1H2020 Results Presentation
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Content

1. Overview
2. Financial Highlights
3. Outlook
4. Growth Strategies
## Business Overview – Operating Segments

### Banking

#### Cord Blood Banking
- Collection at birth, processing, testing, cryopreservation and storage of stem cells from the umbilical cord blood – **Haematopoietic Stem Cells (HSCs)**

#### Cord Lining Banking
- Collection, processing, testing, cryopreservation and storage of the umbilical cord lining - **Mesenchymal stem cells (MSCs)** and **Epithelial stem cells (EpSCs)**
- Patented technology – Exclusive license from CRC.

#### Cord Tissue (Wharton’s Jelly) Banking
- Collection, processing, testing, cryopreservation and storage of the umbilical cord tissue - **Mesenchymal stem cells (MSCs)**

### Diagnostics

#### Non-Invasive Prenatal Testing (NIPT)
- Catered for expectant women in their 1st trimester
- Analyses cell free foetal DNA in mother’s blood to detect foetal chromosomal abnormalities using whole genome sequencing

#### Paediatric Vision Screening
- Non-invasive detection of vision problems in children
- Catered for children as early as 6 months to 6 years old
- Instant results provided to enable early intervention

#### Non-invasive Newborn Metabolic Screening
- A non-invasive, early detection test specially designed to screen inherited metabolic disorders in newborns.

#### Family Genetic Testing
- A whole-exome genetic test that cross-analyses genetic information within the family to let them take steps to delay, manage or even prevent the onset of the condition/s that they are predisposed to
Business Overview – Market Presence

Our Market Ranking

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>Singapore</th>
<th>Hong Kong</th>
<th>India</th>
<th>Philippines</th>
<th>Indonesia</th>
<th>Malaysia</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cordlife</td>
<td>4</td>
<td>6</td>
<td>12</td>
<td>4</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>StemCord</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Cryoviva</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Banking Services
- Cord Blood
- Cord Lining
- Cord Tissue
- Non-Invasive Newborn Metabolic Screening
- Non-Invasive Prenatal Testing
- Genetic Testing

Diagnostics Services

Financial Highlights
1H2020 Results Summary

**Revenue**: S$26.2 million (12.7%) y-o-y

**Gross Profit**: S$16.5 million (13.0%) y-o-y

**GP Margin**: 62.7% (0.2 pp) y-o-y

**Net Profit**: S$2.6 million (+50.2% y-o-y)

**Net Profit Margin**: 10.0% (+4.2 pp y-o-y)

**Net Cash**: S$61.2 million, +S$11.5 million from 31 Dec 19

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1: Includes cash and cash equivalents, fixed deposits and short-term investments less interest-bearing borrowings (current and non-current)
The Group’s revenue declined 12.7% year-on-year ("yoy") to S$26.2 million due to a decrease in new samples processed and stored in 1H2020 arising from the outbreak of COVID-19. However, the decline was partially offset by higher take-up of higher-value priced plans in Singapore and Philippines as well as increased revenue contribution from diagnostic services.

**Net Profit**
Net profit after tax grew 50.2% yoy to S$2.6 million, mainly driven by
(a) lower administrative expenses
(b) lower marketing expenses (attributable to lower advertising and promotion expenses due to the outbreak of COVID-19).
Financials – Revenue

* Prepared in accordance with FRS18 – Revenue.
# Prepared in accordance with SFRS(I) 15 – Revenue from Contracts with Customers.
Financials – Gross Profit

* Prepared in accordance with FRS18 – Revenue.
# Prepared in accordance with SFRS(I) 15 – Revenue from Contracts with Customers.
## Financials – Operating profit after tax

<table>
<thead>
<tr>
<th>Period</th>
<th>Net Profit</th>
<th>Net Profit Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2014*</td>
<td>7.6</td>
<td>15.5%</td>
</tr>
<tr>
<td>FY2015*</td>
<td>5.0</td>
<td>8.7%</td>
</tr>
<tr>
<td>FY2016*</td>
<td>2.2</td>
<td>3.7%</td>
</tr>
<tr>
<td>FY2017#</td>
<td>0.5</td>
<td>1.0%</td>
</tr>
<tr>
<td>12M2018#</td>
<td>1.2</td>
<td>2.0%</td>
</tr>
<tr>
<td>FY2019#</td>
<td>5.8</td>
<td>9.4%</td>
</tr>
<tr>
<td>1H2019#</td>
<td>1.8</td>
<td>5.8%</td>
</tr>
<tr>
<td>1H2020#</td>
<td>2.6</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

* Prepared in accordance with FRS18 – Revenue.
# Prepared in accordance with SFRS(I) 15 – Revenue from Contracts with Customers.
## Financials – Balance Sheet

<table>
<thead>
<tr>
<th>S$’ mil</th>
<th>As at 30 Jun 2020</th>
<th>As at 31 Dec 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Assets</td>
<td>132.2</td>
<td>129.3</td>
</tr>
<tr>
<td>Borrowings</td>
<td>4.1</td>
<td>4.3</td>
</tr>
<tr>
<td>Gearing$_1$ (%)</td>
<td>3.2</td>
<td>3.3</td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents, Fixed Deposits and Short-term Investments</td>
<td>65.3</td>
<td>54.0</td>
</tr>
<tr>
<td>Net Asset Value Per Share (SG cents)</td>
<td>51.92</td>
<td>50.89</td>
</tr>
</tbody>
</table>

$_1$: Total Borrowings/Total Equity
## Financials – Cash Flow

<table>
<thead>
<tr>
<th>S$’ mil</th>
<th>As at 30 Jun 2020</th>
<th>As at 30 Jun 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash generated from operating activities</td>
<td>6.7</td>
<td>4.4</td>
</tr>
<tr>
<td>Net cash generated from investing activities</td>
<td>1.6</td>
<td>7.9</td>
</tr>
<tr>
<td>Net cash used in financing activities</td>
<td>(0.2)</td>
<td>(1.2)</td>
</tr>
<tr>
<td>Cash &amp; cash equivalents at end of the financial period</td>
<td>23.2</td>
<td>21.8</td>
</tr>
</tbody>
</table>
Outlook
Impact of COVID-19

- Rolled out online enrolment and consultations to clients.
- Ramped up digital marketing campaigns to capture business opportunities.
- Converted face to face seminars/antenatal classes to webinars.
- Social distancing measures have restricted many physical marketing events which may impact signups.
Growth Strategies
**Growth Strategies**

**Organic Growth**
- To increase penetration rate/market share
- To increase market depth
- To facilitate development of stem cell ecosystem
- To create new engines of growth

**M&A**
- Synergistic with current business
- Earnings accretive
- Targeting Asia
Thank you