

CORDLIFE GROUP LIMITED
(Company Registration No.: 200102883E)
(Incorporated in the Republic of Singapore)

MATERIAL VARIANCES BETWEEN AUDITED FINANCIAL STATEMENTS AND THE UNAUDITED FULL YEAR RESULTS ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

The Board of Directors (the "**Board**") of Cordlife Group Limited (the "**Company**") refers to (a) the announcement released by the Company on 26 August 2016 in relation to the unaudited financial statements for the financial year ended 30 June 2016 (the "**Unaudited Results**") and (b) the audited financial statements of the Company for the financial year ended 30 June 2016 (the "**Audited Financial Statements**") which will be provided in due course to shareholders of the Company as part of the Company's Annual Report 2016.

Pursuant to Rule 704(6) of the Listing Manual of the SGX-ST, the Board wishes to announce and clarify the material variances between the Audited Financial Statements and the Unaudited Results for the financial year ended 30 June 2016.

Details of the material variances and the reasons for the variances are as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Item	As set out in the Unaudited Results	As set out in the Audited Financial Statements	Variance	Note
	S\$'000	S\$'000	S\$'000	
Other operating income	977	981	4	
Administrative expenses	(19,513)	(19,767)	(254)	(a)
Profit before income tax from operations	3,177	2,927	(250)	(a)
Other expenses	(1,909)	(2,409)	(500)	(b)
Profit before income tax	14,090	13,340	(750)	(a),(b)
Income tax	(802)	(760)	42	(a)
Profit for the year	13,288	12,580	(708)	(a),(b)
Other comprehensive income – foreign currency translation	(484)	(399)	85	(d)
Total comprehensive income for the year	12,624	12,001	(623)	(a),(b),(d)
Profit for the year attributable to owners of the Company	13,037	12,329	(708)	(a),(b)
Total comprehensive income for the year attributable to owners of the Company	12,309	11,686	(623)	(a),(b),(d)

STATEMENTS OF FINANCIAL POSITION

GROUP

Item	As set out in the Unaudited Results	As set out in the Audited Financial Statements	Variance	Note
	S\$'000	S\$'000	S\$'000	
Intangible assets	6,677	14,686	8,009	(d),(e)
Goodwill	7,581	-	(7,581)	(c)
Deferred tax assets	178	220	42	(a)
Trade and other payables	13,135	13,521	386	(a),(b),(e)
Insurance contract liabilities	-	1,056	1,056	(e)
Accumulated profits	55,368	54,660	(708)	(a), (b)
Other reserves	(10,621)	(10,815)	(194)	(e)
Non-controlling interests	2,136	2,066	(70)	(e)

COMPANY

Item	As set out in the Unaudited Results	As set out in the Audited Financial Statements	Variance	Note
	S\$'000	S\$'000	S\$'000	
Deferred tax assets	178	220	42	(a)
Trade and other payables	4,972	5,722	750	(a),(b)
Accumulated profits	51,487	50,779	(708)	(a),(b)

CONSOLIDATED STATEMENT OF CASH FLOWS

Item	As set out in the Unaudited Results	As set out in the Audited Financial Statements	Variance	Note
	S\$'000	S\$'000	S\$'000	
Cash flows from operating activities				
- Operating cash flows before changes in working capital	1,899	1,149	(750)	(a),(b)
- Increase in trade and other payables	119	869	750	(a),(b)
Cash generated from investing activities				
- Acquisition of subsidiary, net of cash	(14,418)	(14,332)	86	(f)
Effects of exchange rate changes on the balance of cash and cash equivalents	199	113	(86)	(f)

Notes:

- (a) The variance was due to additional directors' fees of S\$250,000 for the accumulation of time spent by the Non-Executive Directors in relation to Board and management changes during the year. It also resulted in a corresponding tax adjustment of S\$42,000.
- (b) The variance was due to additional directors' fees of S\$500,000 for extra work put in and time spent by the Non-Executive Directors in relation to the investment in China Cord Blood Corporation.
- (c) The variance was due to the presentation of goodwill and intangible assets as a single line on the Group Statement of Financial Position in the Audited Financial Statements. The breakdown is separately disclosed in the notes to the Audited Financial Statements.
- (d) The variance was due to foreign currency revaluation of goodwill.
- (e) The variance was due to reclassification of intangible assets to insurance contract liabilities, other reserves and non-controlling interests due to alignment of accounting policy of the Company's subsidiary as well as reclassification of insurance contract liabilities from trade and other payables.
- (f) The variance was due to alignment of exchange rates used by the subsidiary acquired.

By Order of the Board
CORDLIFE GROUP LIMITED

Dr Wong Chiang Yin
Executive Director and Group Chief Executive Officer

6 October 2016