment (30 June 2017: S$13.1 million).

Investment properties

As at 30 September 2018, the Group recorded S$8.5 million on its balance sheet for investment properties (30 June 2017: S$8.3 million).

Intangible assets

Intangible assets comprise customer contracts, brand and goodwill acquired in business combinations and computer software. Intangible assets of approximately S$21.5 million were recognised in 15M2018 as a result of the consolidation of Healthbaby as a subsidiary of the Company from 2 January 2018.

Long term investments

Long term investments mainly 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. As of 30 September 2018, the receivables are reclassified to other receivables, current.

Inventories

As at 30 September 2018, the Group recorded inventories of S$1.3 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 30 September 2018 mainly due to the consolidation of Healthbaby.

Trade receivables, current

As at 30 September 2018, the Group recorded current trade receivables of S$26.3 million (30 June 2017: S$24.5 million).

Other receivables, current

Other receivables include non-trade receivables and interest receivable on the RCN. In addition, the RCN in the principal amount of S$4.2 million has been reclassified to other receivables, current, as at 30 September 2018.

Trade and other payables, current and non-current

As at 30 September 2018, the Group recorded current trade and other payables of S$13.7 million (30 June 2017: $11.2 million) and non-current other payables of S$188,000 (30 June 2017: S$200,000). The increase in current trade and other payables was partly contributed by the consolidation of Healthbaby, which recorded S$1.4 million of trade and other payables as at 30 September 2018.

Interest-bearing borrowings, current and non-current

Interest-bearing borrowings decreased by approximately S$3.3 million, from S$8.7 million as at 30 June 2017 to S$5.4 million as at 30 September 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, current and non-current

Deferred revenue represents revenue received in advance for services to be rendered under cord blood, cord lining and cord tissue banking contracts. Non-current deferred revenue increased from S$30.5 million as at 30 June 2017 to S$44.0 million as at 30 September 2018 mainly due to the consolidation of Healthbaby, which recorded S$7.8 million non-current deferred revenue as at that date. The increase in non-current deferred revenue is mainly contributed by the Singapore and India operations.

Income tax payable

As at 30 September 2018, the Group recorded income tax payable of S$1.7 million (30 June 2017: $1.2 million). The increase in income tax payable was due to tax payable on the increase in profits in 15M2018.

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 potential for further growth in many of the markets the Group operates in remains positive amid increasing public awareness of the benefits of stem-cell banking. In countries such as India, the Philippines and Indonesia, for example, there is room to gain more market share as the middle class increasingly spends more on discretionary goods and services, including specialised healthcare. Several initiatives the Group put into practice over the past few quarters have also yielded encouraging results and will help underpin future growth. These include offering additional value-added services for cord blood testing and raising prices of stem-cell banking services in a number of markets.

Notwithstanding the declining birth rates in Singapore and Hong Kong, the Group expects profit margins in these markets to hold up because of their higher consumer purchasing power and its ongoing efforts to market its banking and diagnostics services. In Hong Kong, efforts to generate greater synergy and economies of scale between its two brands – Cordlife Hong Kong and Healthbaby – are paying off and should help optimise productivity and costs over the long term. These efforts include housing employees of both brands in the same office, rightsizing the Hong Kong workforce, having a joint procurement system, and conducting all tests in-house now that Cordlife Hong Kong can avail itself of certain capabilities of Healthbaby that it did not use to have.

With its strong balance sheet and desire to expedite growth, the Group is actively reviewing opportunities to acquire or invest in suitable healthcare assets in Asia. Any incoming asset has to be synergistic to its existing business and pave a way for the Group to, among other things, enter new markets, cross-sell its services to a wider audience and/or expand its current portfolio of services. Any transaction can be funded using internal resources and/or borrowings. As at 30 September 2018, the Group had S$42.9 million in cash and cash equivalents, fixed deposits and short-term investments in money market funds. Total debt as a percentage of equity was 4.5%.

Barring unforeseen developments and exceptional non-operating items, the Group expects to be profitable in its current financial year ending 31 December 2018.

11. Dividends

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

Any interim (final) ordinary dividend declared (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) ***Books closure date***

Not applicable.

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

No dividend has been declared (recommended) 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 30 September 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$23.3 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	6.2
Legal and professional fees	0.1
Total	**6.3**

As at 12 November 2018, the Group has utilised approximately S$23.3 million of the Private Placement proceeds as follows:

Intended Use of Placement Proceeds	Estimated amount (S$ m)	Estimated percentage of gross proceeds raised from the Private Placement	Amount utilised (S$ 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%	16.4	48.8%
General working capital	8.6	25.7%	6.3	18.6%
Expenses incurred in connection with the Private Placement	1.4	4.2%	0.6	1.8%
	33.5	100.0%	23.3	69.6%

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
12 November 2018