

CORPORATE PRESENTATION

May 2013



Singapore's first AABB accredited private cord blood bank.



www.cordlife.com

Introduction

Recent Corporate Developments

Financial Highlights

Dividend

Industry Outlook

INTRODUCTION



Singapore's first AABB accredited private cord blood bank.



www.cordlife.com

Who We Are

- **A leading cord blood and tissue banking service provider**
- **Incorporated on 2 May 2001**
- **2 Core Businesses:**

Cord Blood Banking

Collection at birth, processing, testing, cryopreservation and storage of stem cells from the umbilical cord blood



Umbilical Cord Tissue Banking

Collection, processing, testing, cryopreservation and storage of the umbilical cord tissue

- **Launched in Hong Kong in March 2011**
- **Launched in Singapore in May 2013**

Our Business Model

- **Stable, recurring cash flow**
- **Growing subscriber base**

**ONE-TIME LUMP SUM
PAYMENT**
made at the signing of
Agreement

OR

FIRST PAYMENT made
at the signing of
Agreement



RECURRING ANNUAL PAYMENT
from about **25,000 customers**
(Singapore and Hong Kong)

*A fixed sum payment made every year on
the baby's birth date till end of contractual
period (depending on the jurisdiction in
question)*



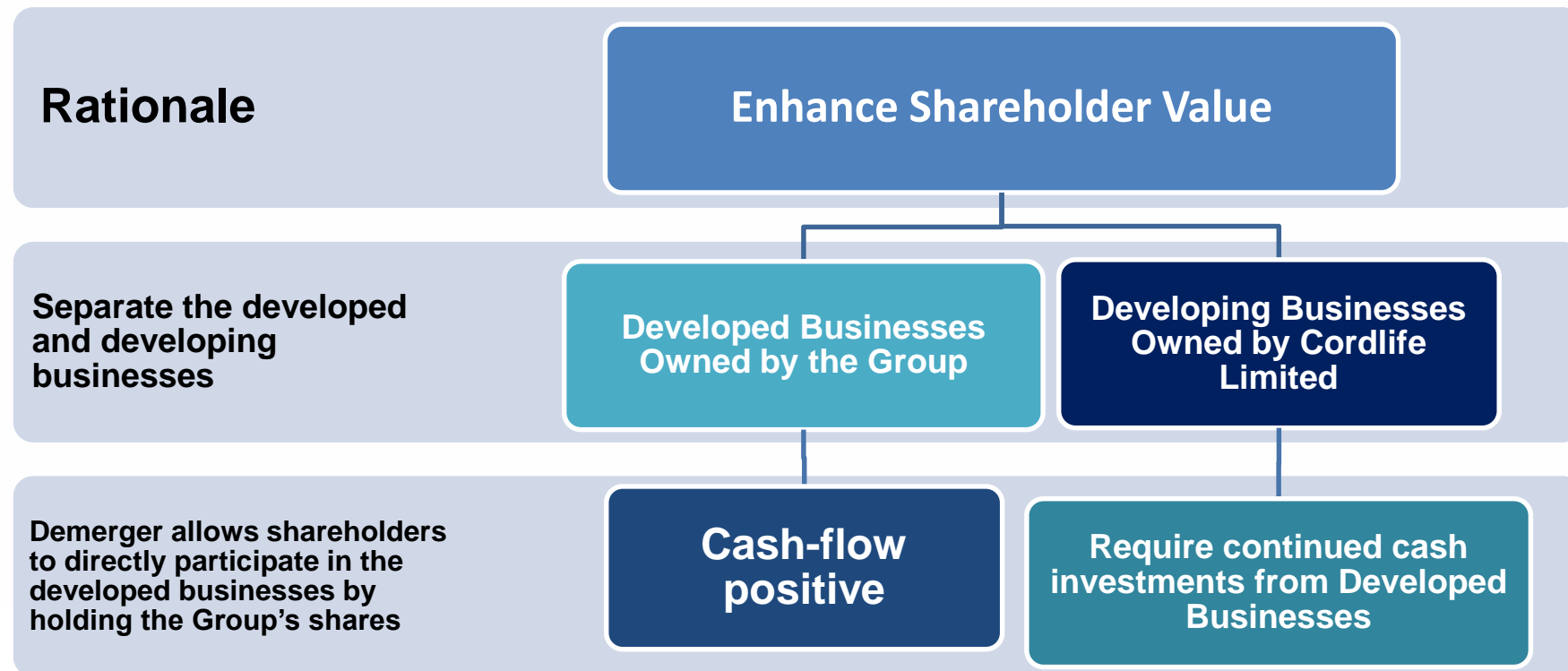
**STABLE BASE AND
RECURRING CASH FLOW**

Approximately
S\$6.25 million / year

Forms a **"Floor"** for our
ability to generate cash flow

The Group continues to grow its subscriber base every year

On 30 June 2011, Cordlife Group Limited (“the Group”) demerged from Cordlife Limited (“CBB”), a company currently listed on the Australian Securities Exchange and formerly known as Cygenics Limited.



Following the demerger, the Group owns the developed businesses in Singapore and Hong Kong, and was granted the right of first refusal to acquire Cordlife Limited's businesses in Indonesia, the Philippines and India, pursuant to a ROFR agreement dated 30 June 2011

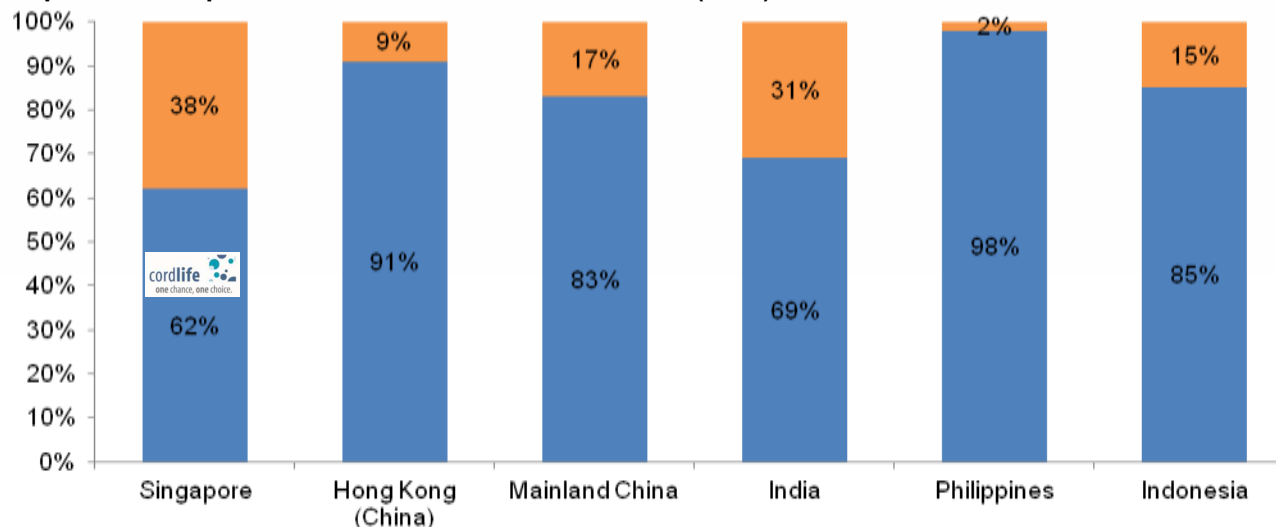
Market Leadership

Amongst the top 3 private cord blood banks in 5 key markets

	Singapore	Hong Kong	Mainland China	India	Philippines	Indonesia
Top 1	Cordlife	HealthBaby	CCBC	LifeCell	CordLife	CordLife
Top 2	StemCord	CordLife	Zhongyuan	CryoBanks	StemCord*	BabyBanks*
Top 3	-	CryoLife	Shandong	CordLife	Medical City	StemCord*
Total # of Companies	2	6	8	11	5	5

In every market studied, the **top three** private cord blood banking companies – which includes **Cordlife** in Singapore, Hong Kong, India, Indonesia and the Philippines – represent **over 69%** market share in each market.

Top Three Companies' Market Share in Private Sector (2011)



In both Indonesia and the Philippines, high concentration is mainly due to the small number of companies.

Unlike mainland China, India has no limit on the location and number of companies involved in the private cord blood banking business, with less concentration as a result.

Note: *StemCord does not have storage facility in Indonesia and Philippines, while BabyBanks does not have storage facility in Indonesia

■ Top 3* ■ Others

Proven Track Record

Pioneering

- Amongst the first private cord blood banks in Asia
- Amongst the first in Asia to be accredited by AABB
- One of the first private cord blood banks in Singapore
- First to launch cord tissue banking services in Singapore
- First private cord blood bank to release cord blood units for the treatment of cerebral palsy in Singapore
- Amongst the first in Hong Kong to have issued cord blood units for transplants and other therapeutic use
- One of the first cord blood banks to adopt a fully automated system in Singapore and Hong Kong

Award-winning





Importance of Cord Blood Storage

Fact	Reference
Nearly 80 diseases are treated with stem cells today •Various kinds of cancer, blood disorders and other congenital diseases	Committee on Establishing a National Cord Blood Stem Cell Bank Program, Institute of Medicine. Cord Blood: Establishing a National Hematopoietic Stem Cell Bank Program. Washington, DC: The National Academies Press; 2005. Final Prospectus, March 21, 2012
Storing cord blood increases the chance of finding a match within the family •Up to 87% chance of survival with a related or family source of cord blood •A 54% chance of survival with an unrelated unit	Sibling donor cord blood transplantation for hemoglobinopathies. Poster presented at 8 th Annual International Umbilical Cord Blood Transplantation Symposium, June 3-5, 2010, San Francisco, Calif.
In testing done by the New York Blood Center: •No deterioration in the quality of the cells in cord blood units stored for up to 16 years •Units stored for up to 13 years have been used in transplants and the outcomes have been similar to those of newly collected units.	Website of New York Blood Center, home of the first cord blood banking program that was started in 1992.

RECENT CORPORATE DEVELOPMENTS



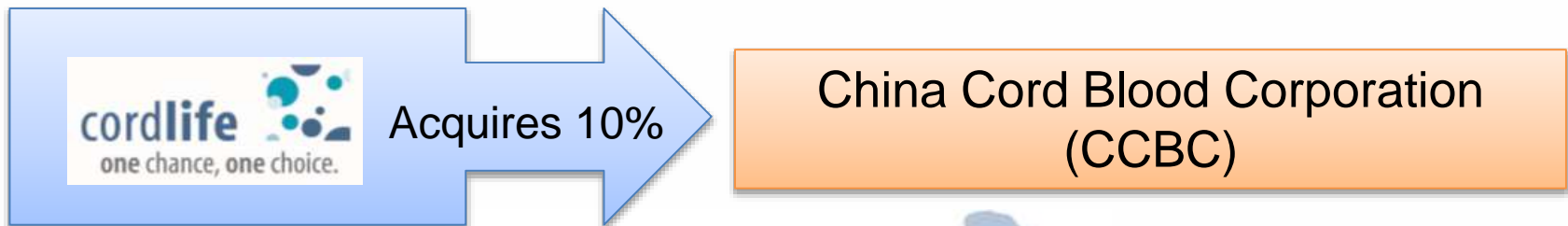
Singapore's first AABB accredited private cord blood bank.



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Accretive Acquisition

- Nov 2012: Completed acquisition of a 10% direct stake in CCBC[^]
- Became first foreign entrant into the China cord blood banking market*
- Share of results has kicked in from acquisition



Rationale of Transactions

- Cement and strengthen alliance with CCBC
- Further capitalise on strategic investments in the PRC
- An opportunity and platform to **expand geographical reach in the PRC**
- Deleveraging risk profile – exchange of equity stake in private company for publicly traded stock on NYSE



China's largest cord blood banking operator

Provides cord blood collection, laboratory testing, hematopoietic stem cell processing and stem cell storage services in the **Beijing** municipality and the provinces of **Guangdong** and **Zhejiang**

*High Entry Barriers:

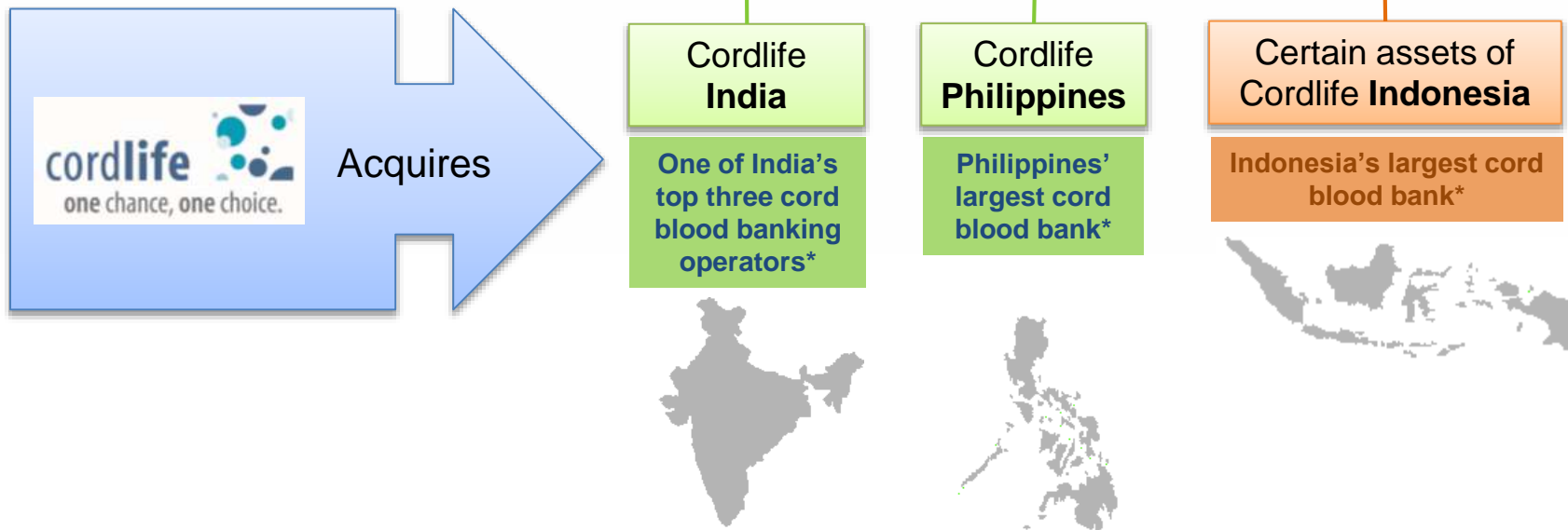
Regulations permit only one licensed cord blood banking operator to operate in each licensed region.
As of 2011, only 10 cord blood banks in operation.
Hence, cord blood banks in each licensed region enjoy a monopoly position.

Accretive Acquisition

- **May 2013: Entered into a conditional S&P agreement to acquire cord blood and tissue banking businesses and assets in India, the Philippines and Indonesia**

Rationale

- To **enlarge geographical footprint in Asia** through accretive acquisitions
- Proposed A\$5.5 million acquisition in line with Cordlife's stated intentions in its March 2012 prospectus to expand operations overseas
- Operations in India, the Philippines and Indonesia have developed at astounding speed

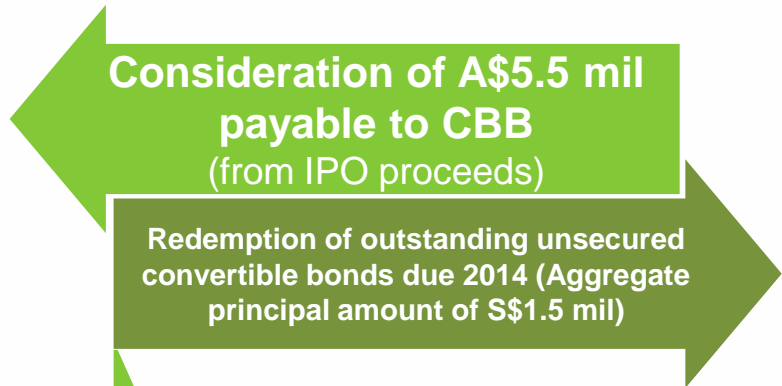


*Source : Deloitte & Touche Financial Advisory Services Limited report, 10 April 2013

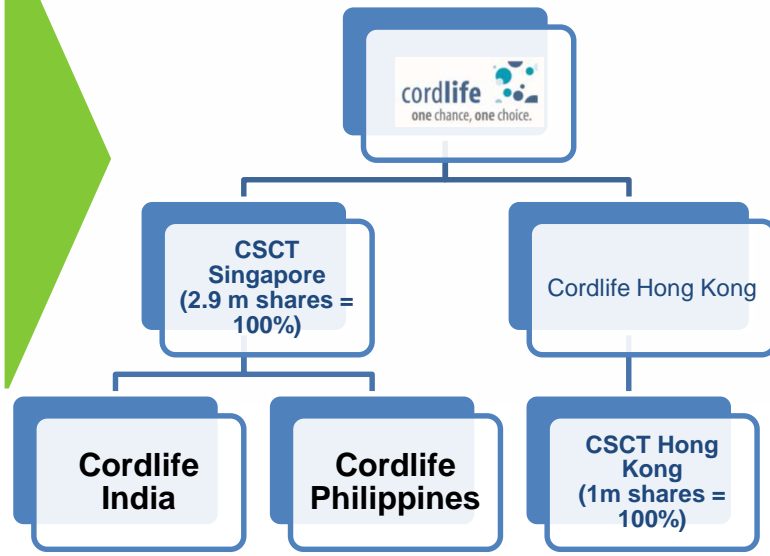
Accretive Acquisition



CBB



Under the conditional S&P Agreement, the Group will acquire *from* CBB's (1) Direct wholly-owned subsidiary, *Cordlife Services**, **CSCT Singapore** and **CSCT Hong Kong 2.9m and 1m ordinary shares** respectively (2) Indirect wholly-owned subsidiary ***Cordlife Indonesia**** **certain assets**

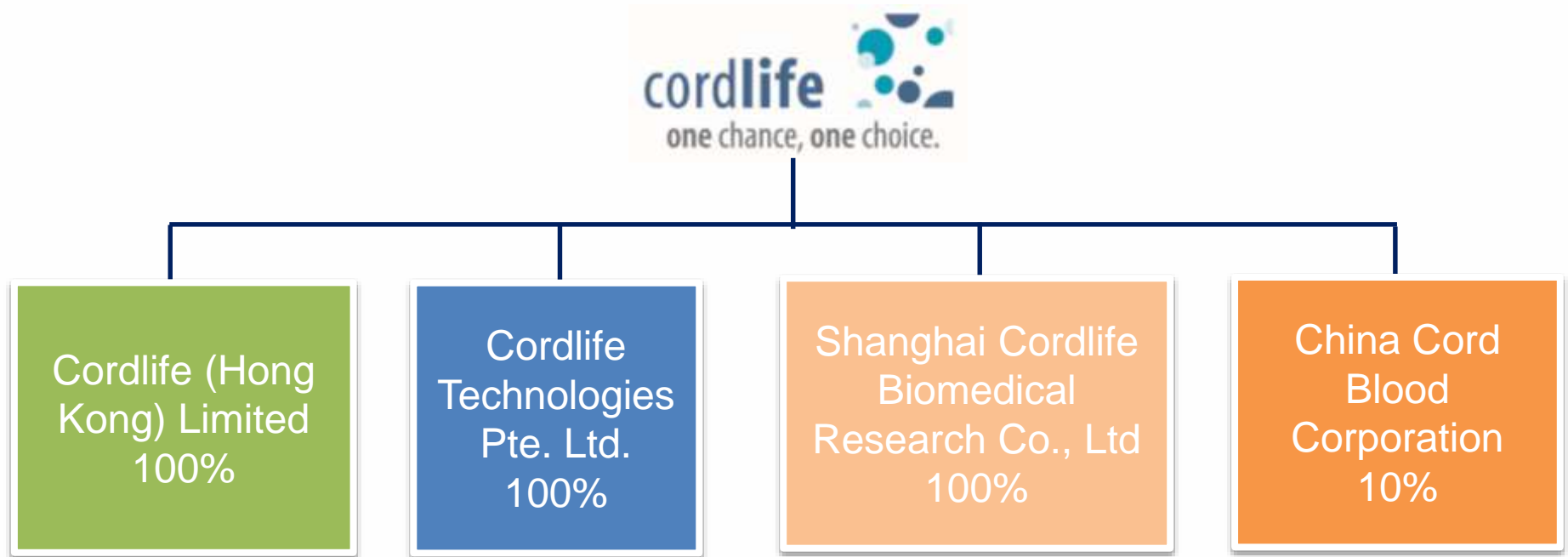


Cordlife Indonesia: Assets*

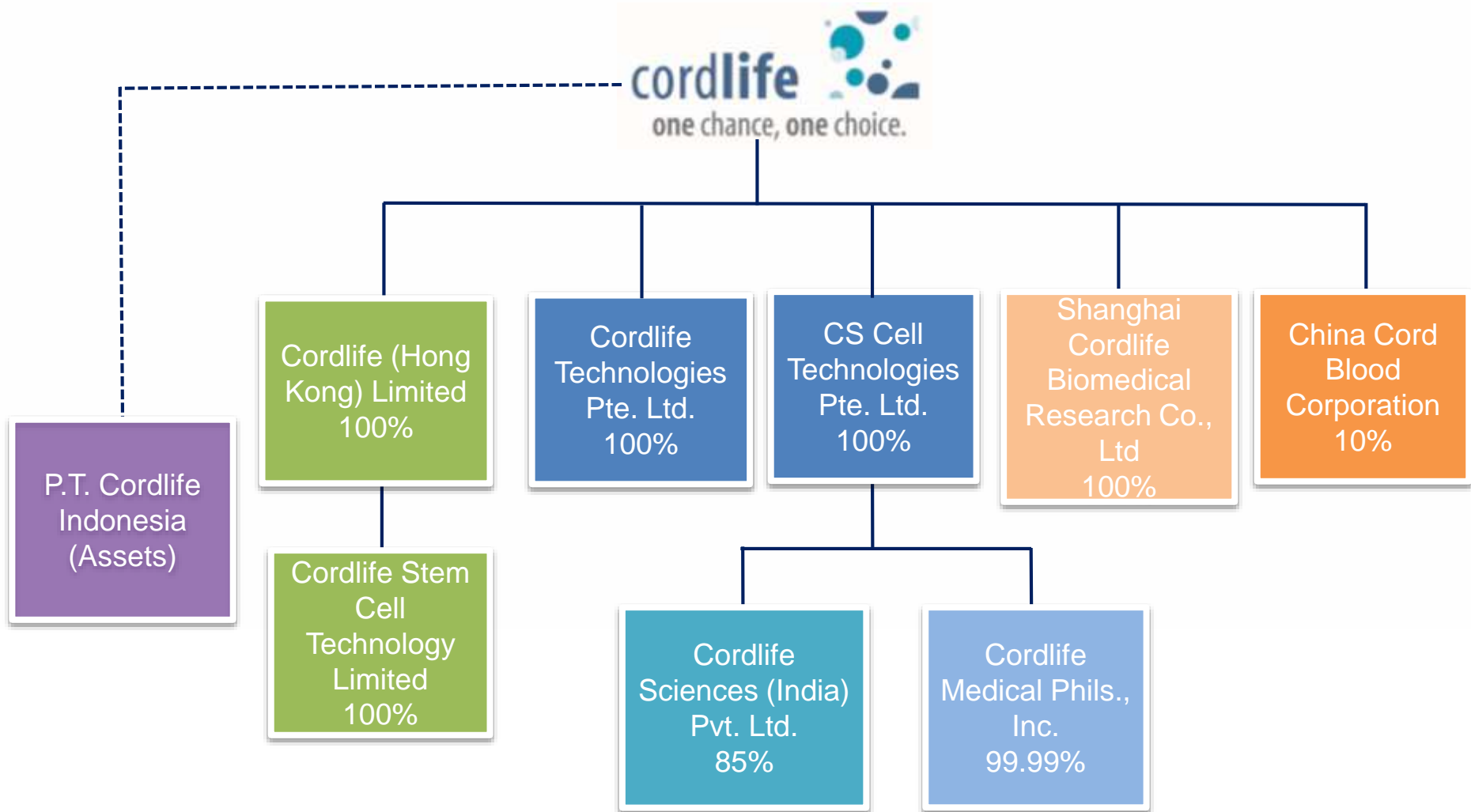
- Customer contracts
- Cord blood tanks
- Equipment

*NOTE: Cordlife Services (S) Pte. Ltd. ("Cordlife Services") is a direct wholly-owned subsidiary of Cordlife Limited ("CBB"). P.T. Cordlife Indonesia ("Cordlife Indonesia") is an indirect wholly-owned subsidiary of CBB. All terms, unless otherwise indicated are defined according to the SGX announcement on 17 May 2013.

Current Group Structure



New Group Structure



Singapore's New Facility

Launched **Asia's largest private cord blood storage facility:**

A'Posh Bizhub in Yishun, on 18 April 2013



First private facility in Asia to adopt improved automated stem cell processing technology: Sepax®2

Increased capacity of up to 650,000 cord blood units
– Enable economies of scale

Long term lock-in of fixed costs
– Stave off pressure on margins

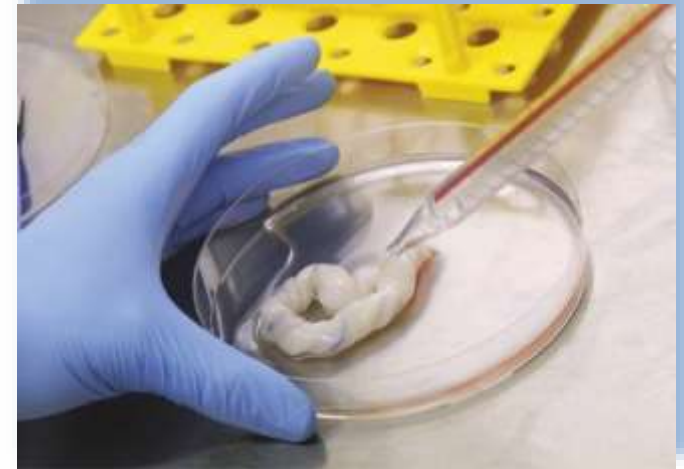
Plan to rent out excess capacity
– Generate potential income

Fully-owned facility with capacity expansion to further entrench our market reputation and position in Singapore

Launched Singapore's first umbilical cord tissue banking service
on 12 May 2013

Boost recurring income streams

- In line with growth plans to offer complementary services through partnerships & collaborations
- Service to be available at hospitals islandwide after first two months of exclusivity with Thomson Medical



Cord
Blood

Rich in
Hematopoietic
stem cells

Cord
Tissue

Rich in Mesenchymal
and Epithelial
stem cells

FINANCIAL HIGHLIGHTS



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9M2013 Financial Highlights

- ❑ Revenue increases 11.6% year-on-year, driven by rise in number of client deliveries
- ❑ Net profit more than doubles to S\$9.7 million
- ❑ Excluding one-time disposal gain, net profit grew 51.8% to S\$7.0 million
- ❑ Gross margin maintained at high, consistent level of 69%
- ❑ Strong balance sheet with net cash position
- ❑ Share of results kicks in from recent acquisition of 10% stake in China's largest cord blood banking operator





Financial Highlights



**NET PROFIT ROSE 47.6% FOR 3Q2013 AND MORE THAN DOUBLED FOR 9M2013
HIGH GP MARGIN MAINTAINED AT ABOUT 68% - 69%**

	3Q2012	3Q2013	+(-)% Chg	9M2012	9M2013	+(-)% Chg
Total Revenue (S\$'mil)	6.9	6.7	(2.6)	21.3	23.8	11.6
Cost of Sales (S\$mil)	2.1	2.2	2.7	6.6	7.3	9.8
Gross Profit (S\$'mil)	4.8	4.6	(4.9)	14.7	16.5	12.4
Gross Profit Margin (%)	69.3	67.7	(1.6)ppt	68.8	69.3	0.5
Net Profit (S\$'mil) incl one-time disposal gain	0.8	1.2	47.6	4.6	9.7	>100.0
Net Profit (S\$'mil) excl one-time disposal gain	0.8	1.2	47.6	4.6	7.0	51.8
Net Profit Margin (%) excl one-time gain	12.0	18.2	6.2ppt	21.7	29.5	7.8ppt
Earnings Per Share (S cents)*	0.36	0.53	47.2	3.05	4.16	36.4

- **Slight decrease in 3Q2013's revenue and gross profit was due to the moratorium on mothers from mainland China giving birth in Hong Kong's private hospitals, which came into effect at the start of 2013 → Mitigated by increased contributions from 10% stake in CCBC**
- **Even excluding disposal gain for 9M2013, net profit grew 51.8%**

Note: Some figures may not tally due to rounding of numbers

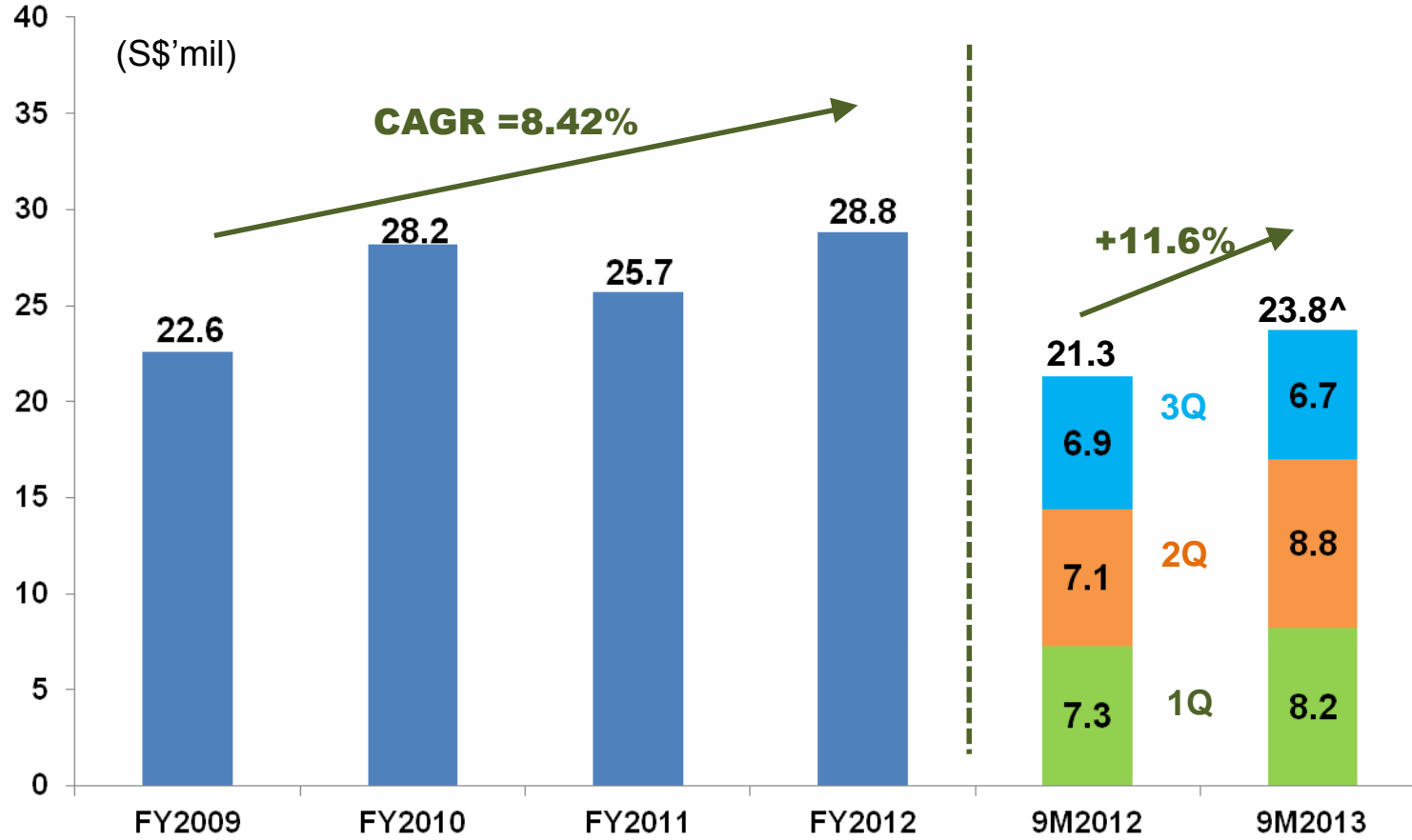
**Calculation for EPS for the respective financial periods is based on the actual weighted average number of ordinary shares in issue during the respective financial periods. (3Q2012: 230,890,000; 3Q2013: 232,487,000; 9M2012: 151,482,000; 9M2013: 232,592,000)*

Financial Highlights



RISING REVENUE

- Primarily driven by increase in number of client deliveries, due to successful educational efforts that raised awareness of the benefits of private cord blood banking services

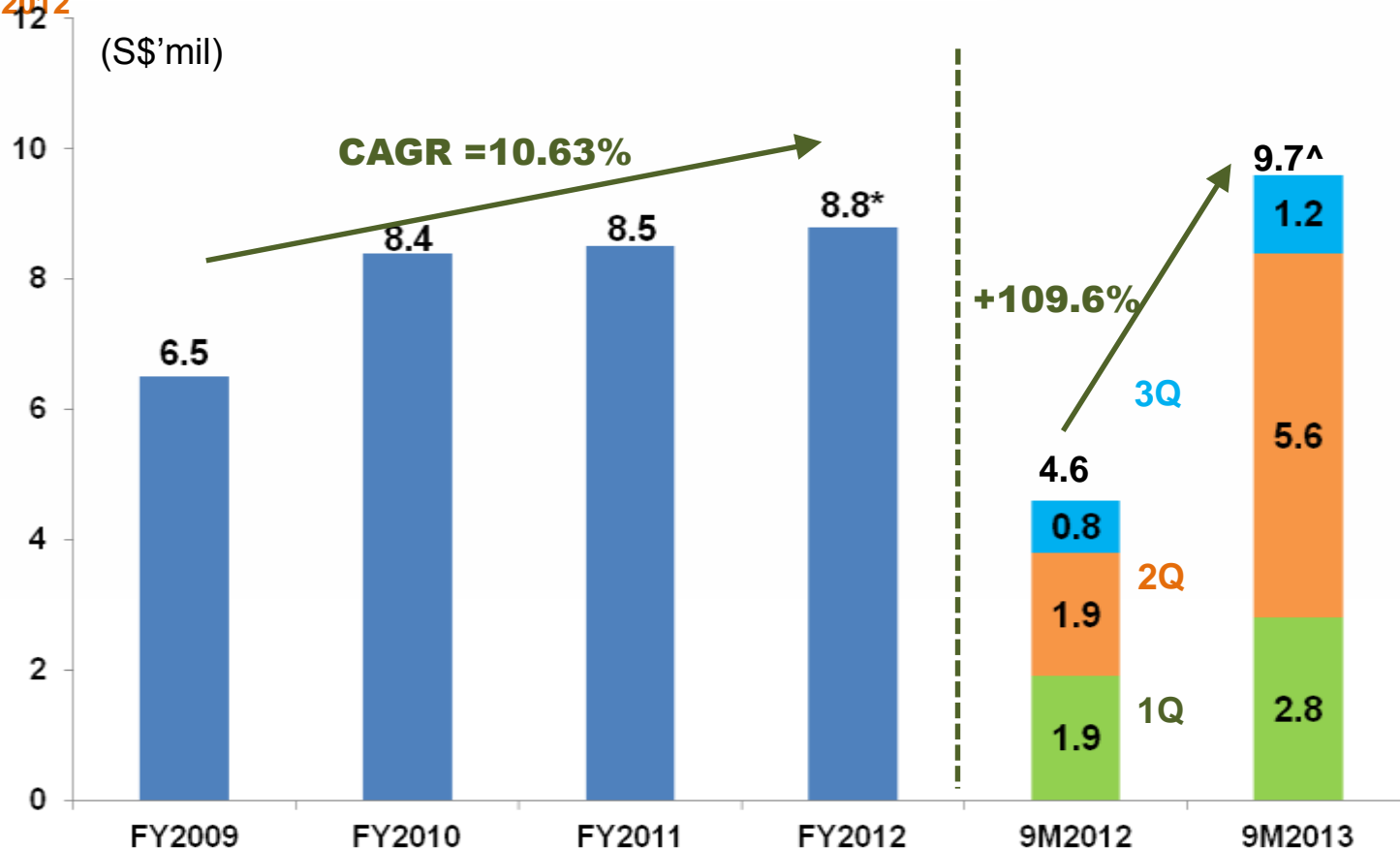


[^]Figure does not tally due to rounding of numbers

Financial Highlights

INCREASED PROFITABILITY INCLUDING ONE-TIME DISPOSAL GAIN

- Administrative expenses decreased 22.6% in 3Q2013 and 8.1% in 9M2013 due to absence of IPO expenses that were incurred in 3Q2012 and 9M2012 correspondingly
- Selling and marketing expenses increased 8.5% in 3Q2013 and 12.3% in 9M2013
- One-time gain of S\$2.7 million from disposal of 10% interest in China Stem Cells (South) Company Limited realised in Nov 2012



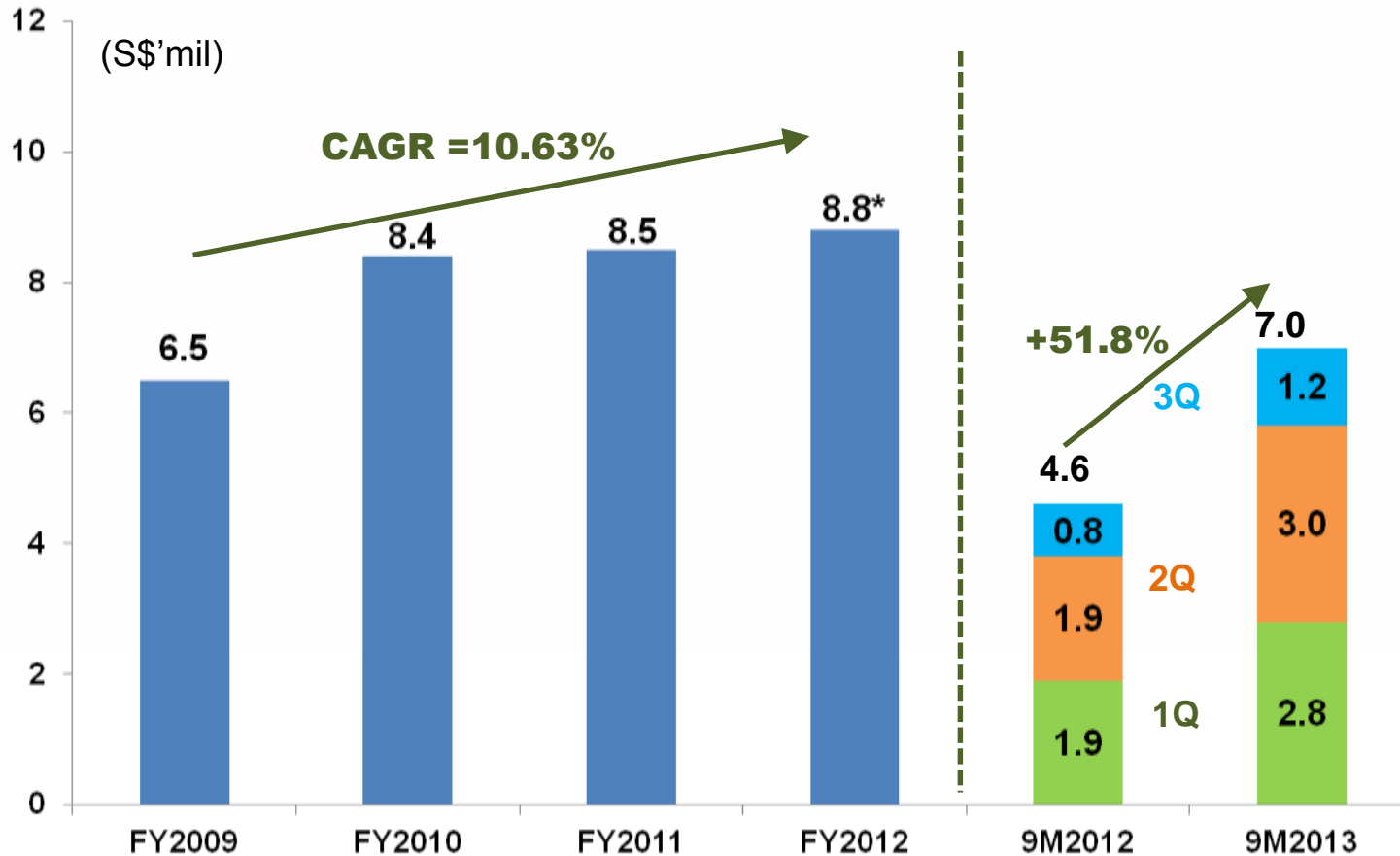
* For a consistent full-year comparison, FY2012 net profit is shown here without one-off IPO expenses. Including IPO expenses, FY2012 net profit would amount to S\$6.9 million

^ Figure does not tally due to rounding of numbers

Financial Highlights

INCREASED PROFITABILITY EXCLUDING ONE-TIME DISPOSAL GAIN

- Even excluding disposal gain, net profit grew 51.8% 9M2013

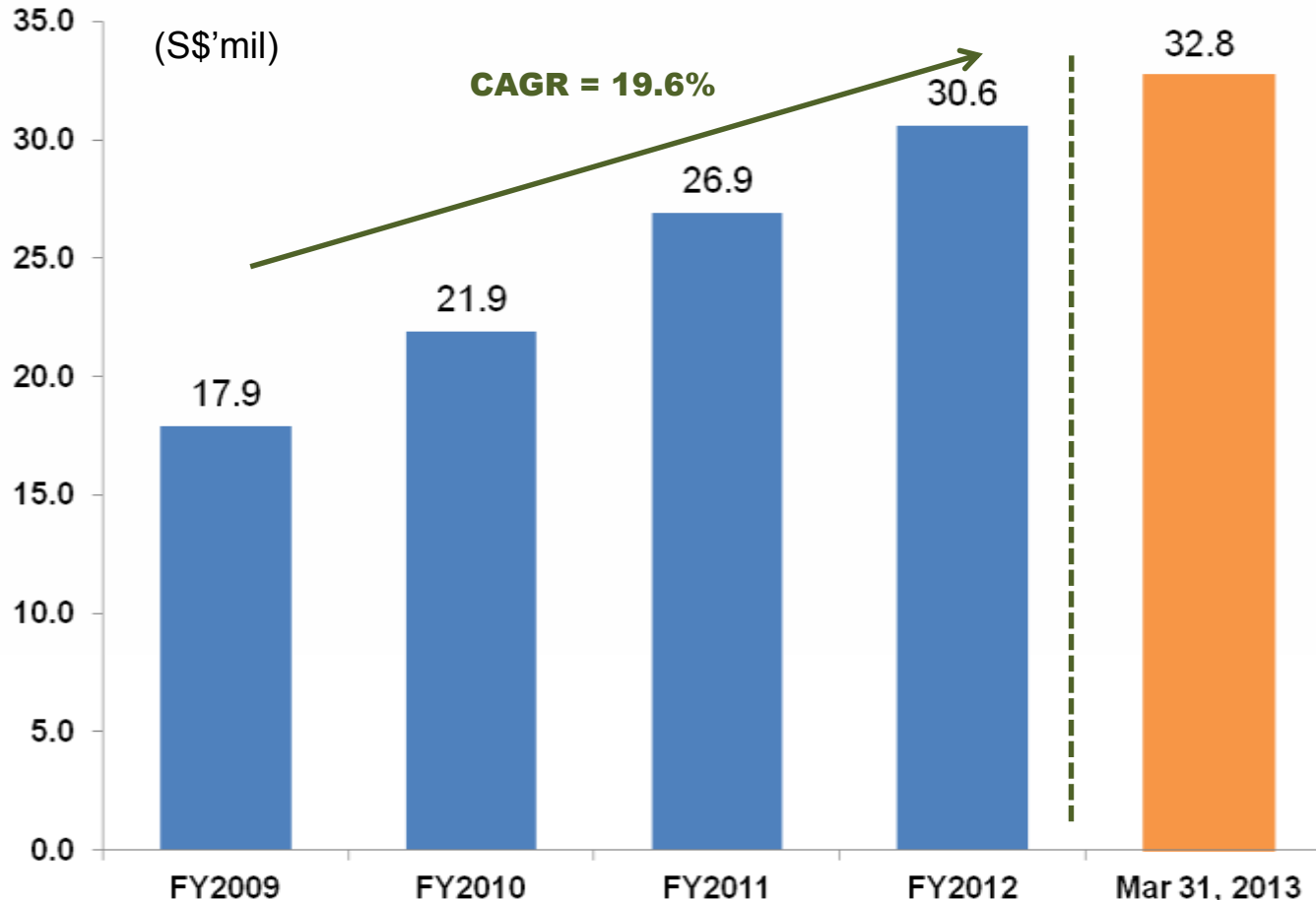


* For a consistent full-year comparison, FY2012 net profit is shown here without one-off IPO expenses. Including IPO expenses, FY2012 net profit would amount to S\$6.9 million

Financial Highlights

RISING EQUITY

- Net asset value per share rises to 32.8 cents as at Mar 31, 2013*
- Over the past 4 financial years, NAV/share has grown at a 19.6% CAGR



* For FY2012 and Mar 31, 2013, NAV/Share is computed based on the post-Invitation share capital of 232,687,354 and 232,487,354 respectively. For FY2009 – FY2011, NAV/Share is computed based on the pre-Invitation share capital of 150,887,354 Shares.



Financial Highlights

HEALTHY BALANCE SHEET

- Gearing ratio of 0.07x
- Cash & cash equivalents of S\$24.7 million

As at March 31, 2013	S\$'000
Cash and cash equivalents*	24,692
Total Assets	99,998
Total Liabilities	23,807
Total Equity	76,191
Gearing Ratio**	0.07x

* Inclusive of S\$17.5 million in fixed deposits and exclusive of pledged fixed deposit of S\$0.3 million

**Book value of debt/Total book value of equity



Financial Highlights

STRONG CASH POSITION

- Well-poised for further market penetration and expansion at home and overseas
- Strategic use of cash for accretive investments and fixed deposits
- Limited capital expenditure going forward (except for S\$2 million that had been set aside from IPO proceeds for IT infrastructure of new Yishun facility, A'Posh Bizhub)

S\$'000	3Q2012	3Q2013	9M2012	9M2013
Operating cash flow before movement in working capital	1,968	1,246	6,244	6,546
Net cash generated from operating activities	2,357	2,000	4,215	6,712
Net cash used in investing activities	(646)	(1,575)	(1,855)	(10,859)
Net cash generated from / (used in) financing activities	27,178	(58)	27,323	(1,600)
Cash & Cash equivalents at end of period	33,640	24,692*	33,640	24,692*

*Inclusive of S\$17.5 million in fixed deposits and exclusive of pledged fixed deposit of S\$0.3 million

DIVIDEND



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INTENDED DISTRIBUTION: OUR COMMITMENT TO SHAREHOLDERS

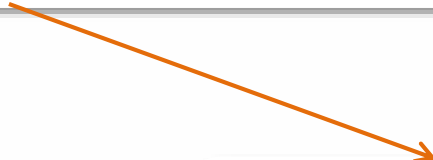
To recommend & distribute dividends of **at least 25% of FY2011 and FY2012 profits attributable to shareholders** for FY2012 and FY2013





Interim Dividend

Tax exempt (1-tier)
interim dividend of
1.0 cent per ordinary share



Paid out on
5 April 2013

INDUSTRY OUTLOOK



Singapore's first AABB accredited private cord blood bank.



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KEY DEMAND DRIVERS



**Birth
Rates**

**Rising
Affluence**

**Increased
Awareness and
Acceptance**

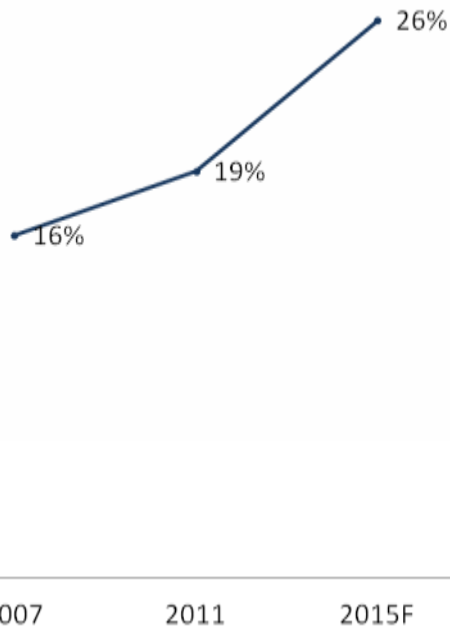
**Favourable
Government
Policies**

HIGH PENETRATION RATES IN DEVELOPED MARKETS

PENETRATION RATE (%) OF PRIVATE CORD BLOOD BANKS

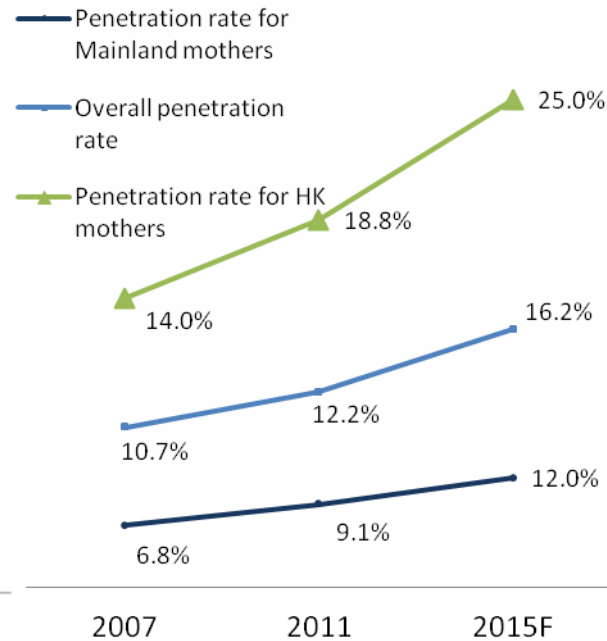
SINGAPORE

Private incremental cord blood storage units to grow at a CAGR of 9% between 2011 and 2015



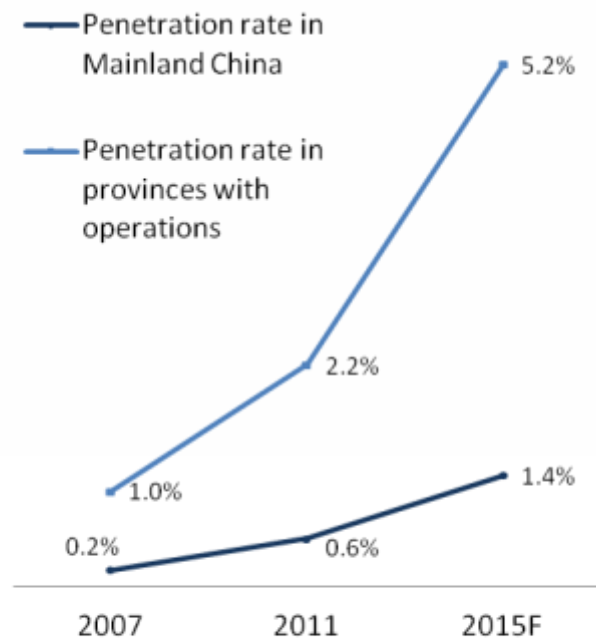
HONG KONG*

Private incremental cord blood storage units to grow at a CAGR of 8.5% between 2012E and 2015F*



CHINA

Private incremental cord blood storage units to grow at a CAGR of 23% between 2011 and 2015



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

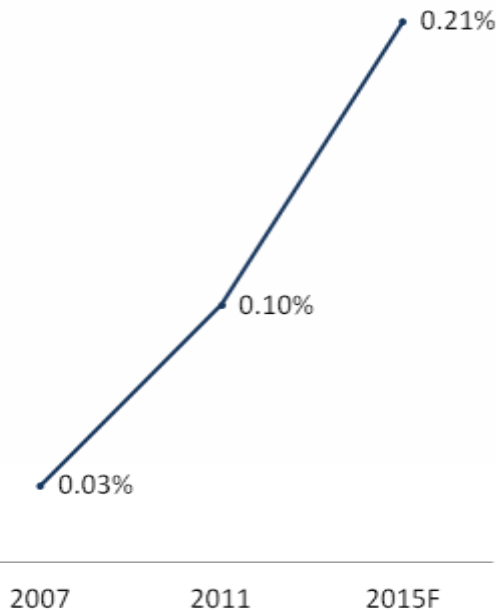
*Projection for Hong Kong includes penetration rate and CAGR for mothers from mainland China, and assumes that the moratorium would be lifted after 2013

RISING PENETRATION RATES IN DEVELOPING MARKETS

PENETRATION RATE (%) OF PRIVATE CORD BLOOD BANKS

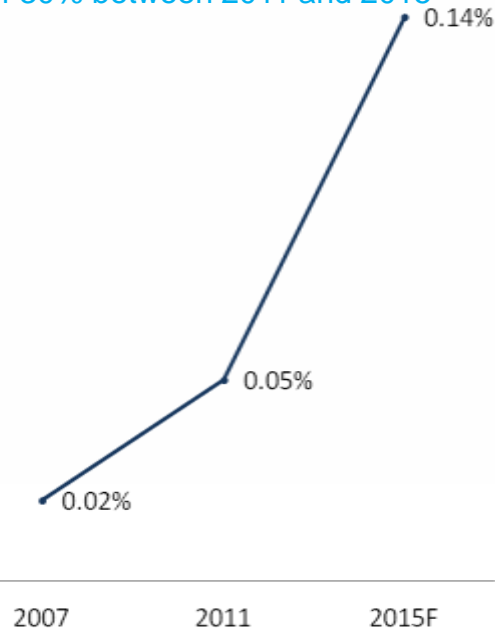
INDIA

Private incremental cord blood storage units to grow at a CAGR of 20% between 2011 and 2015



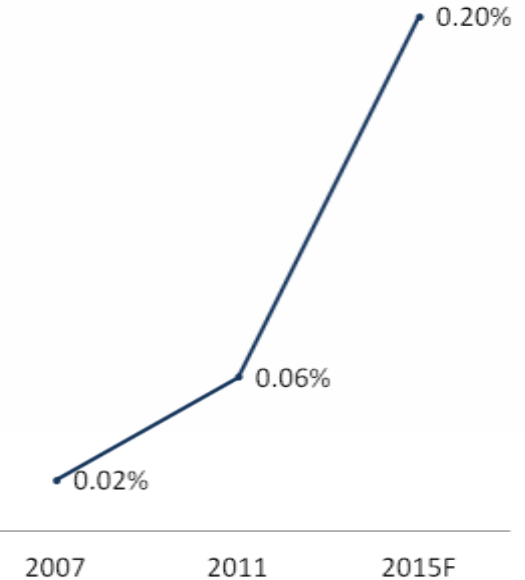
PHILIPPINES

Private incremental cord blood storage units to grow at a CAGR of 30% between 2011 and 2015



INDONESIA

Private incremental cord blood storage units to grow at a CAGR of 35% between 2011 and 2015



Low rates indicate room for growth and increased penetration

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

Singapore's Prospects

Growth Drivers

Increased public awareness

- Singaporeans' higher level of education may contribute to better acceptance of cord blood banking.
- Most pregnant women in hospitals will be informed of cord blood banking by their doctors.
- Well-established companies are experienced in promoting the business and effectively educating both doctors and consumers.

Healthcare spending

- The ratio of private household expenditure on healthcare in Singapore rose steadily from 3.5% in 1998 to 5.3% in 2008. Concern over the threat of childhood diseases encourages parents to invest in cord blood storage.

Government support

- Cord blood banking packages can be paid through the Child Development Account (CDA) – where the savings contributed to the child's CDA will be matched by the government up to a pre-determined ceiling cap.
- Pro-family policies to boost birth rates – the \$2 billion Marriage & Parenthood Package 2013 rolled out in January 2013

Technology development

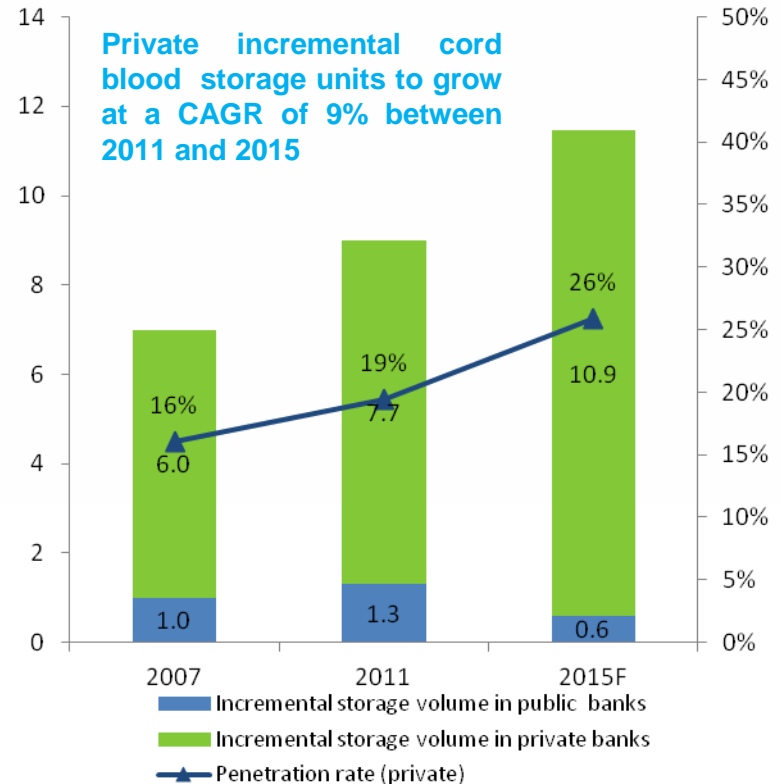
- By 2011, public cord blood banks had successfully released 101 cord blood units, while private cord blood banks had about 10 successful cases of cord blood transplants.

High Penetration Rate

Incremental storage and penetration rate in private sector (2007 – 2015F)

Incremental storage volume ('000 Units)

Penetration Rate (Private Banks) (%)



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

Growth Drivers

Public awareness

- Private cord blood banks have raised awareness via:
 - hiring celebrities for advertisements
 - encouraging referrals
 - informing doctors at private hospitals about their new policies to increase their awareness.

Increasing birth rate

- Concerned about the aging population, the HK government has encouraged residents to have more children through policies such as extending the compulsory free education from nine years to 12 years.
- The birth rate in Hong Kong is expected to increase slightly, from 0.74% in 2011 to 0.76% in 2015.

Healthcare system

- All Hong Kong citizens have universal healthcare and are provided government-subsidised medical services. Cost for most of the cord blood transplant operation cases are subsidised.

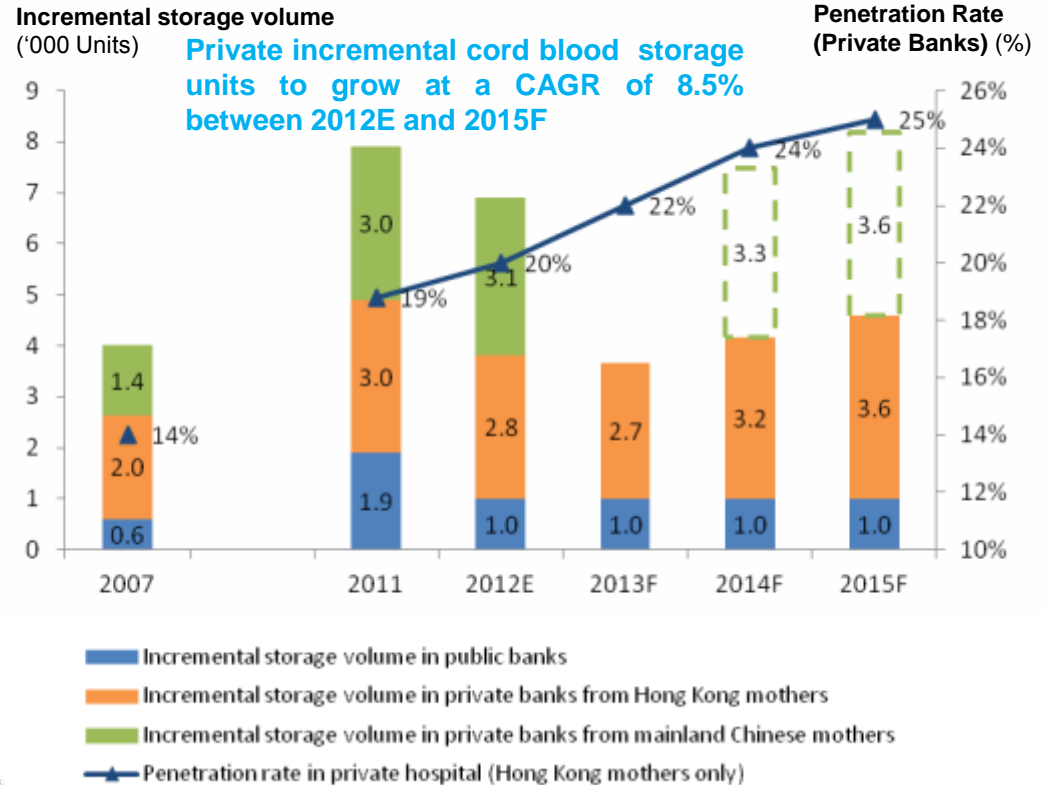
Surplus resources in private hospitals

- Unutilized capacity at private hospitals in 2013 due to lack of mainland Chinese mothers may prompt private hospitals to reduce their prices to draw more HK mothers to their hospitals to give birth.

Private cord blood banking will be negatively affected by the HK government's moratorium on mainland Chinese mothers giving birth at private hospitals in Hong Kong, but it will keep growing based on the increasing public awareness level

High Penetration Rate amongst HK mothers

Incremental storage and penetration rate in private sector (2007 – 2015F)



Note: The dotted line in the chart indicates the unclear condition in 2014 and 2015 due to the moratorium on mainland Chinese mothers giving birth in HK. 3.3 and 3.6 are the upper limit numbers.

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

China's Prospects

Growth Drivers

Rising public awareness of cord blood banking

- Awareness among both doctors and potential customers (future parents) keep rising.
- Improved education means that people are better able to understand the service and more open to new medical approaches.
- The increasing urbanization levels make it easier for operators to concentrate their promotion in populous urban regions.

Large number of new births

- China's number of new births (16 million in 2011) still leads the world, next only to India.
- The provinces with permission to develop cord blood banks are heavily populated, with 30% of China's new births.

Favourable government policy

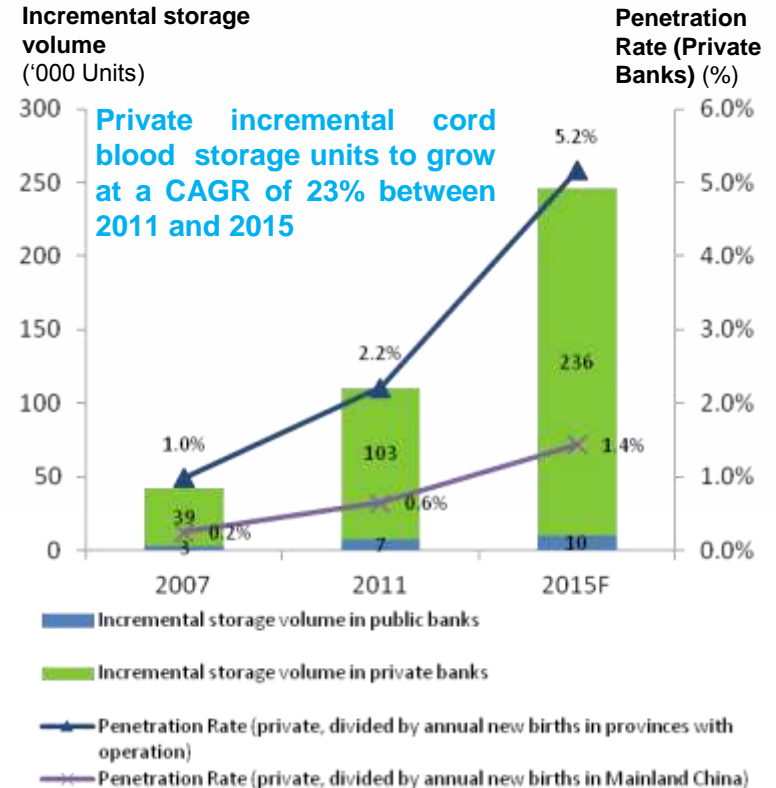
- The stem cell industry is listed as a key development area of China's 12th Five-Year-Plan.

Growing middle-class

- China's middle-class population is estimated at 290 million in 2011 and projected to grow to 590 million by 2025 → progressively larger customer pool for cord blood bank operations.

Huge Market Space for Penetration Growth

Incremental storage and penetration rate in private sector (2007 – 2015F)



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

Growth Drivers

Large new birth base

- With a total population of 1,202 million people, India has the second largest population in the world.
- Annual new births of 25.7 million is forecast by the end of 2016.
- The number of new births is likely to keep rising as India's population is predicted to exceed China, becoming the most populous nation by 2025.

Increasing public awareness

- An educated and expanding middle class, who have access to information as a result of widespread internet use
- Due to competition, private cord blood banks conduct intensive marketing efforts about cord blood storage and offer financing programs for subscribers.
- Indian doctors are encouraged to inform expectant parents to opt for stem cell banking with cord blood banks.

Technology development

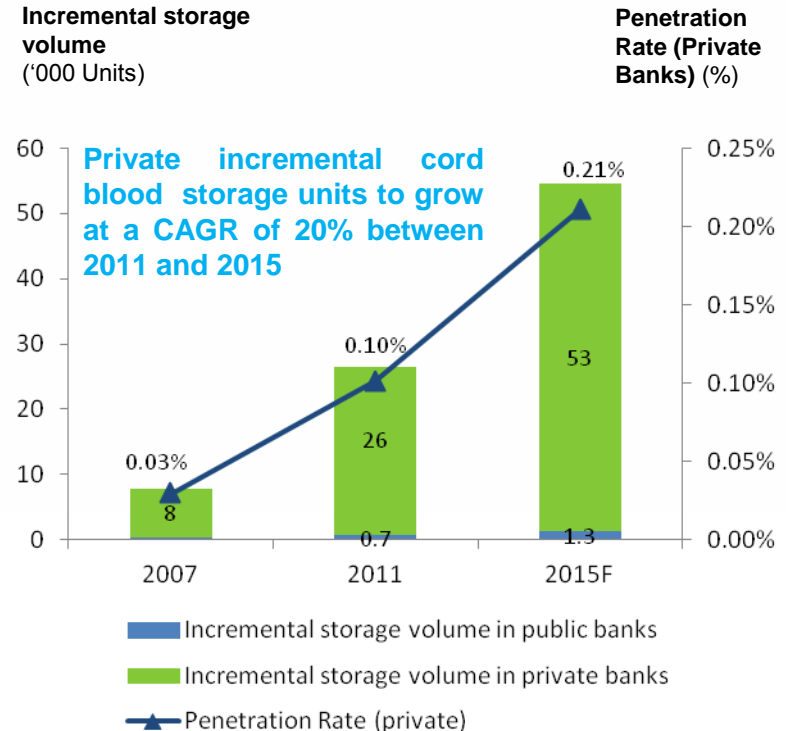
- A higher stem cell transplant success rate, due to India's leadership in pharmaceutical and biotechnology areas in Asia.
- Success rate of cord blood transplants is reported at around 90%, comparatively higher than that of other markets.

Growing middle-class

- The population of the Indian middle class—the target consumers for private banks—is expected to increase to 267 million by 2015, or 67% from the current level of 160 million.

Huge Market Space for Penetration Growth

Incremental storage and penetration rate in private sector (2007 – 2015F)



Growth Drivers

Number of new births

- Philippines has a large population base of 102 million as of 2011, and is expected to reach 110 million in 2015.

Public perception of cord blood banking

- Both the government and private cord blood banks are trying to promote cord blood banking to the general public.
- Private cord blood companies are promoting their services through internet, magazine, and various events.

Wealth profile

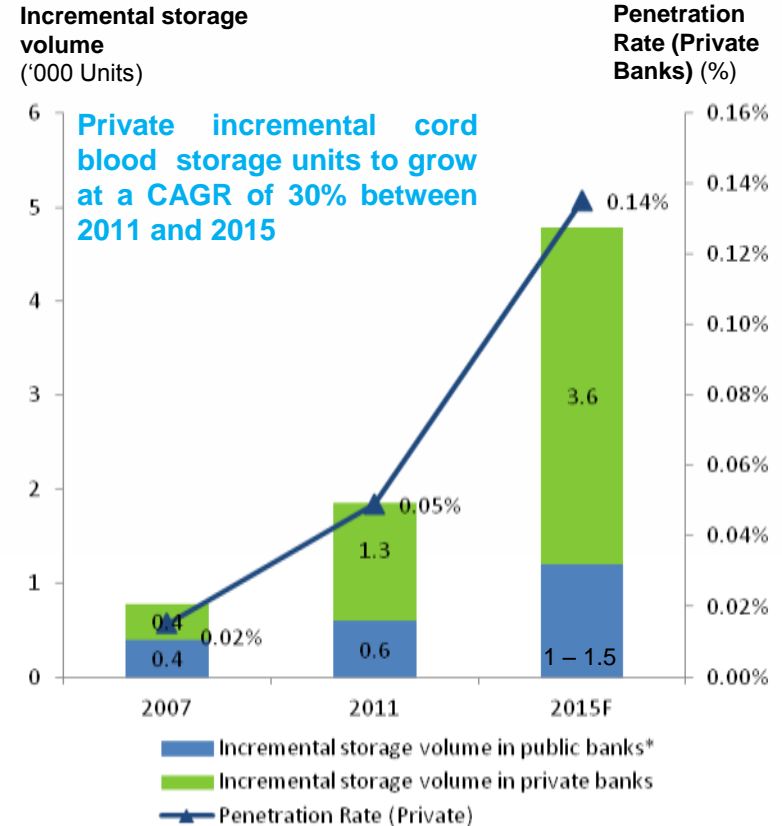
- One of the Asian markets with a burgeoning middle class
 - Per capita disposable income is projected to increase 157% from 2007 to 2015.
 - Increase consumption as well as changing purchasing patterns, such as increased expenditure on healthcare.

Healthcare system

- Universal health system, PhilHealth, has more than 86% of citizens enrolled. Some of the packages cover stem cell related transplants. Compared with other developing markets in Asia, Philippines has a well developed healthcare system.

Huge Market Space for Penetration Growth

Incremental storage and penetration rate in private sector (2007 – 2015F)



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

*Currently public bank in Philippines is run by private hospital and is only open to the hospital's own patients, different from the public bank concept in general;

Growth Drivers

Public awareness

- The public awareness level of cord blood banking in Indonesia is still low, its penetration rate was only 0.045% in 2011 but it is expected to rise in the next few years.
- Promotion activities by private cord blood banks, such as leveraging SNS, will also contribute to the popularity of cord blood banking

Wealth Profile

- Per capita disposable income is expected to increase 97.5% from 2007 to 2015.
- Indonesia will have over 20 million households with annual income of over USD 10,000 in 2015, an increase from around 14 million in 2011.

Large population base

- Indonesia is now the world's fourth most populous nation. The number of annual new births is expected to maintain at a high level of over 4 million per year.

The first public cord blood bank in Indonesia is expected to start operations by the end of 2013. Based on Indonesia's large population base, the incremental storage volume will increase faster than the private cord blood banking sector in its first few operation years

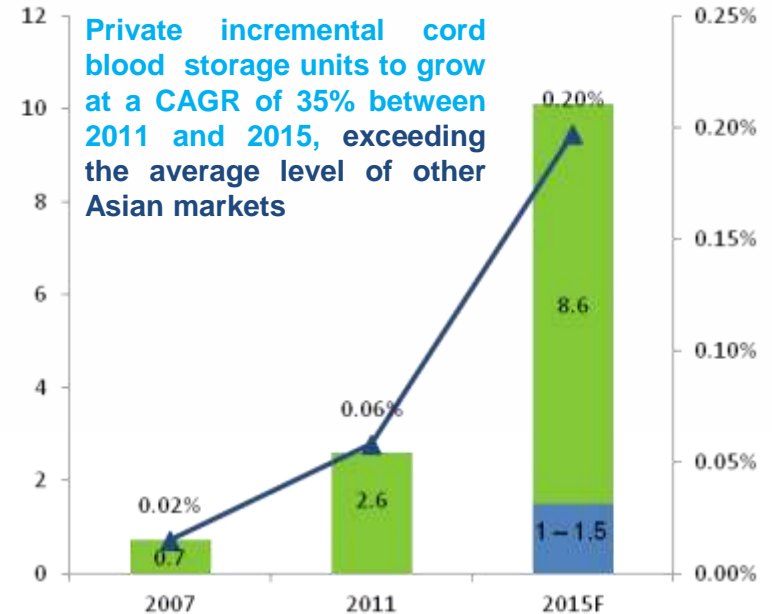
Source : Deloitte & Touche Financial Advisory Services Limited report, 10 April 2013




Huge Market Space for Penetration Growth

Incremental storage and penetration rate in private sector (2007 – 2015F)

Incremental storage volume ('000 Units)

Penetration Rate (Private Banks) (%)



 Incremental storage volume in public banks
 Incremental storage volume in private banks
 Penetration rate (private)

RECENT DEVELOPMENTS IN THE NEWS

IN SINGAPORE

- **On January 21, 2013, the government unveiled policies to boost fertility and birth rates**
 - ✓ The \$2 billion Marriage & Parenthood Package 2013 is up from the \$1.6 billion package in 2008
 - ✓ Aims to increase Total Fertility Rate (“TFR”) to 1.4 or 1.5 over the next few years from 1.2 in 2011
 - ✓ One of the key initiatives is support for medical costs related to conception and delivery
 - An increase of \$2,000 per birth in the Baby Bonus cash gift up to the fourth child
 - A Medisave account of \$3,000 for every Singaporean baby
 - An extension of six years for the CDA (until the child turns 12)
 - An increase in the co-funding of the Assisted Reproduction Technology treatments from the current 50 per cent to 75 per cent.
 - ✓ **Other incentives**
 - Enhanced maternity protection for pregnant employees
 - Introduction of one-week paternity leave
 - Parenthood Priority Scheme – sets aside 30% to 50% of new flats for first-timer couples who have young children or are expecting one
- **Year of the Dragon baby boom**
 - ✓ Total number of births in Singapore was 42,600 in 2012, representing a 7.4% increase from the 39,654 births in 2011*

*Source: Department of Statistics, Singapore

Thank you Q&A



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