



Uniting Generations with Healthcare

ANNUAL REPORT 2022



OUR VISION

We help people live healthier, happier and longer.

OUR MISSION

We provide reliable healthcare solutions through innovation, technological advancement and commitment to quality.

OUR VALUES

- Accountability
 - Drive for excellence
 - Teamwork
 - Initiative
 - Integrity
-

OUR EMPLOYEE VALUE PROPOSITION

We believe that delivering holistic and innovative healthcare solutions to families begins with fostering a progressive and meaningful work culture for our people.





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About Cordlife Group Limited

Asia's largest network of cord blood banks

Cordlife Group Limited ("Cordlife", together with its subsidiaries, the "Group"), founded in 2001, is a leading company dedicated to safeguarding the well-being of mother and child. Listed on the Mainboard of the Singapore Exchange since 2012, the Group is a pioneer in private cord blood banking in Asia. Cordlife operates Asia's largest network of cord blood banks. With full stem cell banking facilities in six key markets, Cordlife is an industry leader in Singapore, Hong Kong, Indonesia and the Philippines, and one of the top three market leaders in India and Malaysia. Through its majority-owned subsidiary in Malaysia, Stemlife Berhad, Cordlife has an indirect stake in Thailand's largest private cord blood bank, Thai Stemlife. In addition to cord blood, cord lining and cord tissue banking, Cordlife offers families a comprehensive suite of diagnostics services, including non-invasive prenatal testing, paediatric vision screening and newborn metabolic screening.

Cordlife has the most accredited cord blood banks in Asia

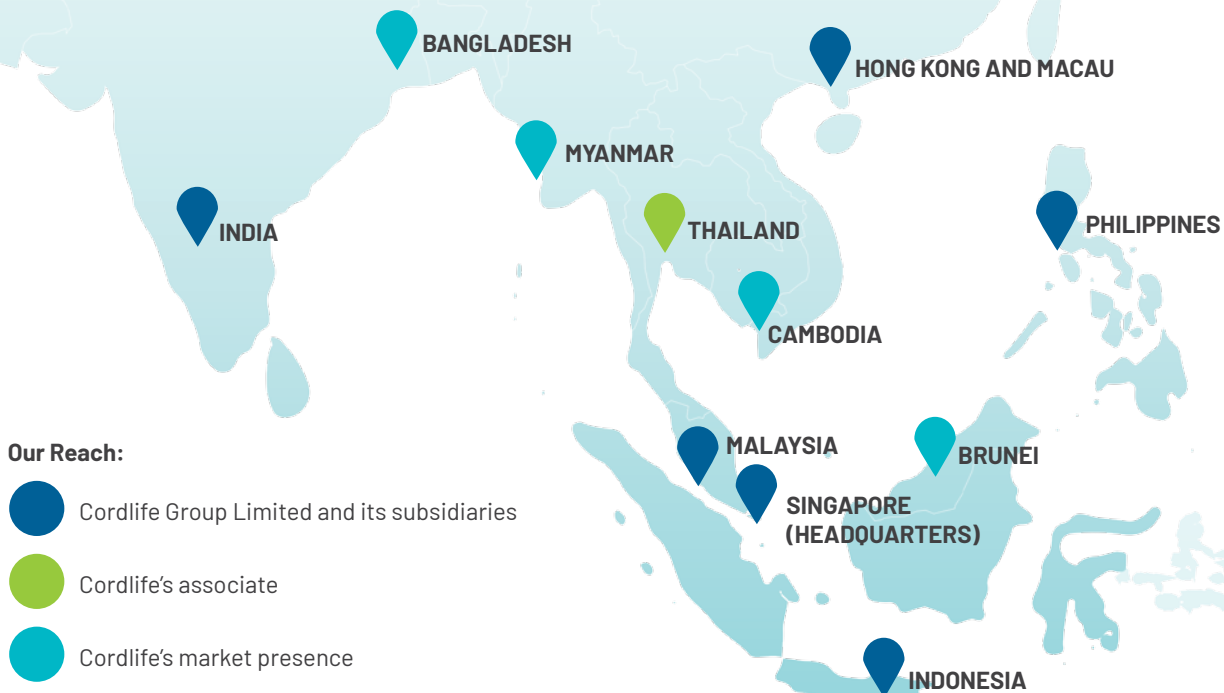
Two of Cordlife's primary focus areas are providing reliable quality and being customer-centric. All of the Group's facilities are accredited by the Association for the Advancement of Blood & Biotherapies ("AABB"), an organisation dedicated to its mission of improving lives by making transfusion medicine and biotherapies safe, available and effective worldwide. Furthermore, Cordlife Singapore and Healthbaby Hong Kong are the only two private cord blood banks in Asia and five worldwide to be accredited by both AABB and the Foundation for the Accreditation of Cellular Therapy ("FACT"), another world-class accreditation body for cord blood banks worldwide. In the area of clinical diagnostics, Cordlife India and Healthbaby Hong Kong are both accredited by the College of American Pathologists ("CAP"). This makes Healthbaby Hong Kong one of the few private cord blood banks in the world to be accredited by three international







“Two of Cordlife's primary focus areas are providing reliable quality and being customer-centric.”

FACTS AND FIGURES





ACCREDITATIONS, CERTIFICATIONS AND LICENCES

	Cordlife Singapore	AABB, FACT, GDPMDS (SS620:2016), MOH
	Cordlife Hong Kong	AABB
	Healthbaby Hong Kong	AABB, FACT, CAP
	Cordlife India	AABB, ISO9001:2015, CAP, NABL, WHO GMP, DCGI
	Cordlife Philippines	AABB, ISO9001:2015, DOH
	Cordlife Indonesia	AABB, ISO9001:2015, MOH
	Stemlife Malaysia	AABB, MS ISO15189, MOH

For more details on the above accreditations, certifications and licences, please visit this link: <https://www.cordlife.com/accreditations>

standard-setting bodies, and Cordlife India is one of the only two medical laboratories in West Bengal to be holding accreditations from the National Accreditation Board for Testing and Calibration Laboratories ("NABL") and CAP. These quality achievements reinforce the Group's commitment to providing reliable healthcare solutions through innovation and technological advancement.

Cordlife has extensive transplant experience across Asia

Cordlife has processed and stored nearly 400,000 cord blood, cord lining and cord tissue stem cell samples.

The Group has made 71 cord blood releases to 18 healthcare institutions in nine different countries, allowing its clients to use their cord blood for transplantation or cellular therapy. Cordlife has also assisted its clients in the release of ten cord lining, cord tissue, and cord tissue mesenchymal stem cell samples for medical use. All of the samples processed and stored by Cordlife were accepted and successfully used, which is the ultimate validation of the Group's processing and storage capabilities.

Over the years, the Group has grown internationally, offering diagnostics and other healthcare services in the markets it serves. This has helped to strengthen its position as a leading company focused on protecting the health of mother and child.

For more information, visit www.cordlife.com

CHAIRMAN'S MESSAGE



“OVER THE YEARS, THE GROUP HAS EVOLVED INTO A MORE COMPREHENSIVE AND RESILIENT SERVICE PROVIDER, HAVING GAINED KNOWLEDGE, AND UNDERSTANDING OF THE MEDICAL COMPLEXITIES THAT HUMANS ARE FACED WITH EACH DAY.”

Dear Valued Shareholders,

On behalf of the Board of Directors of Cordlife Group Limited (“Cordlife”, together with its subsidiaries, the “Group”), it is my pleasure to present our annual report for the financial year that ended on 31 December 2022 (“FY2022”).

2022 marked the important shift to an endemic approach to COVID-19. As devastating as they are, mass medical emergencies like the coronavirus pandemic bring to light the importance of healthcare. The need for taking precautionary measures compared to curative care has become more apparent. In the backdrop of the current economic uncertainty driven by inflationary pressures, supply chain disruptions, and geo-political tensions, Cordlife, as a pioneer in private cord blood banking, remains dedicated to always safeguarding the well-being of families and their generations before and after.

PREPARING FOR THE FUTURE

Over the years, the Group has evolved into a more comprehensive and resilient service provider, having gained knowledge, and understanding of the medical complexities that humans are faced with each day. The Group turned 21 years old in FY2022. As opportunities grow, the learning and potential for advancement only increases with them. In the sphere of stem cells and genetics, there has been considerable attention in the clinical field due to the growth in utilisation rate in recent years. The number of clinical trials per annum related to mesenchymal stem cell therapy has increased exponentially in the last decade, from less than 10 in 2005 to over 140 in 2020, and is likely to continue on this trajectory.¹ These efforts are beginning to unveil that stem cells can treat diseases that were once thought incurable, and that they also possess regenerative properties that can be used for complex tissue repairs and beyond. In Singapore itself, which is renowned for its advanced medical and healthcare infrastructure, a significant amount of research from prestigious institutions like Duke-NUS Medical School is being directed towards understanding stem cells and their potential to cure widespread diseases like cancer.

Overall, increasing technological advancement in stem cell therapeutics, rising demand for stem cell banking, and a growing focus on developing personalised medicines are the primary factors driving this market.² The possibilities are limitless, and as awareness around stem cells and their use increases, they will play a vital role in the medical treatment landscape going forward. The increase in awareness of genetic diseases and hereditary mutations has resulted in a spike in genetic testing and is likely to increase demand for Cordlife’s products and services in the future. As the operator of the largest network of cord blood banks in Asia, Cordlife is in

¹ Jovic, D., Yu, Y., Wang, D. et al. A Brief Overview of Global Trends in MSC-Based Cell Therapy: <https://link.springer.com/article/10.1007/s12015-022-10369-1/figures/2>

² Polaris Market Research: <https://www.polarismarketresearch.com/industry-analysis/stem-cell-market>

a unique position to tap into this growth potential through its diversified range of diagnostics and stem cell banking services and long-term solutions. The Group remains committed to improving customer lifetime value with a vision of helping people live healthier, happier and longer.

GROWING MARKET PRESENCE

Cordlife is always on the lookout for ways to grow, both geographically and in terms of the product or service offerings. Our team has been keeping an eye on the market to find ways to grow inorganically through businesses with strong synergies. By expanding our presence in Asia and broadening the scope of our business, we aim to gain a competitive advantage, achieve economies of scale, and capture more market share.

We strive for efficiency and growth in our existing markets while also creating new growth engines in unexplored areas, especially in Asia. Cordlife has been pioneering stem cell solutions in Asia as we continue to enhance our banking, cryopreservation, and diagnostics service ecosystems in the key markets. In June 2022, Cordlife Singapore strategically partnered with AMILI Pte. Ltd., a precision gut microbiome firm, to launch the first-ever gut microbiome banking service in Southeast Asia. This allows individuals to cryopreserve the best version of their gut microbiome for future therapeutic use.

Expanding its reach to people from different walks of life, Cordlife Hong Kong launched lifestyle genetic test services to include sports, skin, diet, and health panels. In Indonesia, Cordlife launched Bebegene, which is the country's first newborn genetic screening service that can detect over 100 conditions caused by chromosomal abnormalities. Cordlife Singapore has also partnered with the Centre for Clinical Haematology in Singapore, to offer the peripheral blood stem cell service to patients in need of haematopoietic stem cell transplants, a well-established treatment for blood cancers. This new partnership gives us another avenue to further our mission as the market leader in providing high-quality, reliable services that are geared toward consumers.

Along the way, the Group has forged and strengthened our strategic alliances that assist Cordlife in reaching its business objectives. Increasing its regional footprint further, Cordlife expanded its diagnostics services to Cambodia through a partnership with a reputable medical laboratory and distribution company. Together with our cord lining licensing partner, CellResearch Corporation Pte. Ltd. ("CRC"), we successfully published the findings of a joint study demonstrating the superiority of CRC's patented stem cell expansion technology over convention ones. This helps to give our clients more confidence in our services.

We have also put a lot of effort into connecting and maintaining close ties with the community. In FY2022, Cordlife supported and organised various charity events and fundraising drives to support our beneficiaries and give back to the community. We believe in going the extra mile and will continue to create a positive impact on society.

FINANCIAL PERFORMANCE

During the first half of 2022, the world continued to fight emerging COVID-19 variants while slowly moving towards an endemic phase by the end of the year. As we carefully set up a new normal for endemic COVID-19, we were affected by the recessionary pressures caused by the pandemic. This led to tightened consumer spending, which affected new client sign-ups.

Revenue for the Group fell by 2.7% year-on-year to S\$55.2 million in FY2022, compared to S\$56.7 million in the same period ended 31 December 2021 ("FY2021"). The drop was primarily due to a decrease in the number of new samples processed and stored by the banking business unit. The revenue contribution for this segment declined from S\$53.1 million in FY2021 to S\$50.8 million in FY2022. On the brighter side, the decline in banking revenue was offset by an increase of 21.6% in diagnostics revenue. The Group reported sequentially stronger second-half revenue of S\$28.9 million, benefiting from the easing of the pandemic-related restrictions. With the commencement of more in-person marketing events, the Group hopes to reach out to a larger target group of consumers. We ended the financial year with a net profit of S\$4.9 million, compared to S\$6.1 million in FY2021.

The Group's net cash position as at 31 December 2022 remains healthy, contributed by a strong net cash flow from operations of S\$5.9 million in FY2022.

ACKNOWLEDGEMENTS

In FY2022, Mr Choo Boon Yong resigned as the Group Chief Financial Officer to pursue personal interests. I would like to thank Mr Choo for his efforts and the experience that he brought to the Group and wish him the best in his future endeavours. As we begin the new year, I would like to congratulate Ms Thet Hnin Yi on her appointment as the Group Chief Financial Officer in January 2023. Ms Thet has been with us for over a decade, and I am confident in her expertise and ability to lead the Group. I am grateful to our Board and the management team for their leadership and relentless support through challenging times.

I would also like to take this opportunity to express my sincere appreciation to our valued shareholders, business partners, clients, and staff for their unconditional faith in our business and its ability to generate value. Our stakeholders play an imperative role in all our achievements, making us the market leader of choice across Asia.

Mr Joseph Wong Wai Leung
Chairman and Independent Director

GROUP CEO'S MESSAGE

Dear Valued Shareholders,

While every year comes with its own set of challenges, the magnitude of these in recent years has been particularly daunting. Even in the post-pandemic era, the Group has been operating in an environment of uncertainty and disruption. In order to overcome the challenges, businesses across the world have been forced to rethink their long-term goals and strategies to ensure the sustainability of their operations. Cordlife is at the cusp of a 22-year track record and will continue to prepare for the future by improving its business model to adapt to changing consumer trends.

LONG-TERM BUSINESS STRATEGY

The Group has been working towards implementing a multi-layered 1-2-4 strategy: representing 1 for the child, 2 for the parents, and 4 for the grandparents. Stem cell banking may be regarded as one of the best ways to protect one's child from a potential life-threatening disease. Starting out as the first cord blood bank in Singapore back in 2001, the Group now operates stem cell cryopreservation facilities in over 6 markets across Asia. While global fertility rates have been on the decline, partially attributed to the pandemic, parents are becoming increasingly conscious about healthcare and preventive care for their children and families, leading to an increase in medical expenditure.¹

Our team is working on expanding the scope of our offerings to deliver more value to our current and prospective clients, as well as their extended families. Non-invasive prenatal testing ("NIPT"), paediatric vision and hearing screening, and newborn metabolic screening are currently among our diagnostics services. In addition to our core business in cord blood, cord lining, and cord tissue banking, we introduced gut microbiome and lenticule banking services, both of which have far-reaching benefits.

With advances in genetic sequencing and computing, the secrets of the gut microbiome are being unlocked, and new applications are being developed for conditions as diverse as autism, dementia, Parkinson's disease, inflammatory bowel disease, and diabetes, among others. Researchers and scientists around the world found the use of lenticules beneficial in treating vision disorders. Our goal is to create an all-encompassing range of products and services that meet the needs of all three generations.

"IN FY2022, THE GROUP CONTINUED TO WORK ON DEVELOPING AND IMPLEMENTING BETTER HEALTHCARE SOLUTIONS AND PACKAGES WHILE LOOKING FOR GROWTH THROUGH BOTH ORGANIC MEANS AND ACQUISITIONS. WE HAVE INVESTED RESOURCES TO INCREASE OUR PRODUCT AND SERVICE SCOPE, AS WELL AS OUR GEOGRAPHICAL FOOTPRINT, TO FACILITATE THE DEVELOPMENT AND EXPANSION OF OUR STEM CELL ECOSYSTEM."

¹ The Straits Times, Budget 2022: Healthcare spending to form bulk of increase in social expenditures by 2030: <https://www.straitstimes.com/singapore/budget-2022-healthcare-spending-to-form-bulk-of-govt-expenditure-by-2030>

The utilisation of stem cell therapy for its regeneration and repair of damaged, malfunctioning, or wounded tissues, along with its aesthetic benefits, are on the rise. The global stem cell therapy market is expected to grow at a CAGR of 17% from 2021 to 2030.² As awareness of the benefits of stem cells and genetics grows and the market matures, Cordlife is ready to capitalise on this growth potential and bring quality products and services to the market.

BUSINESS REVIEW

In FY2022, the Group continued to work on developing and implementing better healthcare solutions and packages while looking for growth through both organic means and acquisitions. We have invested resources to increase our product and service scope, as well as our geographical footprint, to facilitate the development and expansion of our stem cell ecosystem.

To highlight a few of our significant milestones and diversification efforts in FY2022, we launched Earscreen™ and Talent Screening services in Singapore in February, expanding our suite of paediatric services. The launch of the first-ever gut microbiome banking service in Southeast Asia, in partnership with AMILI Pte. Ltd., was another landmark event for Cordlife Singapore and the Group as a whole. In Hong Kong, Cordlife launched lifestyle genetic test services and an expanded panel of NIPT, covering 116 microdeletion syndromes. According to Ipsos Healthcare Cord Blood Report, 2009-2022, HealthBaby is the most preferred cord blood bank among parents in Hong Kong for the 14th consecutive year. In line with its long-term geographical diversification strategy, Cordlife expanded its services relating to processing and storing of peripheral blood stem cell ("PBSC") to patients in Singapore alongside Malaysia.

In the Philippines and Indonesia, Cordlife launched Bebegene, a newborn genetic screening service, as well as a new range of NIPT with expanded test panels. Cordlife Indonesia partnered with Dharmas Cancer Hospital in January 2022 to offer its stem cell cryogenic storage services to leukaemia patients in order to support cellular therapy. The Group curates its services to cater to the growing mass affluent market through a range of value-added services and bundled plans, as evidenced by Cordlife Indonesia witnessing an increase in conversions to higher-value plans. In order to strengthen the ecosystem and increase utility for our consumers, Cordlife Philippines, Hong Kong and Indonesia launched Cordlife Alliance, a community banking service that allows Cordlife's clients to help other Cordlife families in need of a cord blood unit. The Group also continues to look for opportunities to expand into new markets such as Vietnam and Cambodia and has seen headway in its expansion goals.

We continued our digital transformation journey to improve operations and process flow, both externally for clients and internally for employees. During FY2022, major economies pivoted to endemic living and eased their COVID-19 restrictions. This resulted in the resumption of our participation in larger-scale baby fairs and consumer events in the second half of 2022. Going forward, we will continue these conventional marketing activities and concurrently run our digital initiatives and marketing campaigns to re-engage and target a broader client base, thereby expected to boost our market penetration and client base.

MAINTAINING SUPERIOR STANDARDS FOR PATIENT SAFETY

Safety and reliability are cornerstones of the industry that Cordlife operates in. Our clients' safety and well-being have always been our top priorities, and we take pride in delivering world-class quality and reliability in our products and services. Along with periodic compliance reviews, we voluntarily follow rigorous standards and undergo inspections and assessments to validate our operational safety and track record. As the technology and quality pioneer, we will go the extra mile to ensure that our clients can trust our services and bank on us to handle their family's biological products safely.

All our facilities are certified by the AABB, the gold standard for quality and safety in blood and biotherapies. Many of the services that we offer are also accredited by other leading standards organisations, such as the CAP and the International Organisation for Standardisation ("ISO"), to name a few. These accreditations attest to our strong medical competency and technical capabilities, making us the popular choice in our key markets.

APPRECIATION

On behalf of the Board of Directors, I would like to express my deepest appreciation to our clients, business partners, and all our stakeholders for believing in us and committing to working with us. I thank our management team and staff for their dedication and commitment to our business through trying times. I also extend my sincere appreciation to our shareholders for their trust and support. I believe that the Group is headed in the right direction and will continue to protect the interests of its stakeholders to the best of its ability.

Ms Tan Poh Lan

Group Chief Executive Officer and Executive Director

² Spherical Insights: <https://www.globenewswire.com/en/news-release/2022/11/17/2558543/0/en/Global-Stem-Cell-Therapy-Market-Size-to-grow-USD-1027-Million-by-2030-CAGR-of-17.html>



We believe that delivering **holistic and innovative healthcare solutions** to families begins with fostering a progressive and meaningful work culture for our people.



OUR GUIDING PRINCIPLES AND VALUES

These are our guiding principles that underpin how we will continue to achieve business growth and success in our key markets.

Helping people live healthier, happier, and longer

The cornerstone of our success has been, and will always be, passion. Passion drives everything we do. We believe what we do can truly help save lives. One of the most satisfying moments was when we released our first cord blood unit for a transplant in Singapore in 2002. Since then, we have released many stem cell units for medical use. Each successful release is a momentous experience, which we celebrate with the family. While we initially existed to provide cord blood banking services to enable stem cell transplants and regenerative medicine, we have since evolved beyond cord blood banking with the ultimate aim of helping people live healthier, happier, and longer.

We are Cordlife

Our people are our greatest asset. We recognise and nurture our top performers and reward them appropriately. We also focused on developing key management competencies in areas such as quality, clinical advancements, succession planning, strategy formulation, and execution. We believe that delivering holistic and innovative healthcare solutions to families begins with fostering a progressive and meaningful work culture for our people.



OUR MILESTONES AND ACHIEVEMENTS

CELEBRATING MORE THAN 21 YEARS OF QUALITY CORD BLOOD BANKING AND MORE...

We are focused on helping people live healthier, happier, and longer by providing reliable healthcare solutions through innovation, technological advancement, and commitment to quality. Here are some of the initiatives we have made during the year.

GROUP	SINGAPORE	MALAYSIA	HONG KONG	PHILIPPINES	INDONESIA	INDIA
<p>Feb Cordlife Group continued its journey on a digital transformation to improve operations and process flow, externally for clients and internally for employees. Our ambition is to establish the connecting link to enable and accelerate Cordlife's progress towards becoming a more diversified business over the next five years.</p> <p>May Cordlife Group celebrated its 21st Anniversary with group-wide activities and the launch of a new corporate video that showcased our key milestones and expanded suite of diagnostics services.</p> <p>Nov Cordlife Group and CellResearch Corporation Pte. Ltd. published the results of a study to demonstrate the superiority of Cordlife's cord lining banking service.</p>	<p>Feb Launched Earscreen™ and Talent Screening services in Singapore, expanding its suite of paediatric services.</p> <p>May Organised a virtual charity walkathon as a part of its 21st anniversary celebration.</p> <p>Jun Partnered with AMILI Pte. Ltd. to launch the first-ever gut microbiome banking service in Southeast Asia.</p> <p>Dec Celebrated the season of giving through fundraising during the SG Cares Giving Week and sponsored complimentary Earscreen™ tests to benefit more than 100 children from Canossville Children and Community Services.</p>	<p>Apr Stemlife Malaysia received AABB accreditation for the third time.</p> <p>Sep Official opening of the new Stemlife Malaysia office in Kuala Lumpur, Malaysia.</p> <p>Dec Received the renewal of the cord blood banking and peripheral blood banking licence from the Ministry of Health, Malaysia.</p>	<p>Mar Cordlife Hong Kong attained AABB accreditation for the sixth time.</p> <p>Healthbaby attained CAP accreditation for the fifth time.</p> <p>Aug Healthbaby was once again the most preferred cord blood bank by parents in Hong Kong for 14 consecutive years, according to the Ipsos Healthcare Cord Blood Report, 2009-2022.</p> <p>Cordlife Hong Kong launched lifestyle genetic test services, which include panels for sports, skin, diet and health.</p> <p>Sep Cordlife Hong Kong launched the expanded panel of the NIPT that covers the testing of 116 microdeletion syndromes.</p> <p>Nov Healthbaby attained AABB accreditation for the eighth time.</p>	<p>May Launched Bebegene Buccal Swab, a newborn genetic screening service.</p> <p>Aug Cordlife Philippines successfully passed ISO9001:2015 surveillance audit.</p> <p>Oct Launched NICE Premium Plus, a non-invasive prenatal test with an expanded panel to detect more conditions.</p> <p>Nov Spearheaded the celebration of the 6th World Cord Blood Day.</p> <p>Dec First successful release of banked expanded mesenchymal stem cells for two patients.</p>	<p>Jan Partnered with Dharmais Cancer Hospital to offer stem cell cryogenic storage service to leukaemia patients in support of cellular therapy.</p> <p>Mar Collaborated with POTADS (Community for Parents of Children with Down Syndrome) to host a talent show for children with Down syndrome.</p> <p>Aug Launched Bebegene, the country's first newborn genetic screening service that can detect 117 conditions caused by chromosomal abnormalities and diseases.</p> <p>Oct Launched NICE Premium.</p> <p>Held the #Sehat360 event in collaboration with Green Lake City Cycling Club and Mandaya Royal Hospital Puri to promote healthy lifestyle and the benefits of DNA testing.</p> <p>Nov Celebrated World Cord Blood Day with Tentanganak to raise awareness of 'Cord Blood and Life' through an educational webinar.</p>	<p>Feb Cordlife India attained DCGI accreditation for the fifth time.</p> <p>Mar Honoured female doctors on International Women's Day, in line with the theme #BreakTheBias.</p> <p>Aug Cordlife India attained NABL accreditation for the fourth time.</p> <p>Sep Relocated the corporate office in Kolkata to a new office building.</p>

BANKING

CORD BLOOD

Collection at birth, processing, testing and cryopreservation of cord blood.



CORD LINING

Collection at birth, processing, testing and cryopreservation of the lining of the umbilical cord, which contains two cell types.

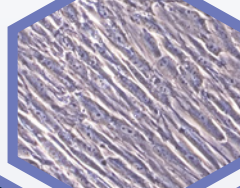
Cordlife owns an exclusive licence from CellResearch Corporation to market the service.



CORD LINING MESENCHYMAL STEM CELLS

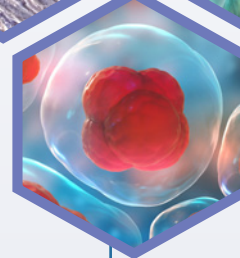
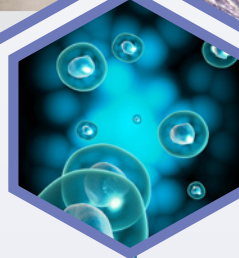
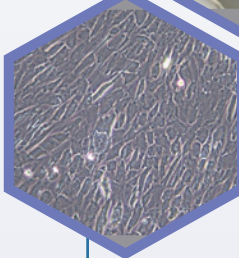
Collection at birth, processing, harvesting, testing and cryopreservation of Mesenchymal Stem Cells ("MSC") from the umbilical cord lining.

Cordlife owns an exclusive licence from CellResearch Corporation to market the service.



CORNEAL LENTICULE

Collected after the patient undergoes a refractive eye surgery using lenticule extraction method, processing, testing, and cryopreservation of corneal lenticules.



CORD LINING EPITHELIAL STEM CELLS

Collection at birth, processing, harvesting, testing and cryopreservation of Cord Lining Epithelial Stem Cells ("CLEpSC") from the umbilical cord lining.

Cordlife owns an exclusive licence from CellResearch Corporation to market the service.

CORD TISSUE

Collection at birth, processing, testing and cryopreservation of umbilical cord tissue, in particular Wharton's Jelly, which contains one type of stem cells.

CORD TISSUE MESENCHYMAL STEM CELLS

Collection at birth, processing, harvesting, testing and cryopreservation of MSC from the umbilical cord tissue.

Cordlife owns a proprietary technology to extract MSCs from cord tissue.

PERIPHERAL BLOOD STEM CELLS

Collection, processing, testing and cryopreservation of Haematopoietic Stem Cells ("HSC") from peripheral blood.

GUT MICROBIOME

Collection, processing, testing and cryopreservation of healthy gut microbiome from stool sample.

OUR SERVICES AT A GLANCE

DIAGNOSTICS

NEWBORN GENETIC SCREENING

A non-invasive screening for chromosomal abnormalities and gene variants connected to 117 genetic disorders in babies using cord blood.

PAEDIATRIC VISION SCREENING

A non-invasive screening test for the early detection of potential vision problems in children as young as 6 months old to 6 years old.

PAEDIATRIC EAR SCREENING

A non-invasive screening test for the early detection of potential hearing problems in children as young as 6 months old to 6 years old.

PAEDIATRIC ALLERGEN TEST

A test designed to detect up to 104 allergens in children.

GENETIC TALENT TEST

A non-invasive genetic test that scientifically assesses a child's certain innate abilities and personality traits to help parents understand their child's genetic potential.



PREIMPLANTATION GENETIC SCREENING

A screening test performed to identify chromosomally normal embryos to help patients increase their chances of conceiving a healthy baby.

ENDOMETRIAL RECEPTIVITY TEST

A microRNA-based endometrial receptivity analysis to determine the optimal time for embryo implantation to improve the success rate of IVF treatment.

NON-INVASIVE PRENATAL TESTING

A screening test using whole genome sequencing to analyse cell-free foetal DNA present in maternal blood as early as 10 weeks of pregnancy to detect the risk of chromosomal abnormalities.

NEWBORN METABOLIC SCREENING

A non-invasive, early detection test specially designed to screen inherited metabolic disorders in newborns.

OTHERS

LIFE SPROUTS

A concept unit established to explore new ways to meet health, wellness and lifestyle needs of our existing clients and prospects, as well as to increase our customer engagement by delivering value at every milestone of their life journey.



DIGITAL HEALTHCARE

MOMS UP

A mobile app offering pregnancy as well as parenting resources for moms and moms-to-be in Asia.

REVENUE

Despite the challenges faced by the inflationary pressure across the global economy, which led to tightened consumer spending, the Group has managed to report a sequentially stronger revenue of S\$28.9 million for the second half year ended 31 December 2022 ("2H2022") compared to the first half year ended 30 June 2022 ("1H2022"). This was a result of an increase in higher value plans uptake and the introduction of additional value added services, in addition to the resumption of large scale in-person marketing events in 2H2022. Still, revenue for the Group fell by 2.7% year-on-year ("YOY") to S\$55.2 million for the year ended 31 December 2022 ("FY2022"), compared to S\$56.7 million for the year ended on 31 December 2021 ("FY2021"). This was partly contributed by the spike in COVID-19 cases in Singapore due to the OMICRON wave during the first half of 2022, which brought about restrictions on client acquisitions from clinics and hospitals.

The drop in revenue was primarily driven by the banking business unit, which reported a 4.7% YOY decrease in the number of new samples processed and stored. This was offset by an increase in average revenue per new sample stored due to more conversions to higher value plans in Indonesia and the introduction of additional value-added banking services during the year. As a result, banking revenue decreased by 4.3% to S\$50.8 million in FY2022 compared to S\$53.1 million in FY2021.

The Group continues to forge ahead with its strategy to grow its revenue stream from expanding the Group's diagnostics services offerings, catering to the evolving business landscape and consumer demands. Revenue from the diagnostics business unit grew 21.6%, or S\$0.8 million, from FY2021 to FY2022.

PROFITABILITY AND MARGINS

In line with the decline in the number of new samples processed and stored and the decrease in revenue, gross profit decreased by 5.8% YOY to S\$37.2 million in FY2022 compared to S\$39.5 million in FY2021. Due to the higher cost of delivery as a result of the inflationary pressure, the Group's gross profit margin decreased to 67.4% in FY2022 as compared to 69.7% in FY2021. However, the Group continued to manage its operating costs effectively, as administrative expenses decreased by 1.1% YOY to S\$18.3 million and selling and marketing expenses increased by a modest 2.9% YOY to S\$18.0 million in FY2022 as in-person marketing activities started to resume.

The Group ended the financial year with a decrease in net profit of 20.4% YOY to S\$4.9 million compared to S\$6.1 million in FY2021.

FINANCIAL POSITION AND CASH FLOWS

The Group's balance sheet remained strong, with cash and cash equivalents, fixed deposits, and investments totalling S\$79.3 million as at 31 December 2022, up from S\$79.0 million as at 31 December 2021. The increase was mainly due to net cash from operating activities of S\$5.9 million, proceeds from the disposal of property, plant and equipment of S\$1.5 million and proceeds from sale of investment properties of S\$2.8 million, which was offset by the purchase of property, plant and equipment and intangible assets of S\$2.4 million, dividend payment of S\$2.3 million and translation losses mainly on the fixed deposits balances.

Net cash generated from operating activities comprised mainly operating cash flows before movements in working capital of S\$6.1 million and net interest received of S\$2.5 million offset by net working capital outflow of S\$1.4 million and income tax paid of S\$1.2 million.

DEVELOPMENT IN DIGITAL HEALTHCARE

As the consumer market increasingly adopts digital technology, the Group ventured into the digital healthcare industry in 2021 with the launch of Moms Up mobile application. This app is designed to cater to the needs of expectant mothers, mothers with young children, and women who are trying to conceive. Moms Up is poised to become a crucial platform for the Group to connect with new prospects, engage with our growing customer base, expand revenue channels, and educate users about our products and services. Moms Up can be downloaded in five key markets, including Singapore, Malaysia, Indonesia, the Philippines, and India, representing a total addressable market of over 25 million potential new births annually. Since its launch, Moms Up has garnered more than 34,000 downloads, with about 5,000 new users joining each month. In FY2023, the Group aims to reach more than 100,000 families across these markets. The Group also plans to form more user communities and provide users with access to vital products and services through the Moms Up eCommerce platform.



FINANCIAL HIGHLIGHTS

REVENUE

FY2020 (restated)		S\$59.0M
FY2021		S\$56.7M
FY2022		S\$55.2M



GROSS PROFIT

FY2020 (restated)		S\$40.1M
FY2021		S\$39.5M
FY2022		S\$37.2M



GROSS PROFIT MARGIN

FY2020 (restated)		68.0%
FY2021		69.7%
FY2022		67.4%



PROFIT BEFORE INCOME TAX FROM OPERATIONS

FY2020		S\$7.0M
FY2021		S\$6.4M
FY2022		S\$4.2M



NET PROFIT

FY2020		S\$6.6M
FY2021		S\$6.1M
FY2022		S\$4.9M



EARNINGS PER SHARE

FY2020		2.57 cents
FY2021		2.40 cents
FY2022		1.91 cents



CASH AND CASH EQUIVALENTS, SHORT-TERM AND LONG-TERM INVESTMENTS AND PLEDGED AND UNPLEDGED FIXED DEPOSITS

31 December 2020		S\$75.2M
31 December 2021		S\$79.0M
31 December 2022		S\$79.3M



GEARING RATIO

FY2020		2.99%
FY2021		0.00%
FY2022		0.00%



NAV PER SHARE

31 December 2020		52.33 cents
31 December 2021		53.54 cents
31 December 2022		52.48 cents



DIVIDEND

FY2020		Final dividend of 0.9 cents
FY2021		Final dividend of 0.9 cents
FY2022		Nil



CORPORATE SOCIAL RESPONSIBILITY

BUILDING TIES AND UPLIFTING COMMUNITIES

Cordlife's dedication to helping people live healthier, happier, and longer extends beyond our clients and into the larger communities we serve. As members of these communities, we believe it is our responsibility to assist those in need and to effect positive change.



WORLD DOWN SYNDROME DAY

Down syndrome is a genetic disorder characterised by the presence of an extra chromosome at birth. Cordlife offers NIPT to expectant mothers in Singapore, Indonesia, Malaysia, Hong Kong, and the Philippines through obstetricians, a test that can help identify if the foetus is at risk of having Down syndrome. In honour of World Down Syndrome Day in March, Cordlife Indonesia collaborated with POTADS to host the "6th Trisomy Awareness Bash" to educate more people about the importance of chromosomal disorder screening. The event saw children with Down syndrome sing, perform, and showcase their multiple skills just like any other kid would.

WORLD THALASSAEMIA DAY

Thalassaemia is one of the world's most common inherited blood disorders. Patients with thalassaemia require regular blood transfusions because their bodies are not able to produce enough haemoglobin. Haemoglobin is a red blood cell protein that transports oxygen from the lungs to the tissues. If left untreated or undertreated, thalassaemia can lead to life-threatening complications. A well-established treatment for thalassaemia is the transplantation of haematopoietic stem cells, which can be found in cord blood. In support of "Dress RED for Thalassaemia", a campaign organised by the Children's Thalassaemia Foundation that aims to improve patients' health and quality of life, all of the staff from Cordlife Hong Kong and Healthbaby Hong Kong wore red on 25 November to help raise funds and public awareness about thalassaemia.



CHILDHOOD CANCER AWARENESS MONTH

September is Childhood Cancer Awareness Month. An average of 150 children are diagnosed with cancer in Singapore every year. Cancer is also the second leading cause of death in children in Singapore. Common childhood cancers include leukaemia, lymphoma, brain tumours, neuroblastoma and retinoblastoma. As part of their efforts to promote awareness of the disease and the importance of early screening, Cordlife Singapore dedicated social media posts in September to feature stories on how cord blood stem cells have been used to treat childhood cancers.

6TH WORLD CORD BLOOD DAY

Every year on 15 November, the world celebrates World Cord Blood Day. To mark this meaningful event, the Group's companies will work together to send out messages reminding the public about the precious value of cord blood. Cordlife Philippines spearheaded World Cord Blood Day 2022 with a series of events to educate mothers about the advancement of cord blood transplantation. They invited Cordlife mothers to kick off the event on Instagram Live by sharing their own pregnancy and cord blood banking journeys with Cordlife.

UNITING CORDLIFE CLIENTS THROUGH THE CORDLIFE ALLIANCE

As part of our ongoing initiatives to safeguard the well-being of families and develop additional resources for children and mothers, Cordlife Alliance was introduced to Hong Kong, Indonesia, and the Philippines. Cordlife Alliance is a community banking programme that allows Cordlife clients to help another Cordlife family in need of a cord blood unit by providing them immediate access to a genetically diverse pool of cord blood units from Cordlife members in other Asian countries.



BUILD A LIFE WITH CORDLIFE

As a part of Cordlife's 21st anniversary celebration in 2022, Cordlife Singapore organised a charity virtual walkathon from 1 to 21 May to rally families to walk and raise funds for Metta School with the support of Community Chest. Building on the momentum to support meaningful social causes, Cordlife has adopted Canossaville Children and Community Services as our appointed beneficiary for the Year-end Cordlife Donation Drive and sponsored free Earscreen™ to over 100 children in December. Together, more than S\$25,500 was raised, with all proceeds benefiting underprivileged families as well as children with special needs and multiple disabilities.

HEALTHY LIFESTYLE WITH #SEHAT360

Cordlife Indonesia, in collaboration with Green Lake City Cycling Club (GLCCC) and Mandaya Royal Hospital Puri, held the #Sehat360 event to share the benefits of DNA testing and how to create a healthier lifestyle by understanding your genetic makeup in honour of National Customer Day. The event was marked by the presence of Cordlife's Group Chief Executive Officer and Executive Director, Ms Tan Poh Lan, and Cordlife Indonesia Chief Executive Officer, Ms Retno Suprihatin. The aim of the event was to encourage everyone to start a healthy and active journey right away and show how DNA sports testing can help them make better exercise choices.



BOARD OF DIRECTORS



Mr Joseph Wong Wai Leung
Chairman and Independent Director

Mr Joseph Wong Wai Leung was appointed as an Independent Director of the Company on 23 September 2014 and was last re-elected on 29 April 2022. He was re-designated as Chairman of the Board on 1 December 2021.

Mr Wong has a wealth of experience in the financial services industry. He started his career at Big Four auditing firms, PricewaterhouseCoopers and Deloitte Touche Tohmatsu, Hong Kong ("Deloitte"). At Deloitte, he was engaged in a wide spectrum of business domains, including initial public offerings, taxation, and asset protection plans for high-net-worth individuals. Subsequently, he worked at Credit Agricole (Suisse), Hong Kong, where he advised clients on wealth management.

Mr Wong holds a Bachelor of Commerce from the University of Calgary in Alberta, Canada.



Dr Ho Choon Hou
Vice Chairman and Non-Independent Non-Executive Director

Dr Ho Choon Hou was first appointed as a Director of the Company in June 2011 and was last re-elected on 30 April 2021. He was re-designated as Non-Independent Non-Executive Director with effect from 1 December 2021. Following the re-designation, Dr Ho took on the position of Vice Chairman of the Board, in charge of the mergers and acquisitions and investment.

Dr Ho is the Managing Director of Southern Capital Group Limited, where he is responsible for the origination and execution of investments. He is also the Independent Director of Advanced Holdings Limited, Vividthree Holdings Ltd. and Mclean Berhad.

Dr Ho holds a Bachelor of Medicine and Bachelor of Surgery (Honours) from the University of Sheffield, as well as a Master of Medicine (Surgery) from the National University of Singapore and a Master of Business Administration (Honours) from the University of Chicago (Graduate School of Business).



Ms Tan Poh Lan
Group Chief Executive Officer and Executive Director

Ms Tan Poh Lan was first appointed as Group Chief Operating Officer of the Company on 12 April 2016. She was appointed as Group Chief Executive Officer and Executive Director on 28 February 2019 and was last re-elected on 29 April 2022.

Ms Tan has 30 years of extensive experience in the private and public healthcare sectors. Prior to her current portfolio, she was the Chief Executive Officer in both regional and local hospitals, namely Parkway East Hospital (formerly East Shore Hospital) and Gleneagles Hospital in Singapore, Vinmec International Hospital in Hanoi, Vietnam and Fortis Healthcare Singapore.

Ms Tan holds a Master of Business Administration from National University of Singapore and graduated with Honours in Occupational Therapy from University of Queensland, Australia.



Mr Yeo Hwee Tiong
Independent Director

Mr Yeo Hwee Tiong was appointed as an Independent Director of the Company on 22 May 2018 and was last re-elected on 30 April 2021.

Mr Yeo is currently the Senior Advisor of Clermont Holdings, Healthcare Group. He has more than 28 years in the healthcare and project management industry and has been involved in the pre-development and planning, construction, project management, hospital management and restructuring of hospitals in Singapore, Malaysia, Myanmar and Vietnam. Mr Yeo was instrumental in the restructuring and turning around of three hospitals in Singapore and Malaysia. Of these, he listed two in Singapore. Mr Yeo also has experience in Vietnam, taking a greenfield hospital project from inception to completion, and into hospital management. In the project management sector, Mr Yeo has been involved at a senior level in Singapore, India, Vietnam and New Zealand where he project-managed large office complexes, air terminals, industrial park, microwave tower, medical centres and hospitals. Prior to his current portfolio, Mr Yeo held positions as the Group Chief Executive Officer with the Singapore Women's & Children's Medical Group Pte Ltd, Principal with KPMG, Deal Advisory, Healthcare (Singapore and Asia Pacific) and also the Group Chief Executive Officer with Thomson Medical Centre Ltd.

Mr Yeo obtained his Bachelor of Science (Building) from Heriot-Watt University, Edinburgh, United Kingdom. He also holds a Master of Science (Project Management) from National University of Singapore.

BOARD OF DIRECTORS



Mr Cheong Tuck Yan Titus Jim
Independent Director

Mr Titus Cheong was appointed as an Independent Director of the Company on 1 December 2021, and was last re-elected on 29 April 2022.

Mr Cheong is the Chief Financial Officer of Pasture Pharma Pte Ltd, a global pharmaceutical and medical supplies company based in Singapore. Prior to this, Mr Cheong served as the Board Advisor and Chief Financial Officer of the TuckLee family from 2017 to 2020. The family has businesses in the FMCG cold chain industry in Singapore, China and Malaysia, including manufacturing, warehousing, logistics, F&B distribution and other FMCG products. He also served as interim CFO for JCS Biotech, a hospital disinfectant company and BBD-Ozonator, a hospital waste-to-energy recycling company. He formerly served as the Director of the Programs Oversight Committee and Co-Chair of the Investment Committee at the Singapore International Foundation, where he supported healthcare programmes and managed funds and endowments ranging from US\$33M to US\$150M for them and for other Foundations as well. Mr Cheong is a seasoned corporate advisor with expertise in corporate turnaround, M&A, corporate finance, and business and IT strategy. He has previously held positions such as Managing Director of Renoir Consulting, Senior Vice President of Singapore Medical Group, Foundation Secretary of Putera Sampoerna Foundation in Indonesia, Regional Director of KPMG Consulting and Regional Director of Hewlett Packard.

Mr Cheong is an Associate Member of the Singapore Institute of Directors. He graduated from the University of Toronto, Canada with a Bachelor's degree, specialising in finance and economics. He is trained in Six Sigma project management and Design Thinking. He also earned a certificate in Social Leadership from the NVPC-run Harvard-Kennedy School.



Mr Zhai Lingyun
Non-Independent Non-Executive Director

Mr Zhai Lingyun was appointed as a Non-Independent Non-Executive Director of the company on 12 December 2019 and last re-elected on 12 June 2020.

Mr Zhai is currently the Chairman of Nanjing Xinjiekou Department Store Co., Ltd. He is also the Chairman of Dendreon Pharmaceuticals LLC, an immunotherapy company based in California US, Shandong Cord Blood Bank, a cord blood stem cell preservation company based in China, and Natali Seculife Holdings Ltd, the largest private healthcare services company in Israel.

Prior to his current portfolio, Mr Zhai was General Manager of Anhui Branch of Ping An Annuity Insurance Company of China, Ltd for six years. Subsequently, he joined Anhui Xinhua Distribution (Group) Holding Co., Ltd as Deputy General Manager. During his stint of six years overseeing and managing this traditional large-scale state-owned group in culture and media, he reformed the entire management system, revitalised its business and regained its market position.

In his last position in the Group, he served as Vice Chairman and General Manager of Anhui Xinhua Media Co., Ltd., a holding company listed on Shanghai Stock Exchange ("SSE") where the company achieved remarkable gains in market capitalisation under his stewardship.

Mr Zhai holds a Certificate in Economics from Anhui Investment Management Institute. He also obtained his MBA in Financial Management from University of Luton, UK. In addition, he was accredited as Senior Economist by Personnel Department of Anhui Province, China and awarded Certificate of Advanced Management Programme from China Europe International Business School (CEIBS), China.



Ms Chen Xiaoling
Non-Independent Non-Executive Director

Ms Chen Xiaoling was appointed as a Non-Independent Non-Executive Director of the Company on 1 December 2021, and was last re-elected on 29 April 2022.

Ms Chen Xiaoling has over seven years of healthcare expertise, specialising in M&A and post-merger integration, strategic planning, corporate finance and branding. She is currently the Senior Business Assistant to Chairman and Senior Director of Strategy Department in Immune-Therapy & Stem Cell Business Unit of Nanjing Xinjiekou Department Store Co., Ltd, a Shanghai Stock Exchange-listed company. Ms Chen is in charge of the Group's domestic and international healthcare business, including stem cell banking, cell immunotherapy, diagnostics, digital healthcare, hospital management as well as eldercare and healthcare at home. These companies include US-based Dendreon, Israel-based Natali, An Kang Tong, He Kang Healthcare and Shandong Cord Blood Bank. She is also a member of Board of Supervisors of Shandong Cord Blood Bank and a member of Board of Directors of Findgene and Dendreon US.

Ms Chen has previously worked on various M&A transactions in China and abroad, including the acquisitions of House of Frasers, Hamleys and Dendreon, in which she was involved in all stages of the transactions, including due diligence, agreement negotiation as well as post-merger integration. Prior to joining Nanjing Xinjiekou Department Store Co., Ltd, Ms Chen served as the Director of International Affairs Management Centre at Sanpower Group and Project Manager at UK-based Sinobridge.

Ms Chen graduated from University of Bath with a Master's degree. She also has a Bachelor of English Literature and Culture from Southwestern University of Science and Technology.



Mr Yiu Ming Yiu
Non-Independent Non-Executive Director

Mr Yiu Ming Yiu was appointed as a Non-Independent Non-Executive Director of the Company on 1 December 2021, and was last re-elected on 29 April 2022.

Mr Yiu is the Chairman of Everest-Fortune (China) Commercial Factoring Co., Ltd, a company principally engaged in factoring business in Mainland China. He is in charge of over RMB250M in factoring contracts with clients, and he is constantly adjusting the factoring portfolio to ensure a diversified client base. Mr Yiu also identifies key and uprising markets that provide the company's factoring capital with a reasonable risk return. Mr Yiu is also the Vice Chairman of Transglobal Group (International) Limited, which specialises in real estate development, as well as the building and operation of toll road assets in Hong Kong and Mainland China.

Mr Yiu has a Master's degree in Business Administration from Peking University Guanghua School of Management, as well as a diploma in Business Information Technology from Ngee Ann Polytechnic.

BOARD OF DIRECTORS



Mr Chow Wai Leong

Non-Independent Non-Executive Director

Mr Chow Wai Leong was appointed as a Non-Independent Non-Executive Director of the Company on 1 December 2021, and was last re-elected on 29 April 2022.

Mr Chow is a General Manager at Honeywell's Safety and Productivity Solutions. He is currently based in China and leads a global team to develop, manufacture and promote products and software solutions to help improve productivity, workplace safety and asset performance. Mr Chow has been working at Honeywell since 1996. He has held multiple leadership positions including software and consultancy sales director and business development director focusing on the refining and petrochemical industries.

Mr Chow graduated with an honours degree from Nanyang Technological University Singapore with a major in Computer Engineering. He holds an Executive MBA from Beijing University's Guang Hua School of Management. In addition, he has also completed the Global Leadership Programme from Thunderbird University, Phoenix, Arizona.



Ms Thet Hnin Yi
Group Chief Financial Officer

Ms Thet Hnin Yi was appointed as the Group Chief Financial Officer on 16 January 2023. She is responsible for the Group's finance as well as treasury functions, and she supports the Group Chief Executive Officer in achieving the Group's strategic vision. She also assists in the development of new businesses and in maintaining investor relations.

Ms Thet joined the Group in June 2011, following the Company's demerger from Life Corporation Limited ("LCL") (previously known as Cordlife Limited). She joined LCL in December 2007 as Senior Finance Manager and was appointed Chief Financial Officer of the Group in August 2013, where she was involved in all areas of financial and accounting functions, including financial reporting, management reporting, and budgeting. She was re-designated as Group Finance Director in February 2017.

Prior to joining LCL, Ms Thet held various positions at Ernst & Young LLP from 2001 to 2007, including Audit Manager, where she was responsible for audits of public listed and multinational companies, and Learning and Development ("L&D") Training Manager, where she provided training to audit assistants and seniors as part of the L&D initiative to develop organisational and people capabilities. From 1997 to 2001, she held various positions at Tan Wee Tin & Co.; her last position was Audit Supervisor, where she was in charge of auditing small and medium enterprises as well as multinational companies.

Ms Thet holds a Master of Business Administration from the University of Manchester and a Diploma in Accountancy from Ngee Ann Polytechnic. She is also a fellow of the Association of Chartered Certified Accountants, United Kingdom, and a Chartered Accountant of Singapore.



Ms Jamie Woon Geok Peng
Group Director, Brand Development

Ms Jamie Woon oversees the Group's marketing strategies, marketing communications, and public relations activities.

From August 2016 to June 2018, Ms Woon was the Group Director, Brand Development and Innovation, and she was also responsible for the Group's new product and service development. Ms Woon was previously the Business Unit Director for Banking from July 2014 to July 2016, where she was in charge of the strategic and operational aspects of Cordlife's banking business, as well as meeting the Group's overall financial goals and ensuring adherence to quality policies and objectives. She joined LCL in October 2006 as the Regional Marketing Manager.

Ms Woon previously worked as the Marketing Manager for Singapore and Malaysia at California Fitness, where she developed and implemented marketing strategies that resulted in a 30% year-on-year revenue increase. She also worked at the National Kidney Foundation of Singapore ("NKF") from 1998 to 2006, where she received the Employee Excellence Award, given to only five outstanding employees out of 1,000. In her last role as Head of Communications Centre at NKF, she led her team to a 64% increase in funds raised year over year. Ms Woon is also the co-founder of Spice N' Pans, a top 10 YouTube channel in Singapore with nearly one million subscribers.

Ms Woon graduated from Nanyang Technological University with a Master of Business Administration and the University of Wales with a Bachelor of Science (Marketing). She holds a Diploma in Chemical Process Technology from Singapore Polytechnic as well as an Advanced Management Programme certificate from the University of California, Berkeley.

SENIOR MANAGEMENT



Ms Tan Huiying
Group Director, Quality and Operations

Ms Tan Huiying is responsible for group operations, information systems and technology, business development activities, and ensuring the Group's quality standards in service and product offerings are maintained according to applicable standards.

She was previously Business Unit Director, Diagnostics, from January 2014 to June 2016. Her responsibilities included developing and implementing growth and product strategies for the Group's diagnostics business to meet financial and non-financial goals.

Ms Tan joined LCL as a Business Development/Technical Executive in June 2006, where she was involved in technical and quality assurance projects, including facility design and build as well as the installation of quality management systems for ISO9001 certification. She has since taken on various regional operations, business development, and management roles at Cordlife, including that of Director of Philippines.

Ms Tan holds a Master of Business Administration with Accountancy and Finance specialisations from Nanyang Technological University, where she was placed on the Dean's Honours List. She also holds a Bachelor of Science (Honours) in Life Sciences from the National University of Singapore.



Ms Stella Lee Mei Suan
Group Director, Organisational Development

Ms Stella Lee is responsible for the Group's overall organisational development and human capital development. Her responsibilities also include structuring the organisation matrix, building new capabilities in accordance with strategic business direction, and establishing a strong organisational culture.

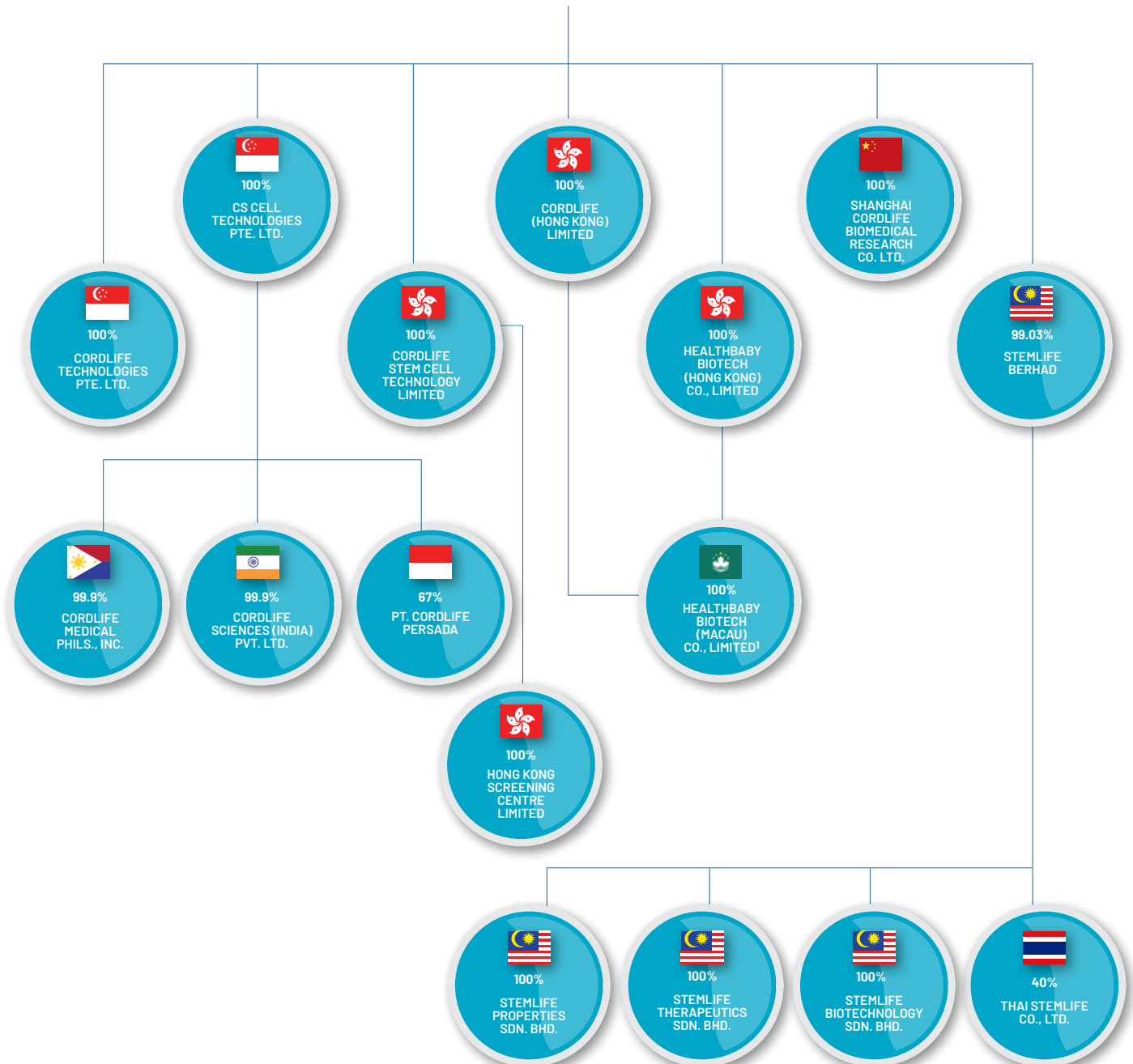
Ms Lee joined our Group in June 2011 as Deputy General Manager, following the demerger of our Company from LCL. She was appointed as Deputy Director, Organisation Development, in August 2013, before being promoted to Director, Organisation Development, in February 2014. Ms Lee had joined LCL in September 2004 as a Client Relations Executive. Subsequently, she rose to become Head of Business for Singapore and Head of Organisation Development (Corporate) in February 2007 and November 2009, respectively.

Prior to joining LCL, Ms Lee served as a Corporate Senior Sales Executive at R. Meyson Marketing Pte Ltd between April 2001 and May 2004. From 1995 to 1998, Ms Lee was a Sales Executive at Craftmark Marketing Pte Ltd and from 1991 to 1994, she was a Laboratory Technologist at the paediatrics department of the National University of Singapore.

Ms Lee obtained her Bachelor in Economics degree from Murdoch University in April 2014 and her MBA from Nanyang Technological University, Nanyang Business School, in July 2016. She also graduated with a Graduate Diploma in Organisational Psychology from the City University of New York and a Diploma in Biotechnology from Singapore Polytechnic in 2011 and 1991, respectively. Ms Lee is also a certified practitioner to administer the MBTI and Firo B instruments.



CORDLIFE GROUP LIMITED



¹ Healthbaby Biotech (Macau) Co., Limited is 99.0% held by Healthbaby Biotech (Hong Kong) Co., Limited and 1.0% held by Cordlife (Hong Kong) Limited.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr Joseph Wong Wai Leung

Chairman and Independent Director

Dr Ho Choon Hou

Vice Chairman and Non-Independent Non-Executive Director

Ms Tan Poh Lan

Group Chief Executive Officer and Executive Director

Mr Yeo Hwee Tiong

Independent Director

Mr Cheong Tuck Yan Titus Jim

Independent Director

Mr Zhai Lingyun

Non-Independent Non-Executive Director

Ms Chen Xiaoling

Non-Independent Non-Executive Director

Mr Yiu Ming Yiu

Non-Independent Non-Executive Director

Mr Chow Wai Leong

Non-Independent Non-Executive Director

COMPANY SECRETARY

Ms Ang Siew Koon, ACIS

Ms Kuan Yoke Kay, ACIS

REGISTERED OFFICE

1 Yishun Industrial Street 1

A'Posh Bizhub, #06-01/09,

Singapore 768160

www.cordlife.com

SINGAPORE CORPORATE OFFICE

1 Kim Seng Promenade,

#15-01, Great World City East,

Singapore 237994

REGISTRATION NUMBER

200102883E

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Tricor Barbinder Share Registration Services

80 Robinsons Road, #02-00

Singapore 068898

INDEPENDENT AUDITORS

KPMG LLP

Public Accountants and Chartered Accountants

Asia Square Tower 2

12 Marina View, #15-01

Singapore 018961

Partner in-charge:

Mr Quek Shu Ping

(Appointed since financial year ended 31 December 2019)

SOLICITORS TO THE COMPANY

WongPartnership LLP

12 Marina Boulevard

Level 28, Marina Bay Financial Centre Tower 3

Singapore 018982

BANKERS

DBS Bank Ltd

United Overseas Bank Ltd

Malayan Banking Berhad

INVESTOR RELATIONS

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Singapore 048543

Tel: (65) 9229 4410

Email: investor.relations@cordlife.com

Contact person:

Mr Kamal Samuel

CORDLIFE GROUP LIMITED (the “Company”) recognises the importance of good corporate governance practice to the healthy growth of the Company and its subsidiaries (the “Group”) and is committed to high standards of corporate governance within the Group to advance its mission to create value for the Group’s stakeholders.

The Company has endeavoured to adhere to the principles and provisions as set out in the Code of Corporate Governance 2018 (the “Code”) during the financial year ended 31 December 2022 (“FY2022”). This Corporate Governance Report (the “Report”) describes the Group’s corporate governance practices and sets out the manner in which the Group has applied the principles and the extent of compliance with the guidelines as set out in the Code, and where applicable, the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”) (the “Listing Manual”). Where there have been deviations from the Code, appropriate explanations have been provided in this Report.

In the opinion of the Board of the Directors of the Company (each a “Director”, and collectively the “Board” or “Directors”), the Company has generally complied with all of the provisions set out in the Code for FY2022.

BOARD MATTERS

Principle 1: The Board’s Conduct of Affairs

The Board’s role is to:

- (a) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- (b) establish a framework of prudent and effective controls, which enables risks to be assessed and managed, including safeguarding of shareholders’ interests and the Company’s assets;
- (c) review management performance;
- (d) identify the key stakeholder groups and recognise that their perceptions affect the Company’s reputation;
- (e) set the Company’s values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met; and
- (f) consider sustainability issues, e.g. environmental and social factors, as part of its strategy formulation process.

In fulfilling the Board’s role, the Board oversees the Group’s overall policies, strategies and objectives, key operational initiatives, performance and measurement, internal control and risk management, major funding and investment proposals, financial performance reviews and corporate governance practices.

The Board reserves for its own decision on matters such as, amongst others: (a) corporate restructuring; (b) mergers and acquisitions; (c) major investments and divestments; (d) material acquisition and disposal of assets; (e) major corporate policies on key areas of operations; (f) commitments to term loans and lines of credits from banks and financial institutions; (g) the annual strategic plan and budget; (h) share issuance; (i) declaration of interim dividends and proposed declaration of final dividends; (j) financial results for release to the SGX-ST; (k) interested person transactions of a material nature; and (l) appointment of Directors and change in composition of the Board Committees.

Following the amendment to Rule 705 of the Listing Manual which took effect from 7 February 2020, the Company ceased quarterly reporting and adopted the half-yearly reporting of the Company’s and Group’s financial statements, having considered the compliance efforts and costs in connection with quarterly reporting. To keep investors updated on the Company’s quarterly performance, the Company releases business update announcements after the Board has reviewed its first and third quarter financial results.

The schedule of the Board and Board Committee meetings as well as the Annual General Meeting (“AGM”) of the Company are planned well in advance. The Board will meet at least four (4) times a year as per the scheduled meeting calendar. In addition to the scheduled meetings, ad-hoc Board meetings are also convened as and when they are deemed necessary in between the scheduled meetings. The Constitution of the Company provides that the Directors may convene meetings by way of telephone conference, video conference, audio visual or similar means. When a physical Board meeting is not possible, timely communication with members of the Board is achieved through electronic means and the circulation of written resolutions for approval by the relevant members of the Board or Board Committees.

CORPORATE GOVERNANCE REPORT

To assist in the execution of its responsibilities and enhance the effectiveness of the Board, the Board is supported by the Audit and Risk Committee (“ARC”), the Nominating Committee (“NC”), and the Remuneration Committee (“RC”). The Board Committees operate within clearly defined terms of reference and functional procedures, which are reviewed on a regular basis. Details of each Board Committee, including the composition and terms of reference, can be found subsequently in this Report.

The current members of the Board, the nature of the Directors’ appointment to the Board and their membership on the Board Committees are set out below:

Name of Director	Position	ARC	RC	NC
Joseph Wong Wai Leung	Chairman and Independent Director	Chairman	Member	N.A.
Dr Ho Choon Hou	Vice Chairman and Non-Independent Non-Executive Director	Member	N.A.	N.A.
Tan Poh Lan	Group Chief Executive Officer and Executive Director	N.A.	N.A.	N.A.
Yeo Hwee Tiong	Independent Director	Member	Chairman	Chairman
Cheong Tuck Yan Titus Jim	Independent Director	Member	Member	Member
Zhai Lingyun	Non-Independent Non-Executive Director	N.A.	N.A.	Member
Chen Xiaoling	Non-Independent Non-Executive Director	N.A.	Member	N.A.
Yiu Ming Yiu	Non-Independent Non-Executive Director	Member	N.A.	N.A.
Chow Wai Leong	Non-Independent Non-Executive Director	N.A.	Member	N.A.

In FY2022, a total of five (5) Board meetings were held. The table below shows the attendance of the Directors at the last AGM in 2022 and the Board and respective Board Committee meetings in respect of FY2022⁽¹⁾:

Name of Director	AGM	Board	ARC	RC	NC
	No. of meetings attended				
Joseph Wong Wai Leung	1/1	5/5	5/5	1/1	N.A.
Dr Ho Choon Hou	1/1	4/5	5/5	N.A.	N.A.
Tan Poh Lan	1/1	5/5	N.A.	N.A.	N.A.
Yeo Hwee Tiong	1/1	5/5	5/5	1/1	2/2
Cheong Tuck Yan Titus Jim	1/1	5/5	5/5	1/1	2/2
Zhai Lingyun	1/1	2/5	N.A.	N.A.	1/2
Chen Xiaoling ⁽²⁾	1/1	5/5	N.A.	N.A.	N.A.
Yiu Ming Yiu	1/1	5/5	5/5	N.A.	N.A.
Chow Wai Leong	1/1	5/5	N.A.	1/1	N.A.

⁽¹⁾ Refers to meetings held/attended while each Director was in office and in the respective Board Committees, if any.

⁽²⁾ Ms Chen Xiaoling was appointed as a member of the RC with effect from 25 February 2022.

A formal letter is provided to each Director upon his or her appointment, setting out the Director’s duties and obligations. The newly appointed Directors received an orientation that includes briefings by the management of the Company (the “Management”) on the Group’s structure, strategic objectives, business operations and policies. They were also briefed by the Company’s legal counsel on ‘Director’s Duties and Responsibilities’ following their appointment. If the NC assesses that the new Directors require training, the Directors will also enroll for the Listed Entity Director Programme organised by the Singapore Institute of Directors. All the Directors were also given the opportunities to visit the Group’s operational facilities and to interact with members of the Management team.

In FY2022, the Directors were kept abreast of the changing commercial risks faced by the Company through briefings by the Management at Board meetings. The Directors were also updated on the latest changes in the Companies Act 1967 of Singapore, Listing Manual, the Code and the accounting standards by the relevant professionals at the quarterly Board meetings. The Directors also attended other training courses of their choice, and if the training is relevant to the performance of their duties as a Director of the Company, expenses were borne by the Company.

Principle 2: Board Composition and Guidance

As at 31 December 2022, the Board comprised nine (9) Directors of whom one (1) was Executive Director, five (5) were NINEDs, and three (3) were IDs.

With three (3) IDs on the Board out of nine (9) Directors, the Company maintains a strong and independent element on the Board with IDs making up one-third of the Board.

The Company defines an ID as one who has no relationship with the Company, its related corporations, its 5% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement with a view to the best interests of the Company. To be considered independent, the Director should not be someone who:

- (a) has been employed by the Company or any of its related corporations for the current or any of the past three financial years;
- (b) has an immediate family member who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the RC;
- (c) himself/herself, or has an immediate family member, accepting any significant compensation from the Company or any of its related corporations for the provision of services, for the current or immediate past financial year, other than compensation for Board service;
- (d) is a 5% shareholder or an immediate family member of a 5% shareholder of the Company;
- (e) is or has been directly associated with a 5% shareholder of the Company, in the current or immediate past financial year; or
- (f) himself/herself, or whose immediate family member, in the current or immediate past financial year, is or was a 5% shareholder of, or a partner in (with 5% or more stake), or an executive officer of, or a director of, any organisation to which the Company or any of its subsidiaries made, or from which the Company or any of its subsidiaries received, significant payments or material services (which may include auditing, banking, consulting and legal services), in the current or immediate past financial year. As a guide, payments aggregated over any financial year in excess of S\$200,000 should be generally be deemed significant.

The NC reviewed the independence of Mr Joseph Wong Wai Leung ("Mr Joseph Wong"), Mr Yeo Hwee Tiong ("Mr Yeo"), and Mr Cheong Tuck Yan Titus Jim ("Mr Titus Cheong"). The NC noted that the three Directors have no relationship with the Company, its related corporations, its 5% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement with a view to the best interests of the Company, and they had exercised objective judgment on corporate affairs independently from Management. Mr Yeo and Mr Titus Cheong, who are the Chairman and a member of the NC respectively, had abstained from deliberation on their own independence.

The Company was listed on the SGX-ST on 29 March 2012. Pursuant to Rule 210(5)(d)(iv) of the Listing Manual of the SGX-ST, which would take effect from the annual general meeting for the Company's financial year ending 31 December 2023, any independent director who has served on the Board for an aggregate period of more than nine years (whether before or after listing) from the date of their first appointment will not be considered an ID following the conclusion of the Company's annual general meeting to be held in 2024. Mr Joseph Wong has served as a director of the Company for more than 9 years and he would be considered non-independent following the conclusion of the Company's annual general meeting to be held in 2024, or when there are changes in circumstances that warrant him to be non-independent.

The Board concurred with the views of the NC on the independence of the three IDs. Each of the IDs had abstained from deliberating and deciding on his own independence.

CORPORATE GOVERNANCE REPORT

The Board has three (3) Directors with medical and healthcare backgrounds which are relevant to the business of the Company. They are Dr Ho Choon Hou, Mr Yeo, and Ms Tan Poh Lan. All three of them have extensive experience in managing healthcare companies. Mr Joseph Wong brings with him accounting and corporate finance experience. Mr Zhai Lingyun and Ms Chen Xiaoling bring with them vast experience in the biomedical and pharmaceutical industry which is also relevant to the Company's business. Mr Titus Cheong, with his experience in private equity, investment and consulting, strengthens the corporate finance knowledge base on the Board. Mr Yiu Ming Yiu brings with him investment and factoring business knowledge, and Mr Chow Wai Leong offers experience in business development.

The Board is led by Mr Joseph Wong, who is also currently the ARC Chairman. He has served as an ID of the Company since 2014 and has extensive knowledge of the Company's business. The Board and the NC are also of the view that the current Board comprises Directors who bring with them a wealth of expertise and experience in areas of medical, pharmaceutical and healthcare, accounting and finance, business management, mergers and acquisitions, business development, as well as regional markets which enable Management to benefit from a diverse and objective perspective on any issues raised before the Board. The Board also has gender diversity in having two (2) female Directors on the Board. The Company has in place a Board Diversity Policy which sets out the approach to diversity of the Board. The composition of the Board is reviewed at least annually, or as and when appropriate by the NC, in accordance with the Board Diversity Policy as well as other considerations, to ensure that there is a mix of experience and expertise to enable the Company to benefit from a diverse perspective from directors of different background. Key information on the Directors is set out on pages 18 to 22 of this Annual Report.

Pursuant to the Board Diversity Policy, the NC had recommended, and the Board had accepted, the following minimum diversity thresholds to be met by the composition of the Board moving forward:-

- (a) At least one (1) female director;
- (b) At least one (1) director with background in accounting and/or financing; and
- (c) At least one (1) director with experience in the Company's relevant industry.

As of FY2022, the above diversity thresholds has been met by the Board, and the Board and the NC shall regularly monitor and review the thresholds as and when required.

The Non-Executive Directors played a crucial role in helping to develop proposals surrounding the Company's strategies by challenging the strategies proposed by Management in a constructive manner. The Non-Executive Directors also met on several occasions on an informal basis in FY2022 without the presence of Management (including the Executive Director), to discuss matters relating to the Company and Management performance.

Principle 3: Chairman and Chief Executive Officer

To ensure a clear division of responsibilities and a balance of power and authority within the Company, the role of the Chairman and the Group Chief Executive Officer ("GCEO") of the Company are undertaken separately by Mr Joseph Wong Wai Leung and Ms Tan Poh Lan respectively.

The Chairman, Mr Joseph Wong Wai Leung, is an ID. He leads the Board in adhering to and maintaining a high standard of corporate governance with the full support of the Directors and Management. He approves the agendas for the Board meetings and exercises control over, amongst others, the quality, quantity, accuracy and timeliness of information flow between the Board and Management of the Company. He facilitates timely communication between the Board and Management, between the Company and its shareholders and amongst the Board members *inter se*, with a view to encouraging constructive relations and dialogue amongst them. At the AGM and other shareholder meetings, the Chairman ensures constructive dialogue between shareholders, the other Directors and Management.

Ms Tan Poh Lan is the Executive Director ("ED") & GCEO of the Company. She manages the businesses of the Group and implements the decisions made by the Board. The GCEO is responsible for the day-to-day operations of the Group, the formulation of the Group's strategic directions and expansion plans and managing the Group's overall business development strategies.

The performance and appointment of the Chairman and the GCEO are reviewed periodically by the NC and the remuneration packages of the Chairman and the GCEO are reviewed periodically by the RC. With the segregation of duties between the Chairman and the GCEO, the Board believes that there are adequate safeguards in place to prevent an uneven concentration of power and authority in a single individual.

Principle 4: Board Membership

The NC is established to ensure that there is a formal and transparent process for all Board appointments and re-appointments. It is regulated by a set of written terms of reference endorsed by the Board and comprises a majority of IDs, including its Chairman:

Yeo Hwee Tiong (ID)	- Chairman
Cheong Tuck Yan Titus Jim (ID)	- Member
Zhai Lingyun (NINED)	- Member

The functions of the NC include, amongst others:

1. reviewing and recommending (i) the Board succession plans of the Directors and the nomination for the re-election of Directors, including the Independent Directors, having regard to each Director's contribution and performance, taking into consideration each Director's contribution and performance at Board meetings, including attendance and participation; (ii) the development of a process for evaluation of the performance of the Board, the Board Committees and individual Directors; and (iii) the review of training and professional development programmes for the Board;
2. ensuring that all Directors submit themselves for re-election at regular intervals;
3. determining annually, and as and when circumstances require, whether or not a Director is independent in accordance with Principle 2 of the Code and any other salient factors;
4. reviewing and monitoring the implementation of the Board Diversity Policy;
5. deciding whether or not a Director is able to and has been adequately carrying out his or her duties as a Director of the Company; and
6. reviewing and approving any nominations for the appointment to the Board including the disclosure of the search and nomination process.

The NC has in place a process for selection and appointment of new directors. The need for the appointment of new directors is identified in areas where additional expertise and skills will add to the effectiveness and diversity of attributes of the current Board. The NC then identifies potential candidates by engaging professional firms and soliciting recommendations from Directors, Management and shareholders. The NC assesses the suitability of the potential candidates by evaluating the candidates' skills and knowledge, as well as the diversity needs of the Board. The required level of commitment and other information about the Company and the Board are communicated to the candidates to allow candidates to make an informed decision. The NC will then recommend its selected candidate to the Board for approval of the appointment.

The Directors do not currently have a fixed term of office. Pursuant to Articles 94 and 95 of the Company's Constitution, every Director is required to retire from office once every three years. One-third of Directors who have served the longest since their most recent election (or, if their number is not a multiple of three, the number nearest to but not less than one-third) must retire from office. In accordance with Article 100 of the Company's Constitution, the Directors who were newly appointed by the Board since the last AGM will have to retire at the forthcoming AGM. The retiring Directors are eligible to offer themselves for re-election.

In accordance with Article 94 of the Company's Constitution, Dr Ho Choon Hou, Mr Yeo Hwee Tiong and Mr Zhai Lingyun shall retire by rotation at the Company's forthcoming AGM. Being eligible, they had offered themselves for re-election.

In this regard, the NC, having considered the attendance and participation of the Directors at the Board and Board Committee meetings, in particular, their contribution to the business and operations of the Company, has recommended the re-election of all those Directors who had expressed their wish to be re-elected at the forthcoming AGM. The Board has concurred with the NC's recommendation.

Each member of the NC/Board had abstained from voting on any resolutions and making any recommendations and/or participating in any deliberations of the NC/Board in respect of their re-election as Director.

CORPORATE GOVERNANCE REPORT

The NC has not fixed a maximum number of listed company board representation that the Directors can hold as the NC is of the opinion that the Directors are able to manage their commitment to their respective board representations. Each Director's performance is also evaluated based on their time and commitment given to the Board. The NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Group, notwithstanding that some of the Directors have multiple board representations.

The Board would generally avoid approving the appointment of alternate directors. Alternate Directors, if any, would only be appointed for limited periods in exceptional cases such as when a Director has a medical emergency. No Alternate Director has been appointed to the Board since the Company was listed on the SGX-ST on 29 March 2012.

The profile of the Directors, detailing their qualification, directorships in other listed companies, their appointment to the Board of the Company and the date of their last re-election can be found on pages 18 to 22 of this Annual Report.

Principle 5: Board Performance

The Board acknowledges the importance of a formal assessment of Board performance. It has adopted a formal system of evaluating Board performance with the use of evaluation forms to assess the effectiveness of the Board and Board Committees and the contribution by each Director. All Directors are required to complete the evaluation questionnaire annually.

The evaluation of the Board's performance as a whole deals with matters on Board composition, information flow to the Board, Board procedures and Board accountability. Factors such as the structure, size and processes of the Board and the Board's access to information, management and the effectiveness of the Board's oversight of the Company's performance are applied to evaluate the performance of the Board as a whole. The evaluation of the performance of an individual Director deals with matters on an individual Director's attendance at meetings, observance of the individual Director's duties towards the Company and the individual Director's know-how and interaction with fellow Directors.

As part of the evaluation process, each Director completes an evaluation form, which is then returned to the Company Secretary(ies) on a private and confidential basis for compilation of average scores. The compiled results are then tabulated and tabled at the NC meeting for NC's review. The Chairman of the NC will then present the findings and recommendations of the NC to the Board.

The evaluation of Board performance is conducted annually to identify areas of improvement and as a form of good Board management practice. The last performance evaluation was carried out in February 2023 and the results have been presented to the NC on 24 February 2023 for review. The Company did not engage any external consultant or facilitator to assist with the performance evaluation of the Board, Board Committees and individual Directors for FY2022.

The NC is also satisfied that sufficient time and attention has been given by the Directors to the affairs of the Company, notwithstanding that some of the directors have multiple board representations. Based on internal assessments, the NC is satisfied that the Board has been effective as a whole and that each and every Director has contributed to the effective functioning of the Board and the Board Committees.

Access to Information

Board members are provided with complete, adequate and timely information prior to Board meetings to allow Directors sufficient time to review the Board papers. As and when there are important matters that require the Board's attention and decision, the information will be furnished to the Directors as soon as practicable. All Directors have independent access to the Group's senior management and the Company Secretary(ies). All Directors receive complete and adequate information prior to Board meetings and on an ongoing basis. The information provided includes, amongst others, background or explanatory information relating to matters to be brought before the Board, copies of disclosure documents, budgets, forecasts, key agreements and monthly internal financial statements.

The Company Secretary(ies) and/or their assistant attend all Board and Board Committees meetings and provide corporate secretarial support to the Board, ensure adherence to Board procedures and compliance with the relevant rules and regulations of the Constitution of the Company, the Companies Act 1967 of Singapore, the Listing Manual and all other relevant rules and regulations which are applicable to the Company. Any decision to appoint or remove the Company Secretary(ies) can only be taken by the Board as a whole.

If the Directors need independent professional advice to fulfill their duties, such advice will be obtained from the professional entity approved by the Board and the cost of such professional advice will be borne by the Company.

REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

Remuneration Committee

The RC comprises a majority of IDs, including its Chairman and is regulated by a set of written terms of reference endorsed by the Board:

Yeo Hwee Tiong (ID)	- Chairman
Cheong Tuck Yan Titus Jim (ID)	- Member
Joseph Wong Wai Leung (ID)	- Member
Chow Wai Leong (NINED)	- Member
Chen Xiaoling (NINED)	- Member

The functions of the RC include, amongst others:

1. reviewing the remuneration framework (including Directors' fees) for the Board and the key management personnel within the Group;
2. reviewing and approving the policy for determining the remuneration of executives of the Group, including that of the Executive Director, GCEO and other key management executives;
3. ensuring a formal and transparent procedure for developing policy on executive remuneration;
4. reviewing the ongoing appropriateness and relevance of the executive remuneration policy and other executive benefit programmes;
5. considering and reviewing the remuneration package and service contract terms for each of the Directors and key management personnel (including salaries, allowances, bonuses, payments, options, benefits in kind, retirement rights, severance packages and service contracts) having regard to the executive remuneration policy for each of the companies within the Group;
6. considering and approving termination payments, retirement payments, gratuities, ex-gratia payments, severance payments and other similar payments in the event of termination or retirement of the Executive Directors and key management personnel; and
7. determining, reviewing and approving the design of all option plans, stock plans and/or other equity based plans that the Group proposes to implement, to determine, on an annual basis, whether any awards will be made under the rules of such plans, to review and approve each award as well as the total proposed awards under each plan in accordance with the rules governing each plan and to review, approve and keep under review performance indicators and/or the fulfillment of performance indicators in accordance with the rules set out under such plans.

Principle 7: Level and Mix of Remuneration

As noted above, one of the responsibilities of the RC is to review the remuneration framework of the Board and key management personnel in the Group, and to consider and review the remuneration package and/or service contract terms for each of the Directors and key management personnel.

Remuneration of the Executive Directors and key management personnel

In setting the remuneration package of the Executive Directors, the Company makes a comparative study of the packages of executive directors in comparable industries and takes into account the performance of the Company and that of the Executive Directors.

The compensation structure is designed to ensure that the level and mix of remuneration is competitive, relevant and appropriate in finding a balance between current and long-term compensation. The Company has in place the following incentive plan in FY2022:

CORPORATE GOVERNANCE REPORT

Share Grant Plan

At an Extraordinary General Meeting held on 18 October 2013, the shareholders of the Company approved the Cordlife Share Grant Plan (the “Plan” or the “SGP”) for the award of rights (the “Awards”) to participants of the Plan to receive fully-paid ordinary shares, free of charge, upon the participant achieving the prescribed performance targets and upon expiry of the prescribed vesting period. The RC of the Company has been designated as the Committee responsible for the administration of the SGP.

The Plan is a performance incentive scheme which forms an integral part of the Group’s incentive compensation program. Persons eligible to participate in the Plan (the “Participants”) comprise key senior management and employees of the Company and Non-Executive Directors at the absolute discretion of the Committee. The Plan is established with the objective of motivating the Participants to strive towards performance excellence, long term prosperity of the Group, and promoting their organisational commitment, dedication and loyalty towards the Group. In addition, the Plan will make employee remuneration sufficiently competitive to recruit new employees and retain existing employees whose contributions are important to the long-term growth and profitability of the Group.

The categories of awards under the Plan in FY2022 are as follows:

Performance Share Award

The FY2022 contingent awards under the Performance Share Award were granted conditional on meeting performance targets set based on the following Group corporate objectives measured over a performance period of one financial year:

- Group’s Financial Key Performance Indicators (“KPI(s)”) including Group Revenue, Gross Profit Margin, Profit before Tax and Return on Invested Capital, execution of key projects that contribute to the long-term growth of the Group; and
- Non-financial KPIs including, but are not limited to, quality standards, customer service standards, people objectives and 360 feedback.

Financial and non-financial KPIs have a weightage of 80% and 20% respectively towards the final performance achievement computation.

Pursuant to the SGP, the RC has decided to grant contingent awards on an annual basis, conditional on meeting targets set for the performance period. The shares will only be released to the recipient at the end of the performance qualifying period. The actual number of performance shares to be released to the recipient will depend on the achievement of the set targets over the performance period. A minimum threshold performance is required for any share to be released and the actual number of performance shares to be released is capped at 100% of the conditional award. Only 50% of the final number of shares will vest upon the end of the performance period, with balance of the award vesting one year later.

Restricted Share Award

The FY2022 contingent share awards under the Restricted Share Award were granted to employees of the Group conditional upon the satisfaction of the following performance targets set at the start of a two-year performance period based on medium-term Group and Company objectives of retaining high potential talents (“HiPo”):

- Sustained Performance Level (“PL”) rating 1 or 2 (out of 5); and
- Continues to remain in HiPo talent pool.

The shares will only be released to the recipient at the end of the performance qualifying period. The actual number of performance shares to be released to the recipient will depend on the achievement of the set targets over the performance period. A minimum threshold performance is required for any share to be released and the actual number of performance shares to be released is capped at 100% of the conditional award. Only 50% of the final number of shares will vest upon the end of the performance period, with balance of the award vesting at the end of the third year.

No contingent shares were granted for FY2022 to employees of the Company under the Performance and Restricted Share Award schemes.

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The approved Plan was to continue to be in operation for a maximum period of 10 years commencing on the date on which the Share Grant Plan was adopted by the Company at the Extraordinary General Meeting held on 18 October 2013, and accordingly, is due to expire on 17 October 2023. The Company is in the midst of reviewing its plans to propose a replacement Share Grant Plan. The expiry of the Plan shall not affect the Awards which have been granted to Participants prior to such expiry or termination whether such Awards have been released (whether fully or partially) by the RC or not.

Remuneration of Non-Executive Directors and Independent Directors

The IDs and Non-Executive Directors do not have service agreements with the Company. They are paid a basic, fixed Director's fee, which is determined by the Board, apposite to the level of their contributions and taking into account factors such as the time spent and the effort and the individual responsibilities of each Independent or Non-Executive Director. Such fees are subject to the approval of the shareholders at each AGM.

Each member of the RC shall abstain from voting on any resolution and making any recommendation and/or participating in any deliberation in respect of his or her own remuneration.

Mr Zhai Lingyun, Ms Chen Xiaoling, Mr Yiu Ming Yiu and Mr Chow Wai Leong, who were nominated to the Board by the substantial shareholders, have agreed to waive their Directors' fee. No Directors' fee had been paid / would be paid to any of the NINEDs nominated to the Board by the substantial shareholders in FY2022 and for the financial year ending 31 December 2023.

Except for the SGP, the Board has not introduced any contractual provisions to allow the Company to reclaim incentive components from its Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Board believes that there are ample statutory and regulatory penalties to address such circumstances.

Principle 8: Disclosure on Remuneration

A breakdown showing the level and mix of each individual Director's remuneration for FY2022 is disclosed in the table below:

Director		Salary (%)	Bonus (%)	Other short-term benefits (%)	Allowances (%)	Fees (%)	Total (%)
S\$500,000 to S\$750,000							
Tan Poh Lan	GCEO and ED	78	18	—	4	—	100

Directors		Salary (S\$)	Bonus (S\$)	Other short-term benefits (S\$)	Allowances (S\$)	Fees (S\$)	Total (S\$)
Joseph Wong Wai Leung	Chairman, ID	—	—	—	—	135,000	135,000
Dr Ho Choon Hou ⁽¹⁾	Vice-Chairman, NINED	—	—	—	—	215,000	215,000
Yeo Hwee Tiong	ID	—	—	—	—	95,000	95,000
Cheong Tuck Yan Titus Jim	ID	—	—	—	—	95,000	95,000
Zhai Lingyun ⁽²⁾	NINED	—	—	—	—	—	—
Chen Xiaoling ⁽²⁾	NINED	—	—	—	—	—	—
Yiu Ming Yiu ⁽²⁾	NINED	—	—	—	—	—	—
Chow Wai Leong ⁽²⁾	NINED	—	—	—	—	—	—

⁽¹⁾ The fees paid to Dr Ho Choon Hou includes \$100,000 for his additional active role in the Group from 1 July 2022 to 31 December 2022.

⁽²⁾ Mr Zhai Lingyun, Ms Chen Xiaoling, Mr Yiu Ming Yiu, and Mr Chow Wai Leong have agreed to waive their Director's fees for FY2022.

CORPORATE GOVERNANCE REPORT

The remuneration of the GCEO and ED of the Company is disclosed in bands of S\$250,000 to protect the Company's need for the retention of talents who have in-depth knowledge of the Company's business and operations.

The remuneration of the top five (5) key management personnel (excluding the GCEO and ED) is disclosed in the table below:

KEY EXECUTIVES		Salary (%)	Bonus (%)	Allowances (%)	Fees (%)	Total (%)
S\$250,000 to S\$500,000						
Choo Boon Yong ⁽¹⁾	Group Chief Financial Officer	89	7	4	—	100
Thet Hnin Yi ⁽²⁾	Group Chief Financial Officer	78	18	4	—	100
S\$250,000 and below						
Jamie Woon Geok Peng	Group Director – Brand Development	82	13	5	—	100
Stella Lee Mei Suan	Group Director – Organisational Development	82	13	5	—	100
Tan Huiying	Group Director – Quality and Operations	80	14	6	—	100

⁽¹⁾ On 7 October 2022, the Company announced the resignation of Mr Choo Boon Yong as the Group Chief Financial Officer of the Company, and his last day of service was on 28 December 2022.

⁽²⁾ Ms Thet Hnin Yi, who was serving as the Group Finance Director, was appointed as the interim Group Chief Financial Officer on 7 October 2022 and was subsequently appointed as the Group Chief Financial Officer on 16 January 2023.

For FY2022, the aggregate total remuneration paid to the top five (5) key management personnel (excluding the GCEO and ED) amounted to S\$1,373,000 (FY2021: S\$1,443,000).

For FY2022, there was no termination, retirement and post-employment benefits granted to the Directors (including the GCEO and ED) and top five (5) key management personnel other than the standard contractual notice period termination payment in lieu of service in respect of management employees.

There are no employees of the Company who are immediate family members of a Director (including the GCEO and ED).

ACCOUNTABILITY AND AUDIT

Accountability

In presenting the financial statements and announcements of half-yearly and annual financial results to shareholders, the Board aims to provide shareholders with a balanced and understandable assessment of the Company and the Group's performance, position and prospects.

In this regard, Management provides all Directors with detailed management accounts of the Company and the Group's performance, financial position and prospects on a timely basis.

Principle 9: Risk Management and Internal Controls

The Board was assisted by the ARC in the area of risk governance and in ensuring that Management implements and maintains a sound system of risk management and internal controls.

The ARC was responsible for making the necessary recommendations to the Board such that an opinion regarding the adequacy and effectiveness of the risk management and internal control systems of the Company can be made by the Board in the Annual Report of the Company according to requirements in the Listing Manual and Code.

For FY2022, the Board has received written assurance:

- (a) from the GCEO and Group Chief Financial Officer (“GCFO”) that, as at FY2022, the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the Group’s operations and finances; and
- (b) from the GCEO, GCFO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Group’s risk management and internal control systems in addressing key financial, operational, compliance, and information technology risks.

The Company maintains a system of internal controls for all companies within the Group, but recognises that no internal control system will preclude all errors and irregularities. The system is designed to manage rather than to eliminate the risk of failure to achieve business objectives. The controls are to provide reasonable, but not absolute assurance to safeguard shareholders’ investments and the Group’s assets.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, reviews performed by Management, various Board Committees and the Board, and the written assurances from the GCEO and GCFO, the ARC and the Board are of the opinion that the Group’s internal controls addressing key financial, operational, compliance, and information technology controls, as well as risk management systems were adequate and effective for the financial year ended 31 December 2022.

Principle 10: Audit and Risk Committee

The ARC, regulated by a set of written terms of reference, comprises five (5) Directors, all of whom are Non-Executive and the majority of whom, including the Chairman of the ARC, are independent:

Joseph Wong Wai Leung (Chairman of the Board and ID) - Chairman	
Dr Ho Choon Hou (NINED)	- Member
Yeo Hwee Tiong (ID)	- Member
Cheong Tuck Yan Titus Jim (ID)	- Member
Yiu Ming Yiu (NINED)	- Member

The functions of the ARC include, amongst others:

- (1) reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements and any formal announcements relating to financial performance;
- (2) reviewing the scope and results of the audit and its cost effectiveness, and the independence and objectivity of the external auditors;
- (3) reviewing, with the external auditors of the Company, the audit plan, the scope of work of the external auditors, the evaluation by the external auditors of the system of internal accounting controls, the external auditor’s letter to Management and the Management’s response, and the results of the audits conducted by the internal and external auditors;
- (4) reviewing the quarterly, half-yearly and annual financial statements and announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Listing Manual and any other statutory/regulatory requirements;
- (5) reviewing the effectiveness and adequacies of the Group’s internal controls and procedures, including accounting and financial controls and procedures and ensure co-ordination between the external auditors and the Management, reviewing the assistance given by the Management to the auditors, and discussing problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of Management where necessary);
- (6) reviewing any interested person transactions to ensure that procedures are followed in accordance with the internal control measures which the Group has adopted;

CORPORATE GOVERNANCE REPORT

- (7) reviewing and discussing with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and the Management's response thereto;
- (8) commissioning of an audit of the internal control and accounting systems of the Group until such time the ARC is satisfied that the Group's internal controls are robust and effective enough to mitigate the Group's internal control weaknesses (if any);
- (9) making recommendations to the Board on the appointment or re-appointment of the external auditors and matters relating to resignation or dismissal of the auditors, and approving the remuneration and terms of engagement of the external auditors;
- (10) reviewing and approving transactions falling within the scope of Chapter 9 and Chapter 10 of the Listing Manual (if any);
- (11) reviewing any potential conflicts of interest;
- (12) reviewing the adequacy of potential business risk management processes;
- (13) reviewing, monitoring and making recommendations to the Board on the Group's risk of being subject to, or violating, any sanctions-related law or regulation, and ensuring timely and accurate disclosures to SGX-ST and other relevant authorities. If required, to assess whether there is a need for the Group to obtain independent legal advice or appoint a compliance adviser in relation to the sanctions-related risks applicable to the Group, and the continuous monitoring of the validity of the information provided to shareholders and SGX-ST¹;
- (14) reviewing and approving all hedging policies and instruments (if any) to be implemented by the Group;
- (15) undertaking such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the ARC;
- (16) reviewing and establishing procedures for receipt, retention and treatment of whistleblowing report(s) received by the Group, which may relate to criminal offences involving the Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group; and
- (17) generally to undertake such other functions and duties as may be required by any applicable laws, regulations, statutes and the Listing Manual, and by such amendments made thereto from time to time.

Apart from the duties listed above, the ARC is also authorised by the Board to investigate into any matter within its terms of reference or, where appropriate, review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rules or regulations which has or is likely to have a material impact on the Group's operating results and/or financial position.

Each member of the ARC shall abstain from reviewing any particular transaction or voting on such resolution in respect of which he or she is or may be interested in.

The Board is of the view that all the members of the ARC are appropriately qualified to discharge their responsibilities. The ARC held five (5) meetings in FY2022. These meetings were attended by the GCEO, the GCFO, the Group Finance Director, and the Group Assistant Finance Director of the Company at the invitation of the ARC. The Group's external auditors were also present at two (2) of these meetings. The ARC has also held a private session with the external auditor and internal auditor, without the presence of the Executive Director and Management. The last private session with the internal and external auditor was held on 24 February 2023 respectively.

The ARC has met with the Group's external auditor, Messrs KPMG LLP ("KPMG"), to discuss the results of KPMG's audit of the Group for FY2022 and the evaluation of the Group's system of internal controls. The ARC has also reviewed the Group's full-year results announcement, the financial statements of the Company and the consolidated financial statements of the Group for FY2022 prior to its recommendation to the Board for approval.

¹ The functions of ARC has been updated with sanctions-related law or regulations and risks as required by SGX-ST with reference to the media release by the Singapore Exchange, dated and effective from 7 March 2022, *REGULATOR'S COLUMN: What SGX expects of issuers in respect of sanctions-related risks, subject or activity*

The total amount of fees paid to KPMG during FY2022 is S\$588,000 out of which S\$527,000 was for audit services and S\$61,000 was for non-audit services. Non-audit fees accounted for 10.4% of total fees paid to KPMG in FY2022. The ARC, having reviewed the fees paid to KPMG for non-audit services, is satisfied with the independence and objectivity of KPMG as external auditor of the Group for FY2022.

To keep abreast of changes to the accounting standards and issues which have a direct impact on the Company's financial statements, the ARC members received updates from the external auditor at the quarterly ARC meetings and made efforts to attend courses and seminars relevant to their performance as members of the ARC, and where appropriate, at the expense of the Company.

Internal Audit

The Board recognises the importance of the internal audit function which, being independent of Management, is one of the principal means by which the ARC is able to carry out its responsibilities effectively. For FY2022, Ernst & Young Advisory Pte. Ltd. ("EY") was the internal auditor of the Group. EY primarily reported to the Chairman of the ARC and had unfettered access to all of the Group's documents, records, properties and personnel. The representatives from EY who were in-charge of the internal audit of the Company were invited to the ARC Meeting to present their Internal Audit Report.

The ARC reviews the internal auditor on an annual basis, and is satisfied, based on the last review, that the internal audit function is effective, adequately resourced, and independent of the activities in audits, with persons with the relevant qualifications and experience and has the appropriate standing within the Company. The internal auditor carries out its functions according to the International Standards for the Professional Practice of Internal Auditing.

The ARC will continue to assist the Board to review the effectiveness and independence of the internal audit function annually with a view to improving and enhancing the Company's internal controls and risk management system.

The Company also has in place a whistleblowing policy. This policy provides well-defined and accessible channels in the Group through which employees may raise concerns about improper conduct within the Group. If an employee, who is acting in good faith, raises a genuine concern under the whistleblowing policy, their identity and interests will be protected and all information received will be treated with strict confidentiality. They will also not be at risk of suffering from retribution, harassment or victimisation as a result. There are arrangements in place for the independent investigation of such matters for appropriate follow-up actions to be taken. The Company has included whistleblowing as a standard agenda item for the quarterly ARC and Board meetings for the ARC and the Board to receive and discuss any whistleblowing reports or incidents.

COMMUNICATION WITH SHAREHOLDERS

Principle 11: Shareholder Rights and Conduct of General Meetings

The Company treats all shareholders fairly and equitably, and recognises, protects and facilitates the exercise of shareholder's rights. It aims to keep all shareholders and other stakeholders informed of its corporate activities, including changes which are likely to materially affect the price or value of its shares, on a timely and consistent manner.

Shareholders are also given the opportunity to participate effectively in and vote at general meetings of the Company, where relevant rules, including voting procedures are clearly communicated to the attendees. Shareholders are given sufficient notice to attend general meetings, at least not less than the notice period stipulated by the Companies Act 1967 of Singapore and the Constitution of the Company. Corporations which provide nominee or custodial services are allowed to appoint more than two proxies, and other shareholders are allowed to appoint not more than two proxies to attend and participate at the Company's general meetings.

CORPORATE GOVERNANCE REPORT

Conduct of Shareholders Meetings

The AGM is the principal forum for dialogue and interaction with all shareholders. The Board welcomes shareholders to voice their views and ask the Board questions regarding the Company and the Group at the AGM. A shareholder who is entitled to attend and vote at the AGM may either vote in person or vote by proxy by sending in the instrument of proxy at least forty-eight hours before the time of the general meeting.

The chairmen of the Board Committees and key management personnel are invited to attend the AGM of the Company and are present and available to address questions at general meetings. In addition, the external auditors of the Company are also present to address shareholders' queries about the conduct of the audit and the preparation and content of the auditors' report.

Each item of special business included in the notice of the meeting will be accompanied by an explanation of the effects of a proposed resolution. Unless the resolutions proposed at a meeting are interdependent and linked so as to form one significant proposal, separate resolutions shall be proposed for substantially separate issues at the meeting.

All the resolutions put to the vote at the forthcoming AGM would be voted on by poll and an announcement of the detailed results showing the number of votes cast for and against each resolution and the respective percentages will be released to the public via SGXNet.

The Company will also prepare minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and responses from the Board and Management, and will make such minutes or notes available to shareholders by posting it on the Company's website (<https://www.cordlife.com.sg>) as soon as practicable.

In FY2022, the AGM was held via electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Order"). The Minutes of the AGM was made available to shareholders on the SGXNet and the Company's corporate website within 1 month from the date of the AGM.

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Engagement with Stakeholders

The Company strives for timeliness and transparency in its disclosures to the shareholders and the public and is also committed to gathering the views of its shareholders and to address their concerns, where possible. In addition to the regular dissemination of information through SGXNet on a timely basis, the Company also responds to enquiries from investors, analysts, fund managers and the press. The Company currently does not have an investor relations policy but the Company has engaged an external investor relations firm to advise and assist the Company on matters relating to investor relations.

The GCEO and/or GCFO meet with investors, fund managers and analysts and attend relevant investor roadshows regularly to gather feedback and understand their views on the Company.

The Company does not practise selective disclosure as all price-sensitive information is always released timely to all shareholders through SGXNet. In the event of any inadvertent disclosure made to a selected group, the Company makes the same disclosure publicly to all others as soon as practicable via SGXNet and through any other practicable means including the use of the Company's corporate website.

The Company does not have a dividend payment policy. In determining whether or not to pay an interim dividend or to recommend the payment of a final dividend, the Board will consider, amongst other things, the Company's expansion plans, existing projects and cash flow projections.

The Company's website acts as one of the main sources of information for its stakeholders, especially for its clients. In addition to business-related engagements on the Company's website, to reach out to shareholders beyond general meetings, the Company maintains a dedicated Investor Relations website at <https://cordlife.listedcompany.com>. Shareholders are able to retrieve corporate and financial information, regulatory filings, view the Company's IPO Prospectus, share information, AGM/EGM-related materials, corporate videos, news, and press releases.

ADDITIONAL INFORMATION

DEALINGS IN SECURITIES

[Listing Manual, Rule 1207(19)]

In line with Rule 1207(19) of the Listing Manual as well as insider trading laws in Singapore, the Company has in place a policy prohibiting share dealings by Directors and employees of the Company for one month before the release of the Company's half-year and full-year financial results. For good governance, the Company also imposes the same policy for the Directors and employees for the two weeks before the announcement of the Company's first and third quarter business updates.

The Directors and employees are also expected to observe insider trading laws at all times, even when dealing in securities outside of the prohibited periods. In addition, the Directors, Management and officers of the Group are discouraged from dealing in the Company's securities on short-term considerations.

INTERESTED PERSON TRANSACTIONS

[Listing Manual, Rule 907]

There were no interested person transactions in FY2022 above S\$100,000.

MATERIAL CONTRACTS

[Listing Manual, Rule 1207(8)]

There were no material contracts of the Company or its subsidiaries involving the interest of the Chairman, the GCEO, the Directors or controlling shareholders subsisting at the end of the financial year.

AUDITING FIRMS

[Listing Manual, Rule 1207(6)(c)]

The Group has complied with Rule 712 and Rule 715 in relation to auditing firms.

SUSTAINABILITY REPORTING

The Company considers relevant environmental, social, and governance ("ESG") risks and opportunities to strengthen our business sustainability. The Company will publish its Sustainability Report ("Sustainability Report") before 30 April 2023. The Report will share its management, performance and targets in relation to its material ESG factors as well as climate-related disclosures consistent with the recommendations of the Task Force on Climate-related Financial Disclosures on a 'comply or explain' basis. This Sustainability Report will be aligned to SGX-ST's Listing Rules – Sustainability Reporting Guide, and will be publicly accessible through the Company's website as well as on SGXNet. It should be read in conjunction with the Annual Report presented here.

CORPORATE GOVERNANCE REPORT

USE OF PLACEMENT PROCEEDS [Listing Manual, Rule 1207(20)]

As at 24 February 2023, the Group has utilised approximately S\$27.0 million out of the approximately S\$33.5 million raised from the Private Placement as follows:

Intended Use of Placement Proceeds	Estimated amount (\$ m)	Estimated percentage of gross proceeds raised from the Private Placement	Amount utilised (\$ 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%	17.0	50.5%
General working capital	8.6	25.7%	9.4	28.0%
Expenses incurred in connection with the Private Placement	1.4	4.2%	0.6	1.8%
	33.5	100.0%	27.0	80.4%

Note:

The numbers in the table above may not exactly add up due to rounding.

The breakdown of the total use of Placement Proceeds by the Group for general working capital purposes is as follows:

	Amount (\$ m)
Amount utilised as working capital:	
Trade purchases	9.3
Legal and professional fees	0.1
	9.4



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DIRECTORS' STATEMENT

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2022.

In our opinion:

- (a) the financial statements set out on pages 51 to 116 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are as follows:

Mr Joseph Wong Wai Leung
Dr Ho Choon Hou
Ms Tan Poh Lan
Mr Yeo Hwee Tiong
Mr Cheong Tuck Yan Titus Jim
Mr Zhai Lingyun
Ms Chen Xiaoling
Mr Yiu Ming Yiu
Mr Chow Wai Leong

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 (the "Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children below the age of 18) in shares, debentures and share options in the Company and in related corporations are as follows:

Name of directors and company in which interests are held	Direct interest		Deemed interest	
	Holdings at beginning of the year	Holdings at end of the year	Holdings at beginning of the year	Holdings at end of the year
Cordlife Group Limited				
Ordinary shares				
Dr Ho Choon Hou	792,061	792,061	—	—
Ms Tan Poh Lan	791,780	1,038,830	—	—
Share grants under Cordlife Share Grant Plan				
Ms Tan Poh Lan	120,200	126,850	—	—

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2023.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures or share options of the Company, or of its related corporations, either at the beginning of the financial year or at the end of the financial year.

Except as disclosed in this statement, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objectives is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Share grant plans

At an Extraordinary General Meeting held on 18 October 2013, the shareholders of the Company approved the Cordlife Share Grant Plan (the "Plan") for the award of rights (the "Awards") to participants of the Plan to receive ordinary shares of the Company. Persons eligible to participate in the Plan comprise key senior management and employees of the Company and Non-Executive Directors at the absolute discretion of the Remuneration Committee (the "RC").

The performance targets to be set under the Plan are intended to be based on longer-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The vesting period of the Awards ranges from 1 to 3 years. The final number of shares awarded will depend on the achievement of pre-determined performance conditions at the end of the vesting period. No shares will be released if the threshold targets are not met at the end of the vesting period. On the other hand, if superior targets are met, more shares than the initial award could be delivered up to a maximum of 200% of the initial award.

Details of the Plan are disclosed in Note 28 of the financial statements.

The RC administering the Plan comprises five Directors, Mr Yeo Hwee Tiong, Mr Joseph Wong Wai Leung, Mr Cheong Tuck Yan Titus Jim, Ms Chen Xiaoling and Mr Chow Wai Leong.

Details of the Awards of the Company pursuant to the Plan are as follows:

Grant date	Balance as at 1 January 2022	Grants during the financial year	Vested during the financial year	Cancelled during the financial year	Balance as at 31 December 2022
Performance Share Award					
25 August 2020	337,050	—	(337,050)	—	—
28 March 2022	—	677,800	(338,900)	(53,550)	285,350
	337,050	677,800	(675,950)	(53,550)	285,350

Since the commencement of the Plan till the end of the financial year:

- No participant has received 5% or more of the total Awards available under the Plan.
- No options have been granted to Directors and employees of the holding company and its subsidiaries.
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation have been granted.
- No options have been granted at a discount.

DIRECTORS' STATEMENT

Audit and Risk committee

The audit and risk committee (the “ARC”) carried out its functions in accordance with section 201B (5) of the Act, including the following:

- Reviews the audit plans of the internal and external auditors of the Company, and reviews the internal auditor’s evaluation of the adequacy of the Company’s system of internal accounting controls and the assistance given by the Company’s management to the external and internal auditors;
- Reviews the quarterly, half-yearly and annual financial statements and the auditor’s report on the annual financial statements of the Company before their submission to the Board of Directors;
- Reviews effectiveness of the Company’s material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditors;
- Meets with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARC;
- Reviews legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- Reviews the cost effectiveness and the independence and objectivity of the external auditor;
- Reviews the nature and extent of non-audit services provided by the external auditor;
- Recommends to the Board of Directors the external auditor to be nominated, approves the compensation of the external auditor, and reviews the scope and results of the audit;
- Reports actions and minutes of the ARC to the Board of Directors with such recommendations as the ARC considers appropriate; and
- Reviews interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited’s Listing Manual.

The ARC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor. The ARC has also conducted a review of interested person transactions.

The ARC convened five meetings during the year with all members present. The ARC has also met with internal and external auditors, without the presence of the Company’s management, at least once a year.

Further details regarding the ARC are disclosed in the Corporate Governance Report.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Mr Joseph Wong Wai Leung
Director

Ms Tan Poh Lan
Director

12 April 2023

Members of the Company
Cordlife Group Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Cordlife Group Limited (the “Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2022, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 51 to 116.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the ‘Auditors’ responsibilities for the audit of the financial statements’ section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition amounting to \$55,156,000 (Refer to Note 4 to the financial statements)	
<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Group enters into long-term cord blood, cord lining and cord tissue banking service contracts with tenure ranging from 18 to 75 years.</p> <p>For each contract, the Group has identified several performance obligations. Revenue is allocated to each performance obligation based on the expected costs plus an appropriate margin.</p> <p>Significant management judgements have been applied in the inputs to the cost model in deriving the expected total costs to be incurred; and to determine the margin for each performance obligations.</p>	<p>We considered the terms of the key contracts and the appropriateness of the revenue recognition policies.</p> <p>We tested the effectiveness of key controls over revenue recognition and reconciliation.</p> <p>Our substantive procedures included the following:</p> <ul style="list-style-type: none"> ● Assessed the reasonableness of management’s estimation of the total cost of the contracts, including retrospective review of estimates made in prior period. ● Assessed the reasonableness of the margin used in allocating revenue to each performance obligation. ● Recomputed the amount of revenue to be recognised for the year for selected samples. We noted that management’s identification of performance obligations and allocation of revenue to each performance obligation were reasonable.

INDEPENDENT AUDITORS' REPORT

Impairment assessment of goodwill amounting to \$26,990,000 (Refer to Note 13 to the financial statements)	
<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Group has recognised a significant amount of goodwill, arising from the Group's acquisition of Stemlife Berhad and its subsidiaries, and Healthbaby Biotech (Hong Kong) Co., Limited and its subsidiary. These entities have been identified as separate cash generating units (CGUs).</p> <p>Management has assessed the recoverable amounts of the CGUs calculated based on their value-in-use, using discounted cash flow forecasts in which the management made judgements over certain key inputs in relation to cash flows and discount rates.</p> <p>The Group did not recognise impairment loss on goodwill during the year.</p>	<p>Our review of the impairment assessment by management included the following:</p> <ul style="list-style-type: none"> Assessed the appropriateness of the determination of CGUs. Assessed the appropriateness and reasonableness of the methodology used to estimate the recoverable amount, and key assumptions including cash flows and discount rates used by management. <p>Based on the procedures performed, we are satisfied that the value-in-use amounts are in excess of the carrying amounts, and no impairment is required. We also noted that the Group's disclosures in the financial statements were appropriate.</p>

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITORS' REPORT

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Quek Shu Ping.

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

12 April 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2022

	Note	2022 \$'000	2021 \$'000
Revenue	4	55,156	56,669
Cost of sales		(17,967)	(17,186)
Gross profit		37,189	39,483
Other operating income	5	816	839
Selling and marketing expenses		(18,040)	(17,537)
Administrative expenses		(18,252)	(18,454)
Finance income	6	2,687	2,267
Finance costs	6	(152)	(200)
Profit before income tax from operations		4,248	6,398
Fair value gain on investment properties	12	537	179
Share of profit of associate	10	718	432
Profit before income tax		5,503	7,009
Tax expense	8	(617)	(874)
Profit for the year	7	4,886	6,135
Other comprehensive income/(loss):			
<i>Item that will not be reclassified to profit or loss</i>			
Revaluation gain on investment properties		482	—
<i>Item that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(5,312)	(607)
Total comprehensive income for the year		56	5,528
Profit/(loss) for the year attributable to:			
Owners of the Company		4,887	6,135
Non-controlling interests		(1)	—
		4,886	6,135
Total comprehensive income for the year attributable to:			
Owners of the Company		50	5,528
Non-controlling interests		6	—
		56	5,528
Earnings per share (cents per share):			
Basic	9	1.91	2.40
Diluted	9	1.91	2.39

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2022

	Note	Group		Company	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Non-current assets					
Property, plant and equipment	11	14,424	16,403	5,687	6,558
Investment properties	12	4,618	3,513	2,269	1,848
Intangible assets	13	30,446	31,539	742	730
Deferred tax assets	22	890	672	415	—
Investment in subsidiaries	27	—	—	56,841	62,620
Investment in associate	10	1,513	1,106	—	—
Long-term investments	14	—	4,357	—	4,357
Contract assets	4	63,597	66,573	39,637	42,211
Fixed deposits	19	4,746	9,731	—	—
		120,234	133,894	105,591	118,324
Current assets					
Inventories	17	1,362	1,428	280	283
Prepayments		2,312	2,162	1,083	1,046
Trade receivables	15	25,475	23,961	11,197	10,842
Other receivables	16	2,939	5,460	689	696
Tax recoverable		1,124	1,921	—	—
Amounts owing by subsidiaries	18	—	—	24,358	23,381
Short-term investments	14	5,819	15,411	4,562	—
Fixed deposits	19	45,970	33,760	10,075	8,268
Pledged fixed deposits	19	9,379	257	—	—
Cash and cash equivalents	20	13,381	15,458	3,882	3,438
		107,761	99,818	56,126	47,954
Total assets		227,995	233,712	161,717	166,278

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2022

	Note	Group		Company	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current liabilities					
Trade and other payables	21	9,955	11,423	2,905	4,431
Amounts owing to subsidiaries	18	–	–	3,987	15,378
Lease liabilities		1,199	2,124	203	174
Contract liabilities	4	9,035	9,026	3,702	4,019
Tax payable		699	1,666	–	–
		<u>20,888</u>	<u>24,239</u>	<u>10,797</u>	<u>24,002</u>
Net current assets		<u>86,873</u>	<u>75,579</u>	<u>45,329</u>	<u>23,952</u>
Non-current liabilities					
Other payables	21	522	662	–	–
Amounts owing to subsidiaries	18	–	–	13,198	13,395
Lease liabilities		1,018	843	320	139
Contract liabilities	4	67,280	67,108	16,188	15,668
Deferred tax liabilities	22	3,959	4,171	15	15
		<u>72,779</u>	<u>72,784</u>	<u>29,721</u>	<u>29,217</u>
Total liabilities		<u>93,667</u>	<u>97,023</u>	<u>40,518</u>	<u>53,219</u>
Net assets		<u>134,328</u>	<u>136,689</u>	<u>121,199</u>	<u>113,059</u>
Equity attributable to owners of the Company					
Share capital	23	94,686	95,163	94,686	95,163
Treasury shares	23	(12,554)	(13,290)	(12,554)	(13,290)
Accumulated profits		71,990	69,407	38,486	30,233
Other reserves	24	(20,060)	(14,851)	581	953
		<u>134,062</u>	<u>136,429</u>	<u>121,199</u>	<u>113,059</u>
Non-controlling interests		266	260	–	–
Total equity		<u>134,328</u>	<u>136,689</u>	<u>121,199</u>	<u>113,059</u>
Total equity and liabilities		<u>227,995</u>	<u>233,712</u>	<u>161,717</u>	<u>166,278</u>

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2022

Group	Note	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 interests \$'000	Total equity \$'000
At 1 January 2021		95,646	(14,073)	65,570	537	568	534	(11,740)	(3,946)	126	133,222
Total comprehensive income/(loss) for the year											
Profit for the year		—	—	6,135	—	—	—	—	—	—	6,135
Other comprehensive loss											
Foreign currency translation		—	—	—	—	—	—	—	(607)	—	(607)
Total comprehensive income/(loss) for the year		—	—	6,135	—	—	—	—	(607)	—	5,528
Transactions with owners, recognised directly in equity											
Contributions by and distributions to owners											
Grant of share awards to employees		—	—	—	294	—	—	—	—	—	294
Reissuance of treasury shares pursuant to equity compensation plan	23	(483)	783	—	(300)	—	—	—	—	—	—
Dividends	33	—	—	(2,298)	—	—	—	—	—	—	(2,298)
Total contributions by and distributions to owners		(483)	783	(2,298)	(6)	—	—	—	—	—	(2,004)
Changes in ownership interests in subsidiary											
Acquisition of non-controlling interests in subsidiary	27	—	—	—	—	—	—	(191)	—	134	(57)
Total changes in ownership interest in subsidiary		—	—	—	—	—	—	(191)	—	134	(57)
At 31 December 2021		95,163	(13,290)	69,407	531	568	534	(11,931)	(4,553)	260	136,689

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2022

Group	Note	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Share-based compensation reserve \$'000	Capital reserve \$'000	Merger reserve \$'000	Acquisition reserve \$'000	Revaluation reserve \$'000	Foreign currency translation reserve \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 January 2022		95,163	(13,290)	69,407	531	568	534	(11,931)	—	(4,553)	260	136,689
Total comprehensive income/(loss) for the year												
Profit/(loss) for the year		—	—	4,887	—	—	—	—	—	—	(1)	4,886
Other comprehensive income/(loss)												
Revaluation gain on investment properties		—	—	—	—	—	—	—	477	—	5	482
Foreign currency translation		—	—	—	—	—	—	—	—	(5,314)	2	(5,312)
Total comprehensive income/(loss) for the year		—	—	4,887	—	—	—	—	477	(5,314)	6	56
Transactions with owners, recognised directly in equity												
Contributions by and distributions to owners												
Reversal of share awards to employees		—	—	—	(113)	—	—	—	—	—	—	(113)
Reissuance of treasury shares pursuant to equity compensation plan	23	(477)	736	—	(259)	—	—	—	—	—	—	—
Dividends	33	—	—	(2,304)	—	—	—	—	—	—	—	(2,304)
Total contributions by and distributions to owners		(477)	736	(2,304)	(372)	—	—	—	—	—	—	(2,417)
At 31 December 2022		94,686	(12,554)	71,990	159	568	534	(11,931)	477	(9,867)	266	134,328

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2022

Company	Note	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Total equity \$'000
At 1 January 2021		95,646	(14,073)	31,632	422	537	114,164
Total comprehensive income for the year							
Profit for the year		—	—	899	—	—	899
Total comprehensive income for the year		—	—	899	—	—	899
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Grant of share awards to employees		—	—	—	—	294	294
Reissuance of treasury shares pursuant to equity compensation plan	23	(483)	783	—	—	(300)	—
Dividends	33	—	—	(2,298)	—	—	(2,298)
Total contributions by and distributions to owners		(483)	783	(2,298)	—	(6)	(2,004)
At 31 December 2021		95,163	(13,290)	30,233	422	531	113,059
Company							
At 1 January 2022		95,163	(13,290)	30,233	422	531	113,059
Total comprehensive income for the year							
Profit for the year		—	—	10,557	—	—	10,557
Total comprehensive income for the year		—	—	10,557	—	—	10,557
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Reversal of share awards to employees		—	—	—	—	(113)	(113)
Reissuance of treasury shares pursuant to equity compensation plan	23	(477)	736	—	—	(259)	—
Dividends	33	—	—	(2,304)	—	—	(2,304)
Total contributions by and distributions to owners		(477)	736	(2,304)	—	(372)	(2,417)
At 31 December 2022		94,686	(12,554)	38,486	422	159	121,199

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the financial year ended 31 December 2022

	Note	2022 \$'000	2021 \$'000
Cash flows from operating activities			
Profit before income tax		5,503	7,009
Adjustments for:			
Depreciation of property, plant and equipment	11	2,784	2,636
Amortisation of intangible assets	13	899	936
Impairment loss on trade receivables and bad debt written off, net	7	931	1,560
Gain on disposal of property, plant and equipment and investment properties, net		(498)	(24)
Interest income	6	(2,687)	(2,267)
Interest expense	6	152	200
Share-based compensation (reversal)/expense		(113)	294
Fair value gain on investment properties	12	(537)	(179)
Investment loss	5	299	282
Gain on financial asset at fair value through profit or loss		(28)	(13)
Share of profit of associate	10	(718)	(432)
Unrealised exchange loss/(gain)		81	(373)
		6,068	9,629
Changes in:			
Trade receivables		(3,443)	(2,355)
Contract assets	4	1,797	1,438
Other receivables and prepayments		(805)	(103)
Inventories		66	231
Trade and other payables		(1,072)	(3,101)
Lease liabilities		(1,771)	(2,413)
Contract liabilities	4	3,811	5,569
Cash generated from operations		4,651	8,895
Interest received		2,513	1,493
Interest paid		-	(35)
Income tax paid		(1,220)	(852)
Net cash from operating activities		5,944	9,501

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the financial year ended 31 December 2022

	Note	2022 \$'000	2021 \$'000
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,758)	(1,195)
Purchase of intangible assets		(638)	(375)
Proceeds from sale of investment properties		2,841	1,300
Proceeds from disposal of fixed assets		1,533	65
Dividend received		160	84
Redemption of short-term investments		13,099	257
Transfer to fixed deposits, net		(10,806)	(24,044)
Net cash from/(used in) investing activities		4,431	(23,908)
Cash flows from financing activities			
Transfer (to)/from pledged fixed deposits		(9,371)	9,708
Acquisition of non-controlling interest in subsidiary	27	—	(57)
Repayment of interest-bearing borrowings		—	(3,988)
Dividends paid	33	(2,304)	(2,298)
Cash flows (used in)/from financing activities		(11,675)	3,365
Net decrease in cash and cash equivalents		(1,300)	(11,042)
Cash and cash equivalents at beginning of the year		15,458	25,938
Effects of exchange rate changes on the balance of cash and cash equivalents		(777)	562
Cash and cash equivalents at end of the year		13,381	15,458

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 12 April 2023.

1 Domicile and activities

Cordlife Group Limited (the “Company”) is incorporated in Singapore and has its registered office at 1 Yishun Industrial Street 1, #06-01/09, A’Posh Bizhub, Singapore 768160.

The Company is a limited liability company incorporated and domiciled in Singapore and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal activities of the Company are investment holding and the provision of cord blood banking services, which involves the processing and storage of cord blood stem cells. The principal activities of the subsidiaries are disclosed in Note 27 to the financial statements.

The financial statements of the Group comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) and the Group’s interest in equity-accounted investees.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)s”).

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars (“\$”), which is the Company’s functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

- Note 4 – revenue recognition: whether revenue from rendering of cord blood, cord lining and cord tissue banking services is recognised over time or point in time.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

2 Basis of preparation (cont'd)

2.4 Use of estimates and judgements (cont'd)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 12 – fair value of investment properties: determination of fair value of investment properties based on the valuation technique and significant unobservable inputs;
- Note 13 – impairment of non-financial assets: key assumptions used in discounted cash flow projections for the recoverable amounts; and
- Note 30(i) – measurement of expected credit losses allowance for trade and other receivables and contract assets: key assumptions in determining the weighted-average loss rate.

2.5 New standards and amendments

The Group has applied the following amendments to SFRS(I) for the first time for the annual period beginning on 1 January 2022:

- *Amendments to SFRS(I) 16: COVID-19-Related Rent Concessions beyond 30 June 2021*
- *Amendments to SFRS(I) 3: Reference to the Conceptual Framework*
- *Amendments to SFRS(I) 1-16: Property, Plant and Equipment – Proceeds before Intended Use*
- *Amendments to SFRS(I) 1-37: Onerous Contracts – Cost of Fulfilling a Contract*
- *Annual Improvements to SFRS(I)s 2018-2020*

The application of these amendments to the standards does not have a material effect on the financial statements.

3 Significant accounting policies

The significant accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.5, which addresses changes in accounting policies.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see note ii). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group measures goodwill at the date of acquisition as:

- the consideration transferred (generally measured at fair value); plus

3 Significant accounting policies (cont'd)

3.1 Basis of consolidation (cont'd)

(i) Business combinations (cont'd)

The Group measures goodwill at the date of acquisition as: (cont'd)

- the recognised amount of any non-controlling interests ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally measured at fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected for each business combinations. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by SFRS(I).

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. Adjustments to NCI arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(iii) Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any NCI and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

3 Significant accounting policies (cont'd)

3.1 Basis of consolidation (cont'd)

(iv) Investments in associate

An associate is an entity over which the Group has significant influence, but not control or joint control, over the financial and operating policies of the entity. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Investment in associate is accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ("OCI") of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in the equity-accounted associate, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

(v) Transaction eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vi) Subsidiaries and associates in the separate financial statements

Investments in subsidiaries and associates are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss and presented within administrative expenses.

3 Significant accounting policies (cont'd)

3.2 Foreign currency (cont'd)

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI, and presented in the foreign currency translation reserve ("translation reserve") in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. 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. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI, and are presented in the translation reserve in equity.

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

3 Significant accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

3 Significant accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in 'other operating income' in the statement of comprehensive income.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. These financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. These financial liabilities comprised trade and other payables.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

3 Significant accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
 - substantially all of the risks and rewards of ownership of the financial asset are transferred;
 - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(vi) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

3 Significant accounting policies (cont'd)

3.4 Property, plant and equipment

All items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amounts of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

Furniture and fittings	–	3 to 5 years
Laboratory equipment	–	5 to 10 years
Office equipment	–	3 to 10 years
Motor vehicles	–	3 to 5 years
Leasehold improvement	–	3 to 7 years
Buildings	–	50 to 60 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

The gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Reclassification to investment properties

When the use of properties changes from owner-occupied to investment properties, the properties are remeasured to fair value and reclassified accordingly. Any gains arising on remeasurement are recognised in profit or loss to the extent that they reverse previous impairment losses on the specific properties, with any remaining gains recognised in OCI and presented in the revaluation reserve in equity. Losses are recognised immediately in profit or loss.

When the properties are sold, the related amounts in the revaluation reserve are transferred to retained earnings.

3.5 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Costs include expenditures that are directly attributable to the acquisition of the investment properties. The costs of self-constructed investment properties include the cost of materials and direct labour, any other costs directly attributable to bringing the investment properties to working condition for their intended use and capitalised borrowing costs.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

3 Significant accounting policies (cont'd)

3.5 Investment properties (cont'd)

Any gains or losses on disposal of investment properties (calculated as the difference between the net proceeds from disposal and the carrying amount of the items) are recognised in profit or loss.

When the use of properties changes such that they are reclassified as property, plant and equipment, their fair values at the date of reclassification becomes their costs for subsequent accounting.

3.6 Intangible assets

(i) Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see Note 3.1(i).

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

(ii) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

(iii) Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives for the current and comparative years are as follows:

Customer contracts	–	12 to 20 years
Computer software	–	3 to 5 years
Brand	–	15 years
Licences and trademarks	–	3 to 10 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.7 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

3 Significant accounting policies (cont'd)

3.7 Leases (cont'd)

(i) As a lessee (cont'd)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses, except for right-of-use assets that meet the definition of investment property are carried at fair value in accordance with Note 3.5.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

3 Significant accounting policies (cont'd)

3.7 Leases (cont'd)

(ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in SFRS(I) 9 to the net investment in the lease (see Note 3.9(i)). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'other operating income'.

3.8 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on a weighted-average cost basis. Inventories mainly consist of materials used in the provision of cord blood, cord lining and cord tissue banking services.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

3.9 Impairment

(i) Non-derivative financial assets and contract assets

Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECL") on financial assets measured at amortised cost.

Loss allowances of the Group are measured on either of the following basis:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

3 Significant accounting policies (cont'd)

3.9 Impairment (cont'd)

(i) Non-derivative financial assets and contract assets (cont'd)

Non-derivative financial assets (cont'd)

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial assets. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

3 Significant accounting policies (cont'd)

3.9 Impairment (cont'd)

(i) Non-derivative financial assets and contract assets (cont'd)

Non-derivative financial assets (cont'd)

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value-in-use and its fair value less costs of disposal. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

3 Significant accounting policies (cont'd)

3.9 Impairment (cont'd)

(ii) Non-financial assets (cont'd)

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.10 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the reporting date.

Employee equity compensation plans

Employees (including senior executives) of the Group receive remuneration in the form of share awards as consideration for services rendered.

The grant date fair value of equity-settled share-based payment awards granted to employee is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market condition or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. In the case where the award does not vest as the result of a failure to meet a non-vesting condition that is within the control of the Group or the employee, it is accounted for as a cancellation. In such case, the amount of the compensation cost that otherwise would be recognised over the remainder of the vesting period is recognised immediately in profit or loss upon cancellation.

3.11 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

3 Significant accounting policies (cont'd)

3.12 Revenue

Revenue from cord blood, cord lining and cord tissue banking services is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative standalone selling prices of the promised services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the POs if it relates specifically to those POs.

Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

3.13 Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. These grants are then recognised in profit or loss as 'other operating income'. Grants that compensate the Group for expenses incurred are recognised in profit or loss as 'other operating income' on a systematic basis in the same periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

3.14 Finance income and finance costs

Finance income comprises interest income on funds invested (including financial assets at FVTPL).

Finance costs comprise interest expense on borrowings that are recognised in profit or loss.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3 Significant accounting policies (cont'd)

3.15 Income Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

3 Significant accounting policies (cont'd)

3.15 Income Tax (cont'd)

Other taxes

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax ("GST") except:

- (a) where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- (b) receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

3.16 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

3.17 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group Chief Executive Officer (the chief operating decision maker) to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group Chief Executive Officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3.18 New standards and interpretations not yet adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2022 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

3 Significant accounting policies (cont'd)

3.18 New standards and interpretations not yet adopted (cont'd)

The following amendments to SFRS(I) are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to SFRS(I) 1-12)*
- *Classification of Liabilities as Current or Non-current (Amendments to SFRS(I) 1-1)*
- *SFRS(I) 17 Insurance Contracts and amendments to SFRS(I) 17 Insurance Contracts*
- *Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies*
- *Amendments to SFRS(I) 1-8: Definition of Accounting Estimates*

4 Revenue

	Group	
	2022 \$'000	2021 \$'000
Rendering of cord blood, cord lining and cord tissue banking services	42,722	44,777
Finance income on contract assets	8,016	8,188
Rendering of other services	4,418	3,704
	55,156	56,669

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Rendering of cord blood, cord lining and cord tissue banking services: processing revenue

Nature of goods or services	Collection, processing and testing of the cord blood, cord lining and cord tissue sample.
When revenue is recognised	Revenue is recognised upon completion of processing of the cord blood, cord lining and cord tissue sample.
Significant payment terms	Deferred payment plans that include annual instalments over 18 to 21 years, monthly instalment plans over 12 to 60 months or full upfront payment upon contract signing or client delivery. Deferred payment plans have been determined to include a significant financing component. No significant financing component is recognised for upfront payments plans as these terms are designed for reasons other than provision of financing to the Group.
Obligations for refunds, if any	Refunds will be provided if no collection is done.
Obligations for warranties	Nil

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

4 Revenue (cont'd)

Rendering of cord blood, cord lining and cord tissue banking services: storage revenue

Nature of goods or services	Cryopreservation of the cord blood, cord lining and cord tissue sample.
When revenue is recognised	Over the storage period.
Significant payment terms	Deferred payment plans that include annual instalments over 18 to 21 years, monthly instalment plans over 12 to 60 months or full upfront payment upon contract signing or client delivery. Deferred payment plans have been determined to include a significant financing component. No significant financing component is recognised for upfront payments plans as these terms are designed for reasons other than provision of financing to the Group.
Obligations for refunds, if any	For full upfront payments, customers are entitled to refunds on the prepaid storage component that has not been fulfilled, if the contract is terminated in accordance with the terms of the contract.
Obligations for warranties	Nil

Contract balances

	Note	Group		Company	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Trade receivables	15	25,475	23,961	11,197	10,842
Contract assets		63,597	66,573	39,637	42,211
Contract liabilities – current		9,035	9,026	3,702	4,019
Contract liabilities – non-current		67,280	67,108	16,188	15,668

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on rendering of cord blood, cord lining and cord tissue banking services. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

The contract liabilities primarily relate to advance consideration received from customers for the rendering of cord blood, cord lining and cord tissue banking services.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

	Contract assets		Contract liabilities	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	—	—	9,026	7,792
Increases due to cash received, excluding amounts recognised as revenue during the year	—	—	(3,811)	(5,569)
Increase due to revenue recognition and invoicing	1,616	1,701	—	—
Reversal/(provision) of impairment loss on contract assets	181	(263)	—	—

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

4 Revenue (cont'd)

Contract balances (cont'd)

Significant judgements are used to estimate these total contract costs to complete. In making these estimates, management has relied on past experience and evidence. The estimated total contract costs is reviewed every reporting period and adjusted where necessary, with the corresponding effect of change being recognised prospectively from the date of change.

Transaction price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date.

2022	2023-2027	2028-2032	2033-2037	2038-2042	>2043	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Rendering of cord blood, cord lining and cord tissue banking services: storage revenue	47,121	36,030	20,642	6,963	9,320	120,076
2021	2022-2026	2027-2031	2032-2036	2037-2041	>2042	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Rendering of cord blood, cord lining and cord tissue banking services: storage revenue	47,855	39,120	23,389	8,610	7,616	126,590

The Group applies the practical expedient in paragraph 121 of SFRS(I) 15 and does not disclose information about its remaining performance obligations if:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or
- the Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, then it recognises revenue in that amount.

5 Other operating income

	Group	
	2022	2021
	\$'000	\$'000
Rental income	98	111
Gain on disposal of property, plant and equipment and investment properties, net	498	24
Fair value loss on short-term investments	(299)	(282)
Grant income*	325	507
Others	194	479
	<u>816</u>	<u>839</u>

* In 2022, the Group recognised grant income of \$249,000 (2021: \$325,000) relating to government financial support schemes provided during the COVID-19 pandemic.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

6 Finance income and finance costs

	Group	
	2022	2021
	\$'000	\$'000
Interest income from fixed deposits	1,901	1,440
Interest income from short-term and long-term investments	786	827
Finance income	<u>2,687</u>	<u>2,267</u>
Interest expense on interest-bearing borrowings	—	(35)
Interest expense on lease liabilities	(152)	(165)
Finance costs	<u>(152)</u>	<u>(200)</u>
Net finance income	<u>2,535</u>	<u>2,067</u>

7 Profit for the year

The following items have been included in arriving at profit for the year:

	Note	Group	
		2022	2021
		\$'000	\$'000
Employee benefits expense	28	21,312	21,433
Audit fees paid to auditors of the Company		527	492
Non-audit fees paid to auditors of the Company		61	40
Depreciation of property, plant and equipment	11	2,784	2,636
Amortisation of intangible assets	13	899	936
Impairment loss on trade receivables, net	30(i)	589	1,515
Bad debts written off		342	45

8 Tax expense

	Group	
	2022	2021
	\$'000	\$'000
Current tax expense		
Current year	1,154	1,475
Under/(over)-provision in respect of previous years	47	(240)
	<u>1,201</u>	<u>1,235</u>
Deferred tax expense		
Origination and reversal of temporary differences	(566)	(361)
Over-provision in respect of previous years	(18)	—
	<u>617</u>	<u>874</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

8 Tax expense (cont'd)

	Group	
	2022	2021
	\$'000	\$'000
Reconciliation of effective tax rate		
Profit before income tax	5,503	7,009
Tax using the Singapore tax rate of 17% (2021: 17%)	936	1,192
Effect of tax rates in foreign jurisdictions	18	135
Deferred tax assets not recognised	237	40
Non-deductible expenses	260	520
Tax-exempt income	(429)	(345)
Recognition of tax effect on previously unrecognised tax losses	(305)	(427)
Recognition of previously unrecognised deferred tax assets	(415)	—
Recognition of deferred tax on retained earnings of associate due to change in tax ruling	238	—
Effect of partial tax exemption	(17)	(17)
Under/(over)-provision in respect of previous years	29	(240)
Others	65	16
	<u>617</u>	<u>874</u>

9 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted-average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing profit attributable to owners of the Company by the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

The following reflects the profit and share data used in the computation of basic and diluted earnings per share:

	Group	
	2022	2021
	\$'000	\$'000
Profit for the financial year attributable to owners of the Company	4,887	6,135
	<u>'000</u>	<u>'000</u>
Weighted-average number of ordinary shares for basic earnings per share computation	255,748	255,095
Effects of dilution – share grants	481	1,137
Weighted-average number of ordinary shares for diluted earnings per share computation	<u>256,229</u>	<u>256,232</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

10 Investment in associate

	Group	
	2022	2021
	\$'000	\$'000
Shares, at cost	316	316
Share of post-acquisition results of associate	1,212	654
Other comprehensive (loss)/income	(15)	136
	1,513	1,106

Details of the associated company are as follows:

Name of company	Principal place of business/country of incorporation	Principal activity	Proportion of ownership interest	
			2022	2021
			%	%
<i>Held by Stemlife Berhad</i>				
Thai Stemlife Co., Ltd ¹	Thailand	Cord blood banking services	39.61	39.61

¹ Audited by KPMG Phoomchai Audit Ltd

Investment in associate comprises of a 39.61% stake in Thai Stemlife Co., Ltd ("TSL") through Stemlife Berhad.

The summarised financial information of the associated company is as follows:

	Group	
	2022	2021
	\$'000	\$'000
Revenue for the financial year	6,664	4,536
Net profit for the financial year	1,794	1,080
Other comprehensive loss for the financial year	(114)	—
Total comprehensive income attributable to associate's shareholders	1,680	1,080
Non-current assets	1,619	1,581
Current assets	5,576	3,766
Non-current liabilities	(1,732)	(1,732)
Current liabilities	(1,681)	(850)
Net assets	3,782	2,765
Carrying amount of interest in associate at beginning of the year	1,106	769
Group's share of:		
- profit for the year	718	432
Other comprehensive loss	(151)	(11)
Dividend received during the year	(160)	(84)
Carrying amount of interest in associate at end of the year	1,513	1,106

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

11 Property, plant and equipment

	Furniture and fittings	Laboratory equipment	Office equipment	Motor vehicles	Leasehold improvement	Buildings	Construction- in-progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group								
Cost								
At 1 January 2021	1,208	10,540	3,813	205	4,923	17,291	206	38,186
Additions	85	439	340	—	50	1,307	478	2,699
Disposals	(10)	(6)	(432)	—	—	(62)	(1)	(511)
Modification of right-of- use asset	—	—	—	—	—	(74)	—	(74)
Transfer from construction-in- progress	—	151	89	—	—	—	(240)	—
Exchange rate adjustments	7	17	(4)	—	28	(3)	53	98
At 31 December 2021	1,290	11,141	3,806	205	5,001	18,459	496	40,398
At 1 January 2022	1,290	11,141	3,806	205	5,001	18,459	496	40,398
Additions	48	424	253	—	106	1,178	950	2,959
Disposals	(22)	(438)	(289)	—	(59)	(1,211)	—	(2,019)
Derecognition of right-of- use asset	—	—	—	—	—	(943)	—	(943)
Transfer from construction-in- progress	1	410	61	—	107	658	(1,237)	—
Reclassification to investment property - depreciation offset	—	—	—	—	—	(82)	—	(82)
Revaluation of property reclassified to investment property	—	—	—	—	—	527	—	527
Reclassification to investment property	12	—	—	—	—	(677)	—	(677)
Exchange rate adjustments	(29)	(487)	(181)	(7)	(132)	(794)	(25)	(1,655)
At 31 December 2022	1,288	11,050	3,650	198	5,023	17,115	184	38,508

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

11 Property, plant and equipment (cont'd)

	Furniture and fittings	Laboratory equipment	Office equipment	Motor vehicles	Leasehold improvement	Buildings	Construction- in-progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group								
Accumulated depreciation								
At 1 January 2021	1,204	8,686	2,987	121	4,641	4,122	—	21,761
Depreciation charge for the year	30	445	424	38	101	1,598	—	2,636
Disposals	(10)	(6)	(430)	—	—	—	—	(446)
Exchange rate adjustments	7	16	(3)	(1)	27	(2)	—	44
At 31 December 2021	1,231	9,141	2,978	158	4,769	5,718	—	23,995
At 1 January 2022	1,231	9,141	2,978	158	4,769	5,718	—	23,995
Depreciation charge for the year	26	442	392	31	103	1,790	—	2,784
Disposals	(22)	(435)	(289)	(1)	(59)	(178)	—	(984)
Derecognition of right-of-use asset	—	—	—	—	—	(686)	—	(686)
Reclassification to investment property - depreciation offset	—	—	—	—	—	(82)	—	(82)
Exchange rate adjustments	(27)	(332)	(147)	(8)	(119)	(310)	—	(943)
At 31 December 2022	1,208	8,816	2,934	180	4,694	6,252	—	24,084
Carrying amounts								
At 1 January 2021	4	1,854	826	84	282	13,169	206	16,425
At 31 December 2021	59	2,000	828	47	232	12,741	496	16,403
At 31 December 2022	80	2,234	716	18	329	10,863	184	14,424

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

11 Property, plant and equipment (cont'd)

	Furniture and fittings	Laboratory equipment	Office equipment	Leasehold improvement	Buildings	Construction- in-progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Company							
Cost							
At 1 January 2021	445	2,015	1,428	859	7,224	—	11,971
Additions	—	174	80	2	—	39	295
Modification of right-of-use asset	—	—	—	—	(74)	—	(74)
At 31 December 2021	445	2,189	1,508	861	7,150	39	12,192
At 1 January 2022	445	2,189	1,508	861	7,150	39	12,192
Additions	21	88	69	8	505	68	759
Disposals	—	—	(179)	(45)	(1,210)	—	(1,434)
Derecognition of right-of-use asset	—	—	—	—	(686)	—	(686)
Transfer from construction-in-progress	—	—	—	107	—	(107)	—
At 31 December 2022	466	2,277	1,398	931	5,759	—	10,831
Accumulated depreciation							
At 1 January 2021	424	1,800	976	791	1,070	—	5,061
Depreciation charge for the year	10	70	175	24	294	—	573
At 31 December 2021	434	1,870	1,151	815	1,364	—	5,634
At 1 January 2022	434	1,870	1,151	815	1,364	—	5,634
Depreciation charge for the year	8	73	166	23	328	—	598
Disposals	—	—	(179)	(45)	(178)	—	(402)
Derecognition of right-of-use asset	—	—	—	—	(686)	—	(686)
At 31 December 2022	442	1,943	1,138	793	828	—	5,144
Carrying amounts							
At 1 January 2021	21	215	452	68	6,154	—	6,910
At 31 December 2021	11	319	357	46	5,786	39	6,558
At 31 December 2022	24	334	260	138	4,931	—	5,687

The Group and the Company's property, plant and equipment includes right-of-use assets of \$3,026,000 and \$561,000 respectively (2021: \$3,747,000 and \$335,000) (Note 26).

Transfer to investment property

During the financial year ended 31 December 2022, one property that was classified under property, plant and equipment was redesignated to investment property.

Immediately before the transfer, the Group remeasured the property at fair value and recognised a gain of \$482,000 in other comprehensive income, made up of \$527,000 fair value gain on property, net of deferred tax liability of \$45,000. The valuation techniques and significant unobservable inputs used in measuring the fair value of the property at the date of transfer were the same as those applied to investment properties at the reporting date (see Note 12).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

12 Investment properties

	Note	Group		Company	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Statements of financial position:					
At 1 January		3,513	7,531	1,848	2,305
Transfer from property, plant and equipment	11	677	—	—	—
Disposal		—	(4,131)	—	(560)
Change in fair value		537	179	421	103
Exchange rate adjustments		(109)	(66)	—	—
At 31 December		4,618	3,513	2,269	1,848
Statement of comprehensive income:					
<i>Rental income from investment properties:</i>					
Minimum lease payments		98	111	92	84
<i>Direct operating expenses arising from:</i>					
Rental generating properties		22	29	21	19
Non-rental generating properties		9	18	—	—

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop its investment properties or for repairs, maintenance or enhancements.

Changes in fair values are recognised as gain or loss in profit or loss.

The investment properties held by the Group and the Company as at 31 December 2022 are as follows:

Description and location	Tenure	Lease term
Group		
3 office units, A'Posh Bizhub 1 Yishun Industrial Street 1, Singapore	Leasehold	60 years
Unit 6.06, Wisma Perintis, Jalan Dungun, Damansara Heights, 50490 Kuala Lumpur	Freehold	Freehold
B-1-8, Greentown Square, Jalan Dato Seri Ahmad Said, 30450 Ipoh, Perak	Leasehold	99 years
No. 220, Jalan Burma, 10350 Penang	Freehold	Freehold
B-2-8, Greentown Square, Jalan Dato Seri Ahmad Said, 30450 Ipoh, Perak	Leasehold	99 years
B-3-8, Greentown Square, Jalan Dato Seri Ahmad Said, 30450 Ipoh, Perak	Leasehold	99 years
B-8-15, Megan Avenue II, 12 Jalan Yap Kwan Seng, 50450 Kuala Lumpur	Freehold	Freehold
Company		
3 office units, A'Posh Bizhub 1 Yishun Industrial Street 1, Singapore	Leasehold	60 years

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

12 Investment properties (cont'd)

(i) Fair value hierarchy

Investment properties are stated at fair value, which has been determined based on valuations performed as at the reporting date. The valuations are performed by PREMAS Valuers & Property Consultants Pte Ltd and VPC Alliance (KL) Sdn. Bhd., who are independent valuers with recognised and relevant professional qualifications and with recent experiences in the location and category of the properties being valued. The valuations are based on comparable market transactions that consider the sales of similar properties that have been transacted in the open market. The fair value measurement for all investment properties has been categorised as a Level 3 fair value.

(ii) Valuation technique and significant unobservable inputs

The following table shows the Group's valuation technique used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs
Direct comparison method	Not applicable

13 Intangible assets

	Customer contracts	Brand	Goodwill	Computer software	Licence	Trademark	Work-in-progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group								
Cost								
At 1 January 2021	2,793	3,870	27,412	4,008	860	97	779	39,819
Additions	—	—	—	104	—	20	251	375
Transfer from work-in-progress	—	—	—	334	—	—	(334)	—
Exchange rate adjustments	(14)	3	206	2	—	—	(79)	118
At 31 December 2021	2,779	3,873	27,618	4,448	860	117	617	40,312
At 1 January 2022	2,779	3,873	27,618	4,448	860	117	617	40,312
Additions	—	—	—	370	—	—	268	638
Disposals	—	—	—	—	—	—	(62)	(62)
Transfer from work-in-progress	—	—	—	200	—	179	(379)	—
Exchange rate adjustments	(69)	(112)	(628)	(134)	—	—	—	(943)
At 31 December 2022	2,710	3,761	26,990	4,884	860	296	444	39,945

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

13 Intangible assets (cont'd)

	Customer contracts	Brand	Goodwill	Computer software	Licence	Trademark	Work-in- progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group								
Accumulated amortisation								
At 1 January 2021	1,725	1,751	—	3,451	860	60	—	7,847
Amortisation for the year	217	335	—	373	—	11	—	936
Exchange rate adjustments	(10)	(2)	—	2	—	—	—	(10)
At 31 December 2021	1,932	2,084	—	3,826	860	71	—	8,773
At 1 January 2022	1,932	2,084	—	3,826	860	71	—	8,773
Amortisation for the year	215	334	—	256	—	94	—	899
Exchange rate adjustments	(53)	(87)	—	(33)	—	—	—	(173)
At 31 December 2022	2,094	2,331	—	4,049	860	165	—	9,499
Carrying amounts								
At 1 January 2021	1,068	2,119	27,412	557	—	37	779	31,972
At 31 December 2021	847	1,789	27,618	622	—	46	617	31,539
At 31 December 2022	616	1,430	26,990	835	—	131	444	30,446

Customer contracts

Customer contracts relate to the existing cord blood, cord lining banking and cord tissue service contracts of the subsidiaries acquired, with useful lives ranging from 12 to 20 years.

Brand

Brand relates to the “Stemlife” and “Healthbaby” brand name possessed by the acquired subsidiary, Stemlife Berhad and Healthbaby Biotech (Hong Kong) Co., Limited, with an amortisation period of 15 years.

Amortisation expense

The amortisation of the intangible assets has been recognised in the “Administrative expenses” line item in the consolidated statement of comprehensive income.

Impairment testing for CGUs containing goodwill

For the purposes of impairment testing, goodwill acquired through business combinations has been allocated to the Group’s CGUs (operating divisions) as follows:

	Group	
	2022	2021
	\$'000	\$'000
Business operations in Malaysia – Stemlife Berhad	7,034	7,466
Business operations in Hong Kong – Healthbaby and Cordlife Hong Kong	19,956	20,152
	26,990	27,618

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

13 Intangible assets (cont'd)

Impairment testing for CGUs containing goodwill (cont'd)

Stemlife Berhad

The recoverable amount has been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The key assumptions used in the estimation of the recoverable amount are set out below.

	2022	2021
Discount rate	15.0%	12.5%
Terminal growth rate	1.0%	1.0%
Revenue growth rates (average of next five years)	8.8%	10.9%

The calculations of value-in-use for the CGU are most sensitive to the following assumptions:

Revenue growth was projected taking into account the market share assumptions. These assumptions are important because, as well as using market data for the growth rate (as noted above), management assesses how the CGU's position, relative to its competitors, might change over the budget period. Management expects the Group's share of the market to grow over the budget period.

The terminal growth rate is based on management's estimate of long-term compound annual growth rate in budgeted profit, which management believed was consistent with the assumption that a market participant would make.

The discount rate represents the current market assessment of the risks specific to the CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and the CGU and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on average prime lending rate offered by banks. The CGU's specific risk is incorporated by applying individual risk premiums. The risk premiums are evaluated annually based on publicly available market data.

The estimated recoverable amount of the CGU exceeded its carrying amount by approximately \$1,536,000 (2021: \$3,909,000). Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which these two assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Change required for carrying amount to equal the recoverable amount	
	2022	2021
Discount rate	8.6%	11.6%
Revenue growth rates (average of next five years)	(2.3)%	(1.9)%

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

13 Intangible assets (cont'd)

Impairment testing for CGUs containing goodwill (cont'd)

Healthbaby and Cordlife Hong Kong

The recoverable amount has been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The key assumptions used in the estimation of the recoverable amount are set out below.

	2022	2021
Discount rate	13.0%	9.0%
Terminal growth rate	1.0%	1.0%
Revenue growth rates (average of next five years)	10.3%	6.2%

The calculations of value-in-use for the CGU are most sensitive to the following assumptions:

Revenue growth was projected taking into account the market share assumptions. These assumptions are important because, as well as using market data for the growth rate (as noted above), management assesses how the CGU's position, relative to its competitors, might change over the budget period. Management expects the Group's share of the market to grow over the budget period.

The terminal growth rate is based on management's estimate of long-term compound annual growth rate in budgeted profit, which management believed was consistent with the assumption that a market participant would make.

The discount rate represents the current market assessment of the risks specific to the CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and the CGU and derived from its WACC. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on average prime lending rate offered by banks. The CGU's specific risk is incorporated by applying individual risk premiums. The risk premiums are evaluated annually based on publicly available market data.

The estimated recoverable amount of the CGU exceeded its carrying amount by approximately \$876,000 (2021: \$3,258,000). Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which these two assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Change required for carrying amount to equal the recoverable amount	
	2022	2021
Discount rate	1.4%	1.1%
Revenue growth rates (average of next five years)	(0.3)%	(0.2)%

During the financial year, no impairment loss was recognised (2021: \$Nil).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

13 Intangible assets (cont'd)

	Computer software \$'000	Trademark \$'000	Work-in- progress \$'000	Total \$'000
Company				
Cost				
At 1 January 2021	2,412	97	288	2,797
Additions	—	20	251	271
Transfer from work-in-progress	22	—	(22)	—
At 31 December 2021	2,434	117	517	3,068
At 1 January 2022	2,434	117	517	3,068
Additions	4	—	262	266
Disposals	—	—	(62)	(62)
Transfer from work-in-progress	200	179	(379)	—
At 31 December 2022	2,638	296	338	3,272
Accumulated amortisation				
At 1 January 2021	2,117	64	—	2,181
Amortisation for the year	146	11	—	157
At 31 December 2021	2,263	75	—	2,338
At 1 January 2022	2,263	75	—	2,338
Amortisation for the year	98	94	—	192
At 31 December 2022	2,361	169	—	2,530
Carrying amounts				
At 1 January 2021	295	33	288	616
At 31 December 2021	171	42	517	730
At 31 December 2022	277	127	338	742

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

14 Investments

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Non-current				
Designated at fair value				
- Unquoted non-equity investments ⁽¹⁾	—	4,357	—	4,357
	—	4,357	—	4,357
Current				
Designated at fair value				
- Unquoted non-equity investments ⁽¹⁾	4,562	—	4,562	—
Mandatorily at FVTPL				
- Unquoted non-equity investments ⁽²⁾	1,257	15,411	—	—
	5,819	15,411	4,562	—

⁽¹⁾ In the financial year ended 30 June 2016, the Group subscribed for a Class A Redeemable Convertible Note ("RCN") in the principal amount of \$4,200,000 from CellResearch Corporation Pte. Ltd. ("CRC"). The RCN bears interest rate of 3-month SIBOR plus 7% per annum payable annually in arrears. The RCN is classified as an unquoted non-equity investment, which is carried at fair value through profit or loss. The previous supplemental agreement, which was valid from 1 July 2019 to 30 June 2021, had matured. In July 2021, the Group had signed a new supplemental agreement to extend the RCN for another 2 years to June 2023 on the same terms. As of 31 December 2022, the RCN was classified as current investment.

⁽²⁾ The Group's unquoted non-equity investments comprise investments in money market funds.

15 Trade receivables

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Trade receivables	31,983	30,255	12,560	12,105
Less: Impairment loss	(6,508)	(6,294)	(1,363)	(1,263)
	25,475	23,961	11,197	10,842

Trade receivables (current) are non-interest bearing and generally settled on 30 to 60 day terms.

The Group and the Company's exposure to credit and currency risks, and impairment losses for trade and other receivables, are disclosed in Note 30.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

16 Other receivables

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Interest receivable	1,142	1,146	55	2
GST receivable	212	224	187	182
Advances	168	29	—	—
Other receivables ⁽¹⁾	617	3,743	236	359
Deposits	800	318	211	153
	<u>2,939</u>	<u>5,460</u>	<u>689</u>	<u>696</u>

⁽¹⁾ In 2021, other receivables included a receivable of \$2,767,000 for the sale of investment properties. The sale proceeds were received in 2022.

17 Inventories

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Consumables, at cost	<u>1,362</u>	<u>1,428</u>	<u>280</u>	<u>283</u>

Inventories recognised as an expense in cost of sales amount to \$3,220,000 (2021: \$3,807,000).

18 Amounts owing by/(to) subsidiaries

Current amounts owing by/(to) subsidiaries are trade and non-trade related, unsecured, interest-free, are repayable on demand for non-trade related amounts, and with a 30-day credit term for trade related amounts.

Non-current amounts owing to subsidiaries are non-trade related, unsecured, interest-free and are not contractually repayable within the next twelve months.

There is no allowance for doubtful debts arising from amounts owing by subsidiaries.

19 Fixed deposits

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Non-current				
Unpledged fixed deposits	<u>4,746</u>	<u>9,731</u>	<u>—</u>	<u>—</u>
Current				
Unpledged fixed deposits	<u>45,970</u>	<u>33,760</u>	<u>10,075</u>	<u>8,268</u>
Pledged fixed deposits	<u>9,379</u>	<u>257</u>	<u>—</u>	<u>—</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

19 Fixed deposits (cont'd)

As at the reporting date 31 December 2022, the Group's non-current unpledged fixed deposits will mature between 1 to 2 years (2021: 1 to 2 years) and bear interest at an effective rate of 5.2% to 7.0% (2021: 4.2% to 5.4%). The Group's current unpledged fixed deposits will mature within 12 months (2021: 10 months) and bear interest at an effective rate of 2.7% to 7.0% (2021: 0.1% to 6.9%) per annum.

Pledged fixed deposits, which will mature within 6 months (2021: 5 months) and bear interest at an effective rate of 3.2% to 5.0% (2021: 0.2%) per annum. As at 31 December 2022, the pledged fixed deposits are pledged for a banker's guarantee issued for an office lease and a short-term loan facility which gives the Company a drawdown limit of the lower of \$10.0 million or the total aggregate amount of 90% of the Singapore dollar equivalent of the principal amount of MYR fixed deposits maintained with the bank (2021: pledged for a banker's guarantee issued for an office lease).

20 Cash and cash equivalents

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	13,381	15,458	3,882	3,438

Cash and cash equivalents denominated in foreign currencies (i.e. in currencies other than the functional currencies in which they are measured) are as follows:

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Singapore Dollar	202	181	—	—
Malaysian Ringgit	222	232	222	232
Swiss Franc	1	3	—	2
United States Dollar	48	71	47	71
Australian Dollar	—	2	—	2

For the purpose of the consolidated statement of cash flows, only cash at bank and on hand are classified as cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

21 Trade and other payables

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Trade payables	3,693	2,892	206	82
Other payables	3,351	3,604	1,183	1,881
Accrued expenses	2,091	3,208	760	1,031
Accrual for salaries and bonuses	820	1,719	756	1,437
	<u>9,955</u>	<u>11,423</u>	<u>2,905</u>	<u>4,431</u>
Non-current				
Other payables	<u>522</u>	<u>662</u>	<u>—</u>	<u>—</u>

Current trade and other payables are non-interest bearing and are generally settled in cash on 30-day terms.

Non-current other payables are non-interest bearing and are not expected to be settled within the next 12 months.

The Group and the Company's exposures to liquidity risk related to trade and other payables are disclosed in Note 30.

22 Deferred tax assets/liabilities

	Group				Company	
	Statement of financial position		Recognised in profit or loss		Statement of financial position	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Deferred tax liabilities						
Differences in depreciation for tax purposes	394	147	212	(233)	15	15
Fair value adjustment on acquisition of subsidiaries	<u>3,565</u>	<u>4,024</u>	<u>(381)</u>	<u>(382)</u>	<u>—</u>	<u>—</u>
	<u>3,959</u>	<u>4,171</u>			<u>15</u>	<u>15</u>
Deferred tax assets						
Unutilised tax losses	<u>890</u>	<u>672</u>	<u>(415)</u>	<u>254</u>	<u>415</u>	<u>—</u>
	<u>890</u>	<u>672</u>			<u>415</u>	<u>—</u>
Deferred tax expense			<u>(584)</u>	<u>(361)</u>		

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

22 Deferred tax assets/liabilities (cont'd)

Unrecognised tax losses

At the end of the reporting period, the Group has tax losses of approximately \$6,766,000 (2021: \$8,552,000) that are available for offset against future taxable profits of the subsidiaries in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

Unrecognised temporary differences relating to investments in subsidiaries

At the end of the reporting period, there are unrecognised temporary differences of \$17,202,000 (2021: \$16,488,000) relating to investment in subsidiaries.

Tax consequences of proposed dividends

In 2021, there were no income tax consequences attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 33). No dividends to shareholders were proposed by Company for 2022.

23 Share capital and treasury shares

(a) Share capital

	Group and Company			
	2022		2021	
	Number of shares		Number of shares	
	'000	\$'000	'000	\$'000
Issued and fully paid:				
Ordinary shares				
At the beginning of the year	267,525	95,163	267,525	95,646
Reissuance of treasury shares pursuant to equity compensation plan	—	(477)	—	(483)
At the end of the year	267,525	94,686	267,525	95,163

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

(b) Treasury shares

	Group and Company			
	2022		2021	
	Number of shares		Number of shares	
	'000	\$'000	'000	\$'000
At the beginning of the year	(12,224)	(13,290)	(12,943)	(14,073)
Reissuance of treasury shares pursuant to equity compensation plan	676	736	719	783
At the end of the year	(11,548)	(12,554)	(12,224)	(13,290)

Treasury shares relate to ordinary shares of the Company which are held by the Company.

24 Other reserves

Share-based compensation reserve

Share-based compensation reserve represents the equity-settled share awards granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant of share awards, and is reduced by the expiry or exercise of the share awards.

Capital reserve

Capital reserve represents the value of equity-settled share options previously granted by Life Corporation Limited to the Group's employees, prior to the distribution in specie of all of the issued share capital of Cordlife Group Limited to Life Corporation Limited's shareholders on 30 June 2011. Subsequent to the distribution, Cordlife Group Limited ceased to be a subsidiary of Life Corporation Limited.

The reserve is made up of the cumulative value of services received from employees recorded on grant of equity-settled share options.

Merger reserve

Merger reserve represents the difference between the consideration paid/received and the equity interests acquired/disposed, accounted for using the pooling of interest method.

Acquisition reserve

Acquisition reserve represents the excess of the consideration over the carrying value when the Group acquired non-controlling interests in its subsidiaries.

Revaluation reserve

Revaluation reserve represents the revaluation adjustment of property, plant and equipment immediately before its reclassification as investment property.

Foreign currency translation reserve

Foreign currency translation reserve represents the exchange differences arising from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from that of the Group's presentation currency.

25 Commitments

Capital commitments

The Group and the Company do not have capital commitments in respect of property, plant and equipment that are contracted for as at 31 December 2022 and 2021.

26 Leases

Leases as lessee

The Group leases office space under non-cancellable lease arrangements, which have remaining lease terms ranging from three months to six years (2021: two months to seven years). The leases have nominal interest rates ranging from 1.4% to 16.5% (2021: 1.4% to 16.5%).

The Company leases office space under non-cancellable lease arrangements, which have remaining lease terms ranging from one year to three years (2021: two months to six months). The leases have nominal interest rates ranging from 1.39% to 2.36% (2021: 1.39% to 2.36%).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

26 Leases (cont'd)

Leases as lessee (cont'd)

There are no renewal options and contingent rent provisions included in the contracts. The Group and the Company are restricted from subleasing the premises.

Information about leases for which the Group and the Company are as lessees are presented below.

Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment properties are presented as property, plant and equipment (see Note 11).

	Laboratory equipment \$'000	Office equipment \$'000	Buildings \$'000	Total \$'000
Group				
Balance at 1 January 2021	58	460	3,338	3,856
Additions to right-of-use assets	8	125	1,371	1,504
Depreciation charge for the year	(39)	(99)	(1,401)	(1,539)
Modification of right-of-use assets	—	—	(74)	(74)
Balance at 31 December 2021	27	486	3,234	3,747
Balance at 1 January 2022	27	486	3,234	3,747
Additions to right-of-use assets	—	22	1,179	1,201
Depreciation charge for the year	(15)	(91)	(1,559)	(1,665)
Derecognition of right-of-use assets	—	—	(257)	(257)
Balance at 31 December 2022	12	417	2,597	3,026
Company				
Balance at 1 January 2021	—	295	351	646
Additions to right-of-use assets	8	—	—	8
Depreciation charge for the year	(3)	(59)	(183)	(245)
Modification of right-of-use assets	—	—	(74)	(74)
Balance at 31 December 2021	5	236	94	335
Balance at 1 January 2022	5	236	94	335
Additions to right-of-use assets	—	—	505	505
Depreciation charge for the year	(3)	(59)	(217)	(279)
Balance at 31 December 2022	2	177	382	561

Amounts recognised in profit or loss

	2022 \$'000	2021 \$'000
Interest on lease liabilities	152	165
Expenses relating to short-term leases	522	524

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

26 Leases (cont'd)

Leases as lessee (cont'd)

Amounts recognised in the consolidated statement of cash flows

	Group	
	2022	2021
	\$'000	\$'000
Total cash outflow for leases	1,771	2,413

Leases as lessor

The Group has entered into commercial property leases on its investment properties. These non-cancellable leases have remaining lease terms up to 12 months (2021: up to 24 months). There are no renewal options and contingent rent provisions included in the contracts. The lessees are restricted from subleasing the premises. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	Company
	\$'000	\$'000
2022		
Within one year	98	81
2021		
Within one year	112	94
After one year but not more than five years	17	—
	129	94

27 Investment in subsidiaries

	Company	
	2022	2021
	\$'000	\$'000
Unquoted equity shares, at cost	92,083	92,083
Less: Impairment loss	(35,242)	(29,463)
	56,841	62,620

During the financial year, the Group performed an assessment of the recoverable amount of its investment in Healthbaby Biotech Hong Kong Co., Limited, estimated using the value-in-use approach and determined the recoverable amount to be lower than the carrying amount. The value-in-use was determined by discounting the future cash flows generated and was based on approved budget and 5 years cash business projections. An impairment loss of \$5,779,000 (2021: \$Nil) was recognised in "Administrative expenses" line item in the Company's statement of comprehensive income during the year. The impairment loss was eliminated in the Group's statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

27 Investment in subsidiaries (cont'd)

Name of Company	Principal activities	Country of incorporation	Percentage of equity held	
			2022 %	2021 %
<i>Held by the Company</i>				
Cordlife (Hong Kong) Limited ¹	Cord blood, cord lining and cord tissue banking and diagnostics services	Hong Kong	100	100
Cordlife Stem Cell Technology Limited ⁹	Cord lining banking services	Hong Kong	100	100
Healthbaby Biotech (Hong Kong) Co., Limited ¹	Cord blood, cord lining and cord tissue banking services	Hong Kong	100	100
Cordlife Technologies Pte. Ltd. ²	Cord lining banking and diagnostics services	Singapore	100	100
CS Cell Technologies Pte. Ltd. ²	Investment holding	Singapore	100	100
Stemlife Berhad ³	Cord blood banking services	Malaysia	99.03	99.03
Shanghai Cordlife Biomedical Research Co., Ltd ⁴	Dormant	People's Republic of China	100	100
<i>Held by CS Cell Technologies Pte Ltd</i>				
Cordlife Sciences (India) Pvt. Ltd. ⁵	Cord blood, cord lining and cord tissue banking and diagnostics services	India	99.99	99.99
Cordlife Medical Phils., Inc ⁶	Cord blood, cord lining and cord tissue banking and diagnostics services	Philippines	99.99	99.99
PT. Cordlife Persada ⁷	Cord blood, cord lining and cord tissue banking and diagnostics services	Indonesia	67	67
<i>Held by Cordlife Stem Cell Technology Limited</i>				
Hong Kong Screening Centre Limited ⁹	Dormant	Hong Kong	100	100
<i>Held by Stemlife Berhad</i>				
Stemlife Properties Sdn. Bhd. ³	Property investment company	Malaysia	99.03	99.03
Stemlife Therapeutics Sdn. Bhd. ³	Cord lining and cord tissue banking services	Malaysia	99.03	99.03
Stemlife Biotechnology Sdn. Bhd. ³	Medical laboratory and diagnostic services and general medical screening tests	Malaysia	99.03	99.03

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

27 Investment in subsidiaries (cont'd)

Name of Company	Principal activities	Country of incorporation	Percentage of equity held	
			2022	2021
			%	%

Held by Healthbaby Biotech (Hong Kong) Co., Limited

Healthbaby Biotech (Macau) Co., Limited ⁶	Provision of marketing services	Macau	99	99
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Held by Cordlife (Hong Kong) Limited

Healthbaby Biotech (Macau) Co., Limited ⁶	Provision of marketing services	Macau	1	1
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¹ Audited by KPMG, Hong Kong

² Audited by KPMG, Singapore

³ Audited by KPMG, Kuala Lumpur

⁴ Audited by Shanghai Xinyi Certified Public Accountants Co. Ltd

⁵ Audited by D. K. Chhajer & Co.

⁶ Audited by Reyes Tacandong & Co.

⁷ Audited by Gani Sigiro & Handayani

⁸ Audited by Keng Ou CPAs

⁹ Audited by Li, Tang, Chen & Co.

Acquisition of non-controlling interest in subsidiary

On 11 June 2021, the Group's wholly-owned subsidiary, Cordlife Stem Cell Technology Limited acquired 660,000 ordinary shares in Hong Kong Screening Centre Limited ("HKSC") from Navigene Genetic Science Pvt. Ltd, representing approximately 33.0% of all the issued ordinary shares of HKSC for HK\$329,776 (approximately \$57,000). As a result of the acquisition, the carrying value of the non-controlling interest being approximately \$134,000 was reversed, and the difference between the consideration and the carrying value of the non-controlling interest, being \$191,000, was recognised in acquisition reserve under other reserve. The subsidiary was a wholly owned subsidiary as of 11 June 2021.

28 Employee benefits expense

	Group	
	2022	2021
	\$'000	\$'000
Salaries, bonuses and other short-term benefits	20,060	19,655
Defined contribution plans	1,365	1,484
Share-based compensation (reversal)/expense (Cordlife Share Grant Plan)	(113)	294
	<u>21,312</u>	<u>21,433</u>

These includes the amount shown as key management personnel compensation in Note 29.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

28 Employee benefits expense (cont'd)

Cordlife Share Grant Plan

The Cordlife Share Grant Plan is a share-based long-term incentive plan for key senior management and employees of the Group which was approved by shareholders at an Extraordinary General Meeting held on 18 October 2013.

The details of the plan are described below:

Performance Share Award

Plan description	Award of fully-paid ordinary shares of the Company, conditional upon the satisfaction of specific performance targets set at the start of a one-year performance period based on medium-term Group and Company objectives.
Performance conditions	Average Return on Invested Capital and Absolute Shareholders' Return
Vesting conditions	Based on meeting stated performance conditions over a one-year performance period, 50% of award will vest. Balance will vest in the second year.
Payout	0%-100% depending on the achievement of pre-set performance targets over the performance period.

Restricted Share Award

Plan description	Award of fully-paid ordinary shares of the Company, conditional upon the satisfaction of specific performance targets set at the start of a two-year performance period based on medium-term Group and Company objectives of retaining high potential talents ("HiPo").
Performance conditions	Sustained Performance Level ("PL") Rating 1 or 2 (out of 5) and continues to remain in HiPo talent pool.
Vesting conditions	Based on meeting stated performance conditions over a two-year performance period, 50% of award will vest. Balance will vest in the third year.
Payout	0%-100% depending on the achievement of pre-set PL Rating over the performance period.

Movement of share awards during the year

	Group	
	2022	2021
	No. of shares	
Outstanding at the beginning of the year	337,050	3,337,550
– Granted	677,800	–
– Awarded	(675,950)	(718,700)
– Cancelled	(53,550)	(2,281,800)
Outstanding at the end of the year	285,350	337,050

The amount recognised in profit or loss for employee services received under the Cordlife Share Grant Plan during the financial year ended 31 December 2022 is a reversal of \$113,000 (2021: expense of \$294,000).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

28 Employee benefits expense (cont'd)

Restricted Share Award (cont'd)

Fair value of share awards granted

The fair value of services received in return for shares awarded is measured by reference to the fair value of shares granted each year under the Cordlife Share Grant Plan. The estimate of the services received is measured based on a Monte Carlo simulation model, which involves projection of future outcomes using statistical distribution of key random variables including share price and volatility of returns.

The following table lists the key inputs to the model used for the share awards:

	2022
Expected dividend yield (%)	2.09
Expected volatility (%)	53.20 - 71.48
Risk-free interest rate (%)	1.23 - 1.49
Expected term (years)	1 - 2
Share price at date of grant (\$)	<u>0.40</u>

Based on the Monte Carlo simulation model, the estimated fair value at the date of grant for each share granted under the Cordlife Share Grant Plan during the year ended 31 December 2022 was \$0.41 – \$0.43. There were no shares granted during the year ended 31 December 2021.

29 Related party transactions

Compensation of key management personnel

	Group	
	2022	2021
	\$'000	\$'000
Salaries and bonuses	1,537	1,683
Defined contribution plans	97	124
Other short-term benefits	92	92
Share-based compensation	(2)	273
Directors' fees	540	291
	<u>2,264</u>	<u>2,463</u>
<i>Comprise amounts paid to:</i>		
Directors of the Company	1,077	1,008
Other key management personnel	1,187	1,455
	<u>2,264</u>	<u>2,463</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

30 Financial instruments

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Audit and Risk Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit and Risk Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit and Risk Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk Committee.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The carrying amounts of financial assets and contract assets represent the Group and the Company's maximum exposures to credit risk, before taking into account any collateral held. The Group and the Company do not hold any collateral in respect of their financial assets.

Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

30 Financial instruments (cont'd)

Risk management framework (cont'd)

(i) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Exposure to credit risk

The exposure to credit risk for trade receivables and contract assets at the reporting date by geographic region was as follows:

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Singapore	60,161	62,015	48,232	50,696
Hong Kong	687	1,152	—	—
India	2,046	1,768	—	—
Malaysia	2,840	3,176	—	—
Philippines	12,260	12,220	—	—
Indonesia	11,078	10,203	2,602	2,357
	89,072	90,534	50,834	53,053

As at 31 December 2022, the Group has an RCN from CRC of \$4,562,000 classified as short-term investment (2021: \$4,357,000 classified as long-term investment). Details are disclosed in Note 14 to the financial statements.

The Group has no investment in money market funds (2021: one investment in money market funds of \$14,099,000) above \$2,000,000. The investments are placed with regulated financial institutions.

There are no other significant concentrations of credit risk within the Group.

The Group's and the Company's impaired trade receivables at 31 December 2022 had a gross carrying amount of \$31,983,000 and \$12,560,000, respectively (31 December 2021: \$30,255,000 and \$12,105,000 respectively).

Expected credit loss assessment for individual customers as at 31 December 2022 and 31 December 2021

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures by type of customers based on the common credit risk characteristics.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

30 Financial instruments (cont'd)

Risk management framework (cont'd)

(i) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Expected credit loss assessment for individual customers as at 31 December 2022 and 31 December 2021 (cont'd)

The following tables provide information about the exposure to credit risk and ECLs for trade receivables for individual customers.

	Weighted average loss rate %	Gross carrying amount \$'000	Impairment loss allowance \$'000	Credit impaired
Group				
31 December 2022				
Current (not past due)	0.79	8,408	(67)	No
1-30 days past due	3.79	1,610	(61)	No
31-60 days past due	5.85	1,008	(59)	No
61-90 days past due	7.18	780	(56)	No
More than 90 days past due	31.05	20,177	(6,265)	Yes
		31,983	(6,508)	
31 December 2021				
Current (not past due)	1.02	9,122	(93)	No
1-30 days past due	5.48	2,042	(112)	No
31-60 days past due	9.61	843	(81)	No
61-90 days past due	19.22	567	(109)	No
More than 90 days past due	33.36	17,681	(5,899)	Yes
		30,255	(6,294)	
Company				
31 December 2022				
Current (not past due)	0.32	4,396	(14)	No
1-30 days past due	1.90	631	(12)	No
31-60 days past due	3.79	264	(10)	No
61-90 days past due	3.43	233	(8)	No
More than 90 days past due	18.75	7,036	(1,319)	Yes
		12,560	(1,363)	
31 December 2021				
Current (not past due)	0.35	4,296	(15)	No
1-30 days past due	1.06	1,229	(13)	No
31-60 days past due	3.53	312	(11)	No
61-90 days past due	4.06	197	(8)	No
More than 90 days past due	20.03	6,071	(1,216)	Yes
		12,105	(1,263)	

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

30 Financial instruments (cont'd)

Risk management framework (cont'd)

(i) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Movements in allowance for impairment in respect of trade receivables and contract assets

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows:

	Group		Company	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
At 1 January	7,860	6,442	1,545	1,519
Impairment loss recognised	668	1,515	84	45
Reversal of impairment loss	(79)	—	—	—
Amounts written off	(74)	(19)	—	(19)
Exchange differences	(482)	(78)	—	—
At 31 December	7,893	7,860	1,629	1,545

Cash and cash equivalents

The Group and the Company held cash and cash equivalents of \$13,381,000 and \$3,882,000 respectively at 31 December 2022 (2021: \$15,458,000 and \$3,438,000 respectively). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated Ba2 to Aa1 (2021: Baa3 to Aa1), based on Moody's ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

Other receivables

The Group and the Company held other receivables of \$2,939,000 and \$689,000 respectively at 31 December 2022 (2021: \$5,460,000 and \$696,000 respectively), carried at amortised cost. Impairment on other receivables has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its other receivables have a low risk of default and a capacity to meet contractual cash flows. The amount of the allowance on other receivables was negligible.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

30 Financial instruments (cont'd)

Risk management framework (cont'd)

(ii) Liquidity risk (cont'd)

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Cash flows				
	Carrying amount	Contractual cash flows	Within 1 year	Within 2-5 years	Over 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
31 December 2022					
Non-derivative financial liabilities					
Trade and other payables	10,477	(10,477)	(9,955)	(522)	—
Lease liabilities ⁽¹⁾	2,217	(2,491)	(1,254)	(1,237)	—
	<u>12,694</u>	<u>(12,968)</u>	<u>(11,209)</u>	<u>(1,759)</u>	<u>—</u>
31 December 2021					
Non-derivative financial liabilities					
Trade and other payables	12,085	(12,085)	(11,423)	(662)	—
Lease liabilities ⁽¹⁾	2,967	(3,350)	(1,775)	(1,575)	—
	<u>15,052</u>	<u>(15,435)</u>	<u>(13,198)</u>	<u>(2,237)</u>	<u>—</u>
Company					
31 December 2022					
Non-derivative financial liabilities					
Trade and other payables	2,905	(2,905)	(2,905)	—	—
Amounts owing to subsidiaries	17,185	(17,185)	(3,987)	—	(13,198)
Lease liabilities	523	(546)	(232)	(314)	—
	<u>20,613</u>	<u>(20,636)</u>	<u>(7,124)</u>	<u>(314)</u>	<u>(13,198)</u>
31 December 2021					
Non-derivative financial liabilities					
Trade and other payables	4,431	(4,431)	(4,431)	—	—
Amounts owing to subsidiaries	28,773	(28,773)	(15,378)	—	(13,395)
Lease liabilities	313	(316)	(178)	(138)	—
	<u>33,517</u>	<u>(33,520)</u>	<u>(19,987)</u>	<u>(138)</u>	<u>(13,395)</u>

⁽¹⁾ Certain lease arrangements with the remaining lease term of up to six years (see Note 26) have been fully paid for.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

30 Financial instruments (cont'd)

Risk management framework (cont'd)

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk mainly arising from its cash and cash equivalents and fixed deposit denominated in USD as follows:

	Group	
	2022	2021
	\$'000	\$'000
Cash at bank and on hand	48	71
Unpledged fixed deposits	2,147	1,868
	<u>2,195</u>	<u>1,939</u>

At the end of the reporting period, if USD/SGD strengthened/weakened by 5% with all other variables held constant, the Group's profit for the year would have been \$110,000 (2021: \$97,000) higher/lower, arising as a result of higher/lower revaluation gains on cash and cash equivalents and fixed deposit denominated in USD.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group does not have significant exposure to interest rate risk as its fixed deposits of varying maturity periods are placed with reputable banks and financial institutions and generate interest income at a fixed rate during the tenure of the fixed deposits and are not subject to changes in interest rate.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

30 Financial instruments (cont'd)

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount					Fair value			
	Mandatorily at FVTPL	Designated at fair value	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group									
31 December 2022									
Financial assets measured at fair value									
Short-term investments	1,257	4,562	—	—	5,819	—	1,257	4,562	5,819
Financial assets not measured at fair value									
Trade and other receivables	—	—	28,414	—	28,414				
Fixed deposits	—	—	60,095	—	60,095				
Cash and cash equivalents	—	—	13,381	—	13,381				
	—	—	101,890	—	101,890				
Financial liabilities not measured at fair value									
Trade and other payables	—	—	—	(10,477)	(10,477)				
31 December 2021									
Financial assets measured at fair value									
Long-term investments	—	4,357	—	—	4,357	—	—	4,357	4,357
Short-term investments	15,411	—	—	—	15,411	—	15,411	—	15,411
	15,411	4,357	—	—	19,768				
Financial assets not measured at fair value									
Trade and other receivables	—	—	29,421	—	29,421				
Fixed deposits	—	—	43,748	—	43,748				
Cash and cash equivalents	—	—	15,458	—	15,458				
	—	—	88,627	—	88,627				
Financial liabilities not measured at fair value									
Trade and other payables	—	—	—	(12,085)	(12,085)				

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

30 Financial instruments (cont'd)

Accounting classifications and fair values (cont'd)

	Carrying amount				Fair value			
	Designated at fair value	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Company								
31 December 2022								
Financial assets measured at fair value								
Short-term investments	4,562	—	—	4,562	—	—	4,562	4,562
Financial assets not measured at fair value								
Trade and other receivables	—	11,886	—	11,886				
Fixed deposits	—	10,075	—	10,075				
Cash and cash equivalents	—	3,882	—	3,882				
Amounts owing by subsidiaries	—	24,358	—	24,358				
	—	50,201	—	50,201				
Financial liabilities not measured at fair value								
Trade and other payables	—	—	(2,905)	(2,905)				
Amounts owing to subsidiaries	—	—	(17,185)	(17,185)				
	—	—	(20,090)	(20,090)				
31 December 2021								
Financial assets measured at fair value								
Long-term investments	4,357	—	—	4,357	—	—	4,357	4,357
Financial assets not measured at fair value								
Trade and other receivables	—	11,538	—	11,538				
Fixed deposits	—	8,268	—	8,268				
Cash and cash equivalents	—	3,438	—	3,438				
Amounts owing by subsidiaries	—	23,381	—	23,381				
	—	46,625	—	46,625				
Financial liabilities not measured at fair value								
Trade and other payables	—	—	(4,431)	(4,431)				
Amounts owing to subsidiaries	—	—	(28,773)	(28,773)				
	—	—	(33,204)	(33,204)				

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

31 Fair value of assets and liabilities

(a) Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities,
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(b) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial assets measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Group			
Short-term investments	Net asset value of money market funds	Not applicable	Not applicable
Group and Company			
Long-term and short-term investments	Amortised cost including interest receivable	Not applicable	Not applicable

The following tables shows a reconciliation from the opening balances to the ending balances for the Level 3 fair values:

	Group and Company Investments – at FVTPL	
	2022	2021
	\$'000	\$'000
At 1 January	4,357	4,491
Interest received	(183)	(303)
Total unrealised gains recognised in profit or loss		
– Interest income	360	156
– Net change in fair value of FVTPL	28	13
At 31 December	4,562	4,357

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

32 Segment reporting

For management reporting purposes, the Group monitors the performance of the business units based on their products and services and has two reportable segments as follows:

- The banking segment comprises the collection, processing and banking of biological materials.
- The diagnostics segment comprises diagnostics testing services.

The following items and associated assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Finance income.
- Tax expense that is managed on a group basis.
- Subsidiaries not offering services under the banking and diagnostics segments,

No operating segments have been aggregated to form the above reportable operating segments.

Segment revenue

	Banking \$'000	Diagnostics \$'000	Total \$'000
Year ended 31 December 2022			
Revenue from external customers	50,835	4,321	55,156
Total consolidated revenue			<u>55,156</u>

Year ended 31 December 2021			
Revenue from external customers	53,115	3,554	56,669
Total consolidated revenue			<u>56,669</u>

Segment results

Year ended 31 December 2022			
Depreciation and amortisation	(3,678)	(5)	(3,683)
Segment profit	3,484	764	4,248
Fair value gain on investment properties			537
Share of profit of associate			718
Profit before income tax			5,503
Tax expense			(617)
Profit for the year			<u>4,886</u>

Year ended 31 December 2021			
Depreciation and amortisation	(3,567)	(5)	(3,572)
Segment profit	5,367	1,031	6,398
Fair value gain on investment properties			179
Share of profit of associate			432
Profit before income tax			7,009
Tax expense			(874)
Profit for the year			<u>6,135</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

32 Segment reporting (cont'd)

Segment assets and liabilities

	Banking \$'000	Diagnostics \$'000	Others* \$'000	Total \$'000
31 December 2022				
Additions to non-current assets, comprising additions to property, plant and equipment and intangible assets	3,571	26	—	3,597
Segment assets	261,959	4,937	807	267,703
Investment in associate				1,513
Investment properties				4,618
Short-term investments				4,562
Eliminations ⁺				(50,401)
Per consolidated financial statements				227,995
Segment liabilities	125,559	1,333	12,358	139,250
Tax payables				699
Deferred tax liabilities				3,959
Eliminations ⁺				(50,241)
Per consolidated financial statements				93,667
31 December 2021				
Additions to non-current assets, comprising additions to property, plant and equipment and intangible assets	3,074	—	—	3,074
Segment assets	280,212	3,456	837	284,505
Investment in associate				1,106
Investment properties				3,513
Long-term investments				4,357
Eliminations ⁺				(59,769)
Per consolidated financial statements				233,712
Segment liabilities	137,169	1,360	12,372	150,901
Tax payables				1,666
Deferred tax liabilities				4,171
Eliminations ⁺				(59,715)
Per consolidated financial statements				97,023

+ Inter-segment balances are eliminated on consolidation.

* Others refer to the assets and liabilities of subsidiaries not offering services under the banking and diagnostics segments.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

32 Segment reporting (cont'd)

Segment assets and liabilities (cont'd)

	Revenue		Non-current assets	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Singapore	23,529	25,583	8,856	9,290
Hong Kong	7,322	7,697	21,807	23,250
India	8,365	8,575	4,509	3,839
Malaysia	3,746	4,035	11,655	11,871
Philippines	5,967	5,446	653	787
Others	6,227	5,333	2,008	2,418
	<u>55,156</u>	<u>56,669</u>	<u>49,488</u>	<u>51,455</u>

Non-current assets information presented above consist of property, plant and equipment, investment properties and intangible assets.

33 Dividends

The following exempt (one-tier) dividends were declared and paid by the Group and Company.

	Group and Company	
	2022	2021
	\$'000	\$'000
<i>Paid by the Company to owners of the Company</i>		
<i>Dividends on ordinary shares:</i>		
Final tax exempt (one-tier) dividend for 31 December 2021: 0.9 cents per share	2,304	—
Final tax exempt (one-tier) dividend for 31 December 2020: 0.9 cents per share	—	2,298
	<u>2,304</u>	<u>2,298</u>

Proposed dividends

After the financial year ended 31 December 2021, an exempt (one-tier) dividend was proposed by the directors, subject to shareholders' approval at the AGM. No dividends were proposed after the financial year ended 31 December 2022. The proposed exempt (one-tier) dividends have not been provided for.

	Group and Company	
	2022	2021
	\$'000	\$'000
Final tax exempt (one-tier) dividend for 31 December 2021: 0.9 cents per share	<u>—</u>	<u>2,304</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

34 Capital management

Capital comprises equity attributable to owners of the Company.

The primary objective of the Group's capital management is to ensure that it maintains an appropriate capital structure in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustment to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the year ended 31 December 2022 and 2021.

The Group is currently in a net cash position.

STATISTICS OF SHAREHOLDINGS

As at 20 March 2023

Class of equity securities	:	Ordinary Shares
Number of equity securities	:	255,977,394 ordinary shares (excluding treasury shares)
Voting rights	:	one vote per share
Number of treasury shares	:	11,547,960 ordinary shares

STATISTICS OF SHAREHOLDERS

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1 – 99	18	1.01	418	0.00
100 – 1,000	164	9.20	112,954	0.04
1,001 – 10,000	1,029	57.75	5,891,562	2.30
10,001 – 1,000,000	559	31.37	28,428,418	11.11
1,000,001 and above	12	0.67	221,544,042	86.55
	1,782	100.00	255,977,394	100.00

SUBSTANTIAL SHAREHOLDERS AS AT 20 MARCH 2023

(As recorded in the Register of Substantial Shareholders)

Substantial Shareholders	Direct		Deemed	
	Number of Shares	% of total issued Shares ⁽¹⁾	Number of Shares	% of total issued Shares ⁽¹⁾
China Stem Cells (East) Company Limited	25,516,666	9.97	–	–
China Stem Cells Holdings Limited	–	–	25,516,666 ⁽²⁾	9.97
China Cord Blood Services Corporation	–	–	25,516,666 ⁽³⁾	9.97
Global Cord Blood Corporation (“GCBC”)	–	–	25,516,666 ⁽⁴⁾	9.97
Blue Ocean Structure Investment Company Ltd (BVI)	–	–	25,516,666 ⁽⁵⁾	9.97
Blue Ocean Creation Investment Hong Kong Limited	–	–	25,516,666 ⁽⁶⁾	9.97
Shanghai Blue Ocean Ke Rui Financial Information Service Partnership	–	–	25,516,666 ⁽⁷⁾	9.97
Nanjing Ying Peng Hui Kang Medical Industry Investment Partnership (Limited Partnership)	–	–	25,516,666 ⁽⁸⁾	9.97
Nanjing Ying Peng Asset Management Limited	–	–	25,516,666 ⁽⁹⁾	9.97
Sanpower Group Nanjing Investment Management Limited	–	–	25,516,666 ⁽¹⁰⁾	9.97
Nanjing Xinjiekou Department Store Co., Ltd.	51,870,000	20.26	–	–
Sanpower Group Corporation	–	–	77,386,666 ⁽¹¹⁾	30.23
Yuan Yafei	–	–	77,386,666 ⁽¹²⁾	30.23

STATISTICS OF SHAREHOLDINGS

As at 20 March 2023

Substantial Shareholders	Direct		Deemed	
	Number of Shares	% of total issued Shares ⁽¹⁾	Number of Shares	% of total issued Shares ⁽¹⁾
TransGlobal Real Estate Group Limited	71,460,300	27.92	–	–
Lui Yim Sheung	–	–	71,460,300 ⁽¹³⁾	27.92
Yiu Chi Shing	–	–	71,460,300 ⁽¹³⁾	27.92
Robust Plan Limited	15,920,000	6.22	–	–
Shanghai Dunheng Capital Management Co., Ltd	–	–	15,920,000 ⁽¹⁴⁾	6.22
Jiaxing Huiling No. 3 Investment Partnership (Limited Partnership)	–	–	15,920,000 ⁽¹⁵⁾	6.22
Minsheng (Shanghai) Asset Management Co., Ltd.	–	–	15,920,000 ⁽¹⁶⁾	6.22
China Minsheng Investment Corp., Ltd	–	–	15,920,000 ⁽¹⁷⁾	6.22
Jiaxing Huiling Capital Management Co., Ltd	–	–	15,920,000 ⁽¹⁸⁾	6.22
CMI Capital Co., Ltd	–	–	15,920,000 ⁽¹⁹⁾	6.22
Vcanland Holding Group Company Limited	–	–	18,133,000 ⁽²⁰⁾	7.08
Li Defu	–	–	18,133,000 ⁽²¹⁾	7.08
Cedar Tree Investment Ltd	–	–	12,800,000 ⁽²²⁾	5.00
Chen Yi Dan	–	–	12,800,000 ⁽²³⁾	5.00
Margot MacInnis (as Joint Provisional Liquidator of GCBC)	–	–	25,516,666 ⁽²⁴⁾	9.97
John Royle (as Joint Provisional Liquidator of GCBC)	–	–	25,516,666 ⁽²⁴⁾	9.97
Chow Tsz Nga Georgia (as Joint Provisional Liquidator of GCBC)	–	–	25,516,666 ⁽²⁴⁾	9.97

Notes:

- (1) As a percentage of the issued share capital of the Company (excluding the 12,223,910 Shares held as treasury shares), comprising 255,301,444 Shares as at the Latest Practicable Date.
- (2) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) (“**Form 3**”) received by the Company on 6 September 2017, China Stem Cells Holdings Limited (“**CSCHL**”) is the sole shareholder of China Stem Cells (East) Company Limited (“**CSCECL**”) and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (3) Based on the Form 3 received by the Company on 6 September 2017, China Cord Blood Services Corporation (“**CCBSC**”) is the sole shareholder of CSCHL and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (4) Based on the Form 3 received by the Company on 6 September 2017, “Global Cord Blood Corporation” (“**GCBC**”) is the sole shareholder of CCBSC and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (5) Based on the Form 3 received by the Company on 31 January 2018, Blue Ocean Structure Investment Company Ltd (BVI) (“**BOSICL**”) holds 65.40% of the issued and outstanding share capital of GCBC and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.

STATISTICS OF SHAREHOLDINGS

As at 20 March 2023

- (6) Based on the Form 3 received by the Company on 31 January 2018, Blue Ocean Creation Investment Hong Kong Limited (“**BOCIHKL**”) is the sole shareholder of BOSICL and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (7) Based on the Form 3 received by the Company on 31 January 2018, Shanghai Blue Ocean Ke Rui Financial Information Service Partnership (“**SBOKRFISP**”) is the sole shareholder of BOCIHKL and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (8) Based on the Form 3 received by the Company on 31 January 2018, Nanjing Ying Peng Hui Kang Medical Industry Investment Partnership (Limited Partnership) (“**NYPHKMIIP**”) is the limited partner of SBOKRFISP and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (9) Based on the Form 3 received by the Company on 31 January 2018, Nanjing Ying Peng Asset Management Limited (“**NYPAML**”) is the general partner of SBOKRFISP. NYPAML is also general partner of NYPHKMIIP. NYPAML is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (10) Based on the Form 3 received by the Company on 31 January 2018, Sanpower Group Nanjing Investment Management Limited (“**SGNIML**”) is the sole shareholder of NYPAML and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.
- (11) Based on the Form 3 received by the Company on 31 January 2018, Sanpower Group Corporation (“**SPC**”) is the sole shareholder of SGNIML and holds 27.32% equity interest in Nanjing Xinjiekou Department Store Co., Ltd. (“**NXDSCL**”). SPC is therefore deemed to be interested in the Shares held by CSCECL and NXDSCL by virtue of Section 4 of the SFA.
- (12) Based on the Form 3 received by the Company on 31 January 2018, Yuan Yafei holds 97.5% equity interest in SPC and is therefore deemed to be interested in the Shares held by CSCECL and NXDSCL by virtue of Section 4 of the SFA.
- (13) Based on the Form 3 received by the Company on 10 November 2021, Lui Yim Sheung and Yiu Chi Shing each holds 50% of the voting rights of TransGlobal Real Estate Group Limited (“**TREGL**”). Lui Yim Sheung and Yiu Chi Shing are therefore deemed to have an interest in the Shares held by tregl by virtue of Section 4 of the SFA.
- (14) Based on the Form 3 received by the Company on 16 September 2015, Shanghai Dunheng Capital Management Co., Ltd (“**SDCMCL**”) is the sole shareholder of Robust Plan Limited (“**RPL**”) and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.
- (15) Based on the Form 3 received by the Company on 16 September 2015, Jiaxing Huiling No. 3 Investment Partnership (Limited Partnership) (“**JX No.3**”) is the sole shareholder of SDCMCL and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.
- (16) Based on the Form 3 received by the Company on 16 September 2015, Minsheng (Shanghai) Asset Management Co., Ltd. (“**MSAMCL**”) holds 99.95% equity interest in JX No.3 and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.
- (17) Based on the Form 3 received by the Company on 16 September 2015, China Minsheng Investment Corp., Ltd (“**CMICL**”) is the sole shareholder of MSAMCL and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.
- (18) Based on the Form 3 received by the Company on 16 September 2015, Jiaxing Huiling Capital Management Co., Ltd (“**JHCMCL**”) holds 0.05% equity interest in JX No.3 and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.
- (19) Based on the Form 3 received by the Company on 16 September 2015, CMI Capital Co., Ltd is the sole shareholder of JHCMCL and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.
- (20) Based on the Form 3 received by the Company on 24 December 2015, Vcanland Holding Group Company Limited (“**VHGCL**”) is deemed interested in the Shares held by RPL pursuant to the sale and purchase agreement dated 23 December 2015 entered into with JX No.3 and Jiaxing Huiling Investment Management Co., Ltd for the acquisition of all the shares in the capital of SDCMCL. The completion under the sale and purchase agreement is subject to the satisfaction of several conditions precedents.
- (21) Based on the Form 3 received by the Company on 24 December 2015, Li Defu is the shareholder of VHGCL and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.
- (22) Based on the Form 3 received by the Company on 18 March 2022, Cedar Tree Investment Ltd (“**CTIL**”) is deemed interested in the Shares held by Ally Honour Trading (HK) Limited (“**AHTL**”) pursuant to a sale and purchase agreement dated 18 March 2022, where Zhao Guanglei sold his 100% equity interest in AHTL to CTIL. Therefore upon completion of the said sale and purchase agreement on the same date, CTIL is deemed to have an interest in the 12,800,000 ordinary shares held by AHTL by virtue of Section 4 of the SFA.
- (23) Based on the Form 3 received by the Company on 18 March 2022, Chen Yi Dan is the sole shareholder of CTIL and is therefore deemed to be interested in the Shares held by AHTL by virtue of Section 4 of the SFA.
- (24) Based on the Form 3 received by the Company on 19 October 2022, Margot MacInnis, John Royle and Chow Tsz Nga Georgia were appointed joint provisional liquidator of GCBC on 22 September 2022. As such, they are deemed interested in the Shares, indirectly held by GCBC, pursuant to Section 4(1) of the SFA, as they now have the authority to dispose of, or to exercise control over the disposal of the Shares indirectly held by GCBC.

STATISTICS OF SHAREHOLDINGS

As at 20 March 2023

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	PHILLIP SECURITIES PTE LTD	82,830,732	32.36
2	MAYBANK SECURITIES PTE. LTD.	52,169,200	20.38
3	RAFFLES NOMINEES (PTE) LIMITED	27,483,828	10.74
4	DBS NOMINEES PTE LTD	15,703,286	6.13
5	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	14,256,800	5.57
6	ALLY HONOUR TRADING (HK) LIMITED	12,800,000	5.00
7	CITIBANK NOMINEES SINGAPORE PTE LTD	6,617,344	2.59
8	COOP INTERNATIONAL PTE LTD	3,107,000	1.21
9	TANTALUM CELLULAR PRODUCTS LLC	2,566,972	1.00
10	OCBC SECURITIES PRIVATE LTD	1,928,700	0.75
11	UNITED OVERSEAS BANK NOMINEES PTE LTD	1,041,350	0.41
12	TAN POH LAN	1,038,830	0.41
13	OCBC NOMINEES SINGAPORE PTE LTD	983,200	0.38
14	HSBC (SINGAPORE) NOMINEES PTE LTD	902,800	0.35
15	THET HNIN YI	805,120	0.31
16	KHENG MAY LIAN SUSAN	487,970	0.19
17	LEE IN CHUN	487,200	0.19
18	LIM AND TAN SECURITIES PTE LTD	477,534	0.19
19	CHAN CHENG LOCK	439,050	0.17
20	UOB KAY HIAN PTE LTD	433,000	0.17
	Total	226,559,916	88.50

FREE FLOAT [Rule 1207(9) of the Listing Manual]

As at 20 March 2023, approximately 28.48% of the shareholding in the Company was held in the hands of the public (based on the information available to the Company). Accordingly, the Company has complied with Rule 723 of the Listing Manual.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Cordlife Group Limited (the “Company”) will be held by electronic means (via live webcast and live audio feed) on Friday, 28 April 2023 at 10.00am (Singapore time) for the following purposes:-

Ordinary Business

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2022 together with the Directors’ Statement and Independent Auditors’ Report thereon. **(Resolution 1)**
2. To re-elect Dr Ho Choon Hou who is retiring pursuant to Article 94 of the Company’s Constitution. **(Resolution 2)**
3. To re-elect Mr Yeo Hwee Tiong who is retiring pursuant to Article 94 of the Company’s Constitution. **(Resolution 3)**
Mr Yeo Hwee Tiong (“Mr Yeo”) is considered independent for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”). If re-elected, Mr Yeo will remain as the Chairman of the Nominating Committee, Chairman of the Remuneration Committee, and member of the Audit and Risk Committee.
4. To re-elect Mr Zhai Lingyun who is retiring pursuant to Article 94 of the Company’s Constitution. **(Resolution 4)**
5. To approve the payment of Directors’ fees of up to S\$450,000 for the Directors of the Company for the financial year ending 31 December 2023, payable quarterly in arrears (2022: S\$450,000). **(Resolution 5)**
6. To approve the payment of additional Director’s fee of S\$100,000 to Dr Ho Choon Hou for the financial year ending 31 December 2023, payable quarterly in arrears (2022: S\$200,000). **(Resolution 6)**
[See Explanatory Note (i)]
7. To re-appoint Messrs KPMG LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**
8. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

Special Business

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:-

9. Authority to allot and issue shares “That, pursuant to Section 161 of the Companies Act 1967 of Singapore and Rule 806(2) of the Listing Manual of the SGX-ST, authority be and is hereby given to the Directors of the Company (“**Directors**”) to:-
 - (a) (i) issue shares in the capital of the Company (“**shares**”) whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

NOTICE OF ANNUAL GENERAL MEETING

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:-

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent. (50%) of the Company's total number of issued shares excluding treasury shares (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed twenty per cent. (20%) of the Company's total number of issued shares excluding treasury shares (as calculated in accordance with sub-paragraph (2) below). Unless prior shareholder approval is required under the Listing Manual of the SGX-ST, an issue of treasury shares will not require further shareholder approval, and will not be included in the aforementioned limits.
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares excluding treasury shares is based on the Company's total number of issued shares excluding treasury shares at the time this Resolution is passed, after adjusting for:
- (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - (ii) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

(Resolution 8)

[See *Explanatory Note (ii)*]

10. Authority to grant share awards and to issue shares under the "Cordlife Share Grant Plan" (the "**Share Grant Plan**")

"That the Directors be and are hereby authorised to grant awards in accordance with the provisions of the Share Grant Plan and to allot and issue from time to time such number of fully paid-up shares as may be required to be delivered pursuant to the vesting of awards under the Share Grant Plan, provided that the total number of new shares which may be issued or shares which may be delivered pursuant to the awards granted under the Share Grant Plan, and all shares, options or awards granted under any other share scheme of the Company then in force, shall not exceed 15% of the issued share capital of the Company (excluding treasury shares) on the day preceding the relevant date of the award."

(Resolution 9)

[See *Explanatory Note (iii)*]

NOTICE OF ANNUAL GENERAL MEETING

11. Proposed renewal of the Share Purchase Mandate

“That:-

- (a) for the purposes of the Companies Act 1967 of Singapore (the “**Companies Act**”), the exercise by the directors of the Company (the “**Directors**”) of all the powers of the Company to purchase or otherwise acquire issued and fully paid ordinary shares (“**Shares**”) in the share capital of the Company not exceeding in the aggregate the Maximum Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
- (i) market purchases or acquisitions of Shares (each a “**Market Purchase**”) on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”); and/or
 - (ii) off-market purchases or acquisitions of Shares (each an “**Off-Market Purchase**”) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

- (b) the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
- (i) the date on which the next Annual General Meeting of the Company is held or required by law to be held;
 - (ii) the date on which the Share purchases or acquisitions by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; and
 - (iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in a general meeting;

- (c) in this Resolution:

“**Average Closing Market Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5)-day period and the day on which the Market Purchase was made or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase;

“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

“**Market Day**” means a day on which the SGX-ST is open for securities trading;

“**Maximum Limit**” means that number of Shares representing 5% of the total number of issued Shares as at the date of the passing of this Resolution, unless the Company has effected a reduction in the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares of the Company, as altered. Any shares which are held as treasury shares and subsidiary holdings will be disregarded for the purpose of computing the 5% limit;

NOTICE OF ANNUAL GENERAL MEETING

“**Maximum Price**” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax and other related expenses) which shall not exceed (in the case of both a Market Purchase and an Off-Market Purchase pursuant to an equal access scheme) 105% of the Average Closing Market Price of the Shares; and

“**Relevant Period**” means the period commencing from the date on which the last Annual General Meeting was held and expiring on the date the next Annual General Meeting is held or is required by law to be held, whichever is the earlier, after the date this Resolution is passed; and

- (d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

(Resolution 10)

[See Explanatory Note (iv)]

By Order of the Board

Ang Siew Koon
Company Secretary

Singapore,
13 April 2023

Explanatory Notes:

- (i) **Ordinary Resolution 6** The additional Directors’ fee proposed for the Non-Independent Non-Executive Director, namely Dr Ho Choon Hou, is based on his additional active role in the Group for the period of 1 January 2023 to 30 June 2023.
- (ii) **Ordinary Resolution 8** proposed under agenda item 9 above, if passed, will authorise and empower the Directors from the date of this AGM until the next AGM to issue shares and/or convertible securities in the Company up to an amount not exceeding in aggregate 50% of the total number of issued shares excluding treasury shares of which the total number of shares and convertible securities issued other than on a pro-rata basis to existing shareholders shall not exceed 20% of the total number of issued shares excluding treasury shares of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company.
- (iii) **Ordinary Resolution 9** proposed under agenda item 10 above is to authorise the Directors to grant share awards and to issue shares under the Share Grant Plan (the “**Plan**”) approved by the shareholders of the Company at the Extraordinary General Meeting (“**EGM**”) held on 18 October 2013. The approved Plan was to continue to be in operation for maximum period of 10 years commencing on the date on which the Share Grant Plan was adopted by the Company at the EGM, and accordingly, is due to expire on 17 October 2023.
- (iv) **Ordinary Resolution 10** The Company intends to use internal sources of funds, or a combination of internal sources of funds and external borrowings, to finance purchases or acquisitions of Shares pursuant to the Share Purchase Mandate. The Directors do not propose to carry out purchases pursuant to the Share Purchase Mandate to such an extent that would, or in the circumstances that might, result in a material adverse effect on the financial position (including working capital and gearing) of the Group as a whole and/or affect the listing status of the Company on the SGX-ST. The amount of financing required for the Company to purchase or acquire its Shares and the impact on the Company’s financial position cannot be ascertained as at the date of this Notice as these will depend on, *inter alia*, whether the Shares are purchased out of capital or profits of the Company, the price paid for such Shares, the aggregate number of Shares purchased or acquired and whether the Shares purchased are held in treasury or cancelled. An illustration of the financial impact of the Share purchases by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2022 is set out in the Company’s letter to Shareholders dated 13 April 2023. Shareholders should note that the financial effects set out therein are purely for illustrative purposes only.

NOTICE OF ANNUAL GENERAL MEETING

IMPORTANT NOTICE TO SHAREHOLDERS REGARDING THE CONDUCT OF THE COMPANY'S AGM ON FRIDAY, 28 APRIL 2023 AT 10.00AM

Pursuant to Part 4 of the COVID-19 (Temporary Measures) Act 2020 and the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended from time to time) ("**COVID-19 Order**"), Cordlife Group Limited (the "**Company**") wishes to inform shareholders of the Company (the "**Shareholders**") that it will conduct its annual general meeting ("**AGM**") on Friday, 28 April 2023 at 10.00 am by way of electronic means pursuant to the First Schedule of the COVID-19 Order, and the physical location for the AGM is purely to facilitate the conduct of the AGM by way of electronic means. The Company will arrange for (i) a "live" webcast of the AGM, which allows Shareholders to view the proceedings of the AGM contemporaneously ("**LIVE WEBCAST**"); and (ii) a "live" audio feed of the AGM, which allows Shareholders to observe the proceedings of the AGM contemporaneously ("**AUDIO FEED**"). **Shareholders can ONLY participate in the AGM via LIVE WEBCAST or AUDIO FEED. The Company will not accept any physical attendance by Shareholders at the physical location of the AGM, and any Shareholder seeking to attend the AGM physically in person will be turned away.**

Shareholders should note the following procedures and/or instructions to participate in the AGM via LIVE WEBCAST or AUDIO FEED:-

1.	Voting at the AGM	<p>(a) Live Voting: Shareholders may cast their votes for each resolution through real-time electronic voting at the AGM. Shareholders who wish to participate in live voting must pre-register online at https://conveneagm.sg/CordlifeGroup_AGM2023 for verification purposes. The website will be open for pre-registration from 13 April 2023, 6.00pm and will close at 10.00am, 25 April 2023. Following verification, unique access details will be provided to the Shareholders via e-mail.</p> <p>(b) Voting by Proxy: Shareholders who wish to vote on any or all of the resolutions at the AGM may appoint a proxy as below:-</p> <p style="margin-left: 20px;">(i) Appoint the Chairman of the AGM as their proxy; or</p> <p style="margin-left: 20px;">(ii) Appoint their duly appointed proxy(ies) (other than Chairman);</p> <p>to vote on your behalf by completing the proxy form attached to the Notice of AGM by downloading it from the Company's announcement on SGXNet or from the Company's investor relations website at https://cordlife.listedcompany.com/corporate_news.html.</p> <p>A Shareholder can appoint up to two (2) proxies and the proportion of the shareholdings to be represented by each proxy shall be specified in the instrument. A proxy need not be a member of the Company. Shareholders should specifically indicate how they wish to vote for or vote against (or abstain from voting on) the resolutions set out in the Notice of AGM.</p> <p>Where the proxy form is executed by a corporation, it must be executed either under its common seal (or by the signatures of authorised persons in the manner as set out under the Companies Act as an alternative to sealing) or under the hand of an attorney or a duly authorised officer of the corporation.</p> <p>Please note that Shareholders and Investors who have appointed other proxies to vote on their behalf would not be able vote and ask questions/interact "live" via the chatbox during the AGM, and would only be allowed to participate and observe the AGM proceedings one-way as described in section 2 below.</p> <p>Shareholders must submit the completed and signed proxy form by 10.00am on Wednesday, 26 April 2023 (being not less than forty-eight (48) hours before the time fixed for the AGM) either:-</p> <p style="margin-left: 20px;">(i) by email to sg.is.proxy@sg.tricorglobal.com; or</p> <p style="margin-left: 20px;">(ii) by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinsons Road #11-02, Singapore 068898.</p>
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NOTICE OF ANNUAL GENERAL MEETING

1.	Voting at the AGM (continued)	<p>For CPF/SRS investors who hold shares through their relevant intermediaries (as defined in Section 181 of the Companies Act), they should approach their respective CPF Agent Banks/SRS Operators to submit their votes either:-</p> <p>(i) by email to sg.is.proxy@sg.tricorglobal.com; or</p> <p>(ii) by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinsons Road #11-02, Singapore 068898</p> <p>at least seven (7) working days before the AGM.</p> <p>Any incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing proxy(ies) (including any related attachment) (such as in the case where the appointor submits more than one instrument appointing proxy(ies)) will be rejected by the Company. In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing proxy(ies) lodged if such members are not shown to have shares entered against their names in the Depository Register as at seventy-two (72) hours before the time appointed for the AGM, as certified by The Central Depository (Pte) Limited to the Company.</p>
2.	Registration to attend the AGM	<p>Shareholders who wish to attend the AGM can participate by registering at the link as follows:-</p> <p>https://conveneagm.sg/CordlifeGroup_AGM2023</p> <p>by 10.00am on Tuesday, 25 April 2023 (being not less than 72 hours before the time fixed for the AGM) (the "Registration Deadline") to enable the Company to verify the Shareholders' status. After the verification process, an email containing instructions to access both the LIVE WEBCAST and AUDIO FEED will be sent to authenticated Shareholders by 3.00pm on Thursday, 27 April 2023.</p> <p>If the shareholders or their corporate representatives, who have pre-registered by the Registration Deadline, did not receive an email by 3.00pm on Thursday, 27 April 2023, they may contact the Company for assistance at +65 62380808.</p> <p>Shareholders may attend the LIVE WEBCAST or AUDIO FEED via smart phones, tablets or laptops/ computers. Shareholders who wish to attend the AGM via LIVE WEBCAST or AUDIO FEED are reminded that the AGM is private. Invitations to attend the LIVE WEBCAST or AUDIO FEED shall not be forwarded to anyone who is not a Shareholder of the Company or who is not authorised to attend the LIVE WEBCAST or AUDIO FEED. Recording of the LIVE WEBCAST and AUDIO FEED in whatever form is also strictly prohibited.</p> <p>The Company would like to seek Shareholders' understanding in the event of any technical disruptions during the LIVE WEBCAST and AUDIO FEED.</p>

NOTICE OF ANNUAL GENERAL MEETING

<p>3. Shareholders' Questions and Answers (Q&A)</p>	<p>(a) Shareholders and/or their Proxies who registered for and are verified to attend the AGM will be able to ask questions relating to the resolutions to be tabled for approval at the AGM by submitting text-based questions through real-time electronic communication during the AGM within a prescribed time limit. The Company will endeavour to respond to questions as far as reasonably practicable. Where there are substantially similar questions, the Company will consolidate such questions and consequently not all questions may be individually addressed.</p> <p>(b) Shareholders can also submit their questions related to the resolutions to be tabled for approval at the AGM to the Chairman of the Meeting at the link as follows:-</p> <p>(i) by email to investor.relations@cordlife.com;</p> <p>(ii) by post to 1 Kim Seng Promenade, #15-01, Great World City East, Singapore 237994; or</p> <p>(iii) to the Chairman of the Meeting at the link below:</p> <p>https://conveneagm.sg/CordlifeGroup_AGM2023</p> <p>Submission deadline for questions is by 6.00pm on Wednesday, 19 April 2023 (7 calendar days from the publication of the Notice of AGM).</p> <p>Shareholders are encouraged to submit their questions in accordance with the paragraphs above as soon as possible so that they may have the benefit of the answers to their questions (where substantial and relevant to the agenda of the AGM) prior to submitting their proxy forms.</p> <p>Please note that substantial questions and relevant comments from Shareholders would be addressed by the Company (as may be determined by the Company at its sole discretion) and posted on SGXNet at least 48 hours before the deadline for submission of proxy forms at 10.00am on Wednesday, 26 April 2023. The Company will also address any subsequent clarifications sought, or follow-up questions, prior to, or at, the AGM in respect of substantial and relevant matters. The responses from the Board and management of the Company shall thereafter be published in the Company's Minutes of the AGM on SGXNet and the Company's website within one (1) month after the conclusion of the AGM.</p> <p>Shareholders who have been appointed as proxies by relevant intermediaries under Section 181(1C) of the Companies Act 1967 of Singapore, such as CPF/SRS investors, should approach their respective agents, such as CPF Agent Banks/SRS Operators, to submit their questions in relation to any resolution set out in the Notice of AGM prior to the AGM and have their substantial queries and relevant comments answered.</p>
<p>4. Documents for the AGM</p>	<p>Documents relating to the business of the AGM, which comprise the Company's annual report for the financial year ended 31 December 2022, as well as the Letter to Shareholders dated 13 April 2023, this Notice of AGM, the disclosure of information on Directors seeking re-election, and the proxy form for the AGM (collectively, the "AGM Documents"), have been sent to members of the Company by electronic means via publication on SGXNet and the Company's investor relations website at https://cordlife.listedcompany.com/corporate_news.html on 13 April 2023.</p> <p>Please note that printed copies of the AGM Documents will NOT be sent to members of the Company.</p>

Personal Data Privacy

By submitting an instrument appointing the Chairman of the Meeting to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of the appointment of the Chairman of the Meeting as proxy for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendances lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Dr Ho Choon Hou, Mr Yeo Hwee Tiong and Mr Zhai Lingyun are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 28 April 2023 (“AGM”) (collectively, the “Retiring Directors” and each a “Retiring Director”).

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

Name of Director	Dr Ho Choon Hou	Yeo Hwee Tiong	Zhai Lingyun
Date of Appointment	16 June 2011	22 May 2018	12 December 2019
Date of last re-appointment	30 April 2021	30 April 2021	12 June 2020
Age	51	66	51
Country of principal residence	Singapore	Singapore	China
The Board’s comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	Dr Ho was a co-founder of the Company and as such, he is the person with the history of the Company and the development and performance of the Company is something which he will give attention to. With his medical background, skills in investment and business network, he has contributed positively to the Company especially in the area of strategic directions. The Board has considered various factors including his commitment, participation and contribution to the Company, and recommended his re-election.	Mr Yeo has more than 28 years of working experience in the healthcare and project management industry and with regional exposure in Malaysia, India, Myanmar and Vietnam. Mr Yeo was also the former Managing Director, Mahkota Medical Centre (Malacca), Group CEO of Thomson Medical Centre (Singapore) and the Managing Director of Hanh Phuc Hospital (Vietnam). The Board opined that Mr Yeo’s experience in the healthcare industry, regional exposure and business network would be beneficial to the Company. Since his appointment in May 2018, Mr Yeo has contributed actively and positively to subject matters deliberated at Board and Board Committee meetings. The Board recommended his re-election.	Mr Zhai is a nominee director of Nanjing Xinjiekou Department Store Co., Ltd. (“NJXJK”), a substantial shareholder of the Company. As Chairman of NJXJK, Mr Zhai oversees the healthcare business segment of NJXJK, which includes stem cell banking, cell immunotherapy, diagnostics, digital healthcare, hospital management, as well as eldercare and healthcare at home. The Board opined that Mr Zhai’s experience in managing healthcare businesses would continue to contribute positively to the Board and the Group. The Board recommended his re-election.
Whether appointment is executive, and if so, the area of responsibility	Non-Independent Non-Executive	Independent Non-Executive	Non-Independent Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Independent Non-Executive Director, Vice Chairman of the Board, Member of the Audit and Risk Committee	Independent Director, Chairman of the Nominating Committee and Remuneration Committee, Member of the Audit and Risk Committee	Non-Independent Non-Executive Director, Member of the Nominating Committee
Academic and/or Professional qualifications	Dr Ho holds a Bachelor of Medicine and Bachelor of Surgery (Honours) from the University of Sheffield, as well as a Master of Medicine (Surgery) from the National University of Singapore and a Master of Business Administration (Honours) from the University of Chicago (Graduate School of Business).	Mr Yeo obtained his Bachelor of Science (Building) from Heriot-Watt University, Edinburgh, United Kingdom. He also holds a Master of Science (Project Management) from National University of Singapore.	<ol style="list-style-type: none"> 1. Construction Economics, Anhui Investment Management School 2. MBA, University of Luton 3. Certificate of Advanced Management Programme from China Europe International Business School (CEIBS), China.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Dr Ho Choon Hou	Yeo Hwee Tiong	Zhai Lingyun
Working experience and occupation(s) during the past 10 years	1. 2007 – Present (Southern Capital Group) – Managing Director	1. 2020 – Present (Clermont Holdings Healthcare Group) – Senior Advisor 2. April 2018 – November 2020 (Singapore Women’s & Children’s Medical Group) – Group Chief Executive Officer 3. April 2014 to March 2018 (KPMG Singapore LLP) – Principal, Healthcare, Singapore & Asia Pacific 4. May 2013 – March 2014 (Paeon Medical Group) – Managing Director 5. 23 July 2012 to April 2013 (China Healthcare Group) – Group Managing Director	1. May 2020 to present – Shandong Cord Blood Bank – Chairman 2. November 2019 to present - Nanjing Xinjiekou Department Store Co., Ltd - Chairman 3. April 2019 to November 2019 - Nanjing Xinjiekou Department Store Co., Ltd - Vice Chairman 4. June 2019 to present - Dendreon Pharmaceuticals LLC - Chairman 5. September 2019 to present - Natali Seculife Holdings Ltd - Chairman 6. January 2015 to June 2018 - Anhui Xinhua Media Co., Ltd – Vice Chairman and General Manager 7. July 2012 to January 2015 - Anhui Xinhua Distribution (Group) Holding Co., Ltd - Deputy General Manager
Shareholding interest in the listed issuer and its subsidiaries	Direct interest: 792,061 ordinary shares in Cordlife Group Limited	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No	No
Conflict of Interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Dr Ho Choon Hou	Yeo Hwee Tiong	Zhai Lingyun
Other Principal Commitments* Including Directorships# Past (for the last 5 years) Present	<p>Past (for the last 5 years)</p> <p>1. Stemlife Berhad</p> <p>Present</p> <p>1. Southern Capital Group Limited</p> <p>2. Advanced Holdings Limited</p> <p>3. Vividthree Holdings Ltd.</p> <p>4. Catermas Engineering Pte Ltd</p> <p>5. Core Equipment Holdings Pte. Ltd.</p> <p>6. SCG+ Private Limited</p> <p>7. Hoch Ventures Pte Ltd</p> <p>8. Star Learners Group Pte. Ltd.</p> <p>9. Mclean Bhd</p> <p>10. Catermas Investments Limited</p> <p>11. Invictus Medical Investments</p> <p>12. Maestro Group Holdings Limited</p>	<p>Past (for the last 5 years)</p> <p>1. Board of Governor, Singapore Polytechnic</p> <p>2. SQ Centre, Academic Board (Member)</p> <p>3. Singapore Women's & Children's Medical Group Pte Ltd</p> <p>4. J And T Consultants Pte. Ltd.</p> <p>5. Tan Wee Khim Pte Ltd</p> <p>6. Dr. Madeleine Pte Ltd</p> <p>7. BT Medical Pte. Ltd.</p> <p>8. Jasmine Mohd Pte. Ltd.</p> <p>9. Ong Clinic for Women Pte. Ltd.</p> <p>10. Mark Loh Paediatrics Pte. Ltd.</p> <p>11. C.H.Koh Clinic For Women Pte. Ltd.</p> <p>12. Dr Paul Tseng Pte Ltd</p> <p>13. Anson International Paediatric & Child Development Clinic Pte. Ltd.</p> <p>14. Singapore Women's Clinic (Tampines) Pte. Ltd.</p> <p>15. ABCC Pte. Ltd.</p> <p>16. Surgery & Gynaecology Pte Ltd</p> <p>17. Dr Janice Wong Children's Clinic Pte. Ltd.</p> <p>18. Singapore Healthbridge Pte Ltd</p> <p>19. Singapore Red Cross (Council Member)</p> <p>20. The Management Development Institute of Singapore</p> <p>(a) School of Life Sciences Industrial Advisory Board (Member)</p>	<p>Past (for the last 5 years)</p> <p>Nil</p> <p>Present</p> <p>1. Nanjing Xinjiakou Department Store Co., Ltd.</p> <p>2. Dendreon Pharmaceuticals LLC</p> <p>3. Natali Seculife Holdings Ltd</p> <p>4. Shandong Cord Blood Bank</p>

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Dr Ho Choon Hou	Yeo Hwee Tiong	Zhai Lingyun
		(b) Academic Advisory Board (Member) (c) MDIS Senate (Member) Present 1. Clermont Holdings Pte. Ltd. (Senior Advisor) 2. Hoan My Medical Corporation 3. The Medical City (Philippines) 4. Member, Singapore Institute of Directors	

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.

a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
c) Whether there is any unsatisfied judgment against him?	No
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

<p>i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?</p>	<p>No</p>
<p>j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-</p> <ul style="list-style-type: none"> i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust? 	<p>No</p>
<p>k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	<p>No</p>

Proxy Form



(Registration Number: 200102883E)
(Incorporated in the Republic of Singapore on 2 May 2001)

ANNUAL GENERAL MEETING

(Please read the notes overleaf before completing this Form)

IMPORTANT

- The Annual General Meeting ("AGM") is being convened, and will be held, by way of electronic means pursuant to First Schedule of the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 ("COVID-19 Order"). Printed copies of the Company's annual report, Letter to Shareholders dated 13 April 2023, the Notice of AGM, the disclosure of information on Directors seeking re-election, and this proxy form for the AGM (collectively, the "AGM Documents") will NOT be sent to members of the Company. Instead, the AGM Documents will be sent to members of the Company by electronic means via publication on SGXNet and the Company's investor relations website at https://cordlife.listedcompany.com/corporate_news.html.
- A member will not be able to attend the AGM physically. Alternative arrangements relating to (a) attendance at the AGM via electronic means (including arrangements by which the AGM can be accessed electronically via live webcast and live audio feed); (b) submission of questions in advance of, or live at, the AGM, addressing of substantial queries and relevant comments, prior to, or at, the AGM and (c) voting live at the AGM by the members of the Company themselves or their duly appointed proxy(ies) (including the Chairman of the AGM) at the AGM, are set out in the Notice of AGM.
- The accompanying proxy form for the AGM may be downloaded from SGXNet and at the Company's investor relations website at https://cordlife.listedcompany.com/corporate_news.html. By submitting a Proxy Form, a member of the Company is deemed to have accepted and agreed to the personal data privacy terms set out in the Notice of AGM.
- Please read the notes overleaf which contain instructions on, inter alia, the appointment of proxy(ies).

I/We* _____ (Name(s)) and NRIC/Passport/Co. Reg. No. _____

of _____ (Address)

being a member/members* of Cordlife Group Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Email Address	Proportion of Shareholdings	
			No. of Shares (Ordinary Shares)	%
Address				

and/or* (please delete as appropriate)

Name	NRIC/Passport No.	Email Address	Proportion of Shareholdings	
			No. of Shares (Ordinary Shares)	%
Address				

or failing him/her*, the Chairman of the AGM as my/our* proxy/proxies* to attend and to vote for me/us* on my/our* behalf, at the Annual General Meeting ("AGM") of the Company to be held by electronic means (via live webcast and live audio feed) on Friday, 28 April 2023 at 10.00am (Singapore time) and at any adjournment thereof. I/We* direct my/our* proxy/proxies* to vote for or against or abstain the resolutions to be proposed at the AGM as indicated hereunder.

Note: In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the Meeting as your proxy for that resolution will be treated as invalid.

No.	Ordinary Resolutions Relating to:	No. of Votes # For	No. of Votes # Against	No. of Votes # Abstained
	Ordinary Business			
1.	Audited Financial Statements of the Company for the financial year ended 31 December 2022 together with the Directors' Statement and Independent Auditors' Report thereon.			
2.	Re-election of Dr Ho Choon Hou as a director.			
3.	Re-election of Mr Yeo Hwee Tiong as a director.			
4.	Re-election of Mr Zhai Lingyun as a director.			
5.	Directors' fees of up to S\$450,000 for the Directors for the financial year ending 31 December 2023, payable quarterly in arrears.			
6.	Additional Director's fees of up to S\$100,000 for Dr Ho Choon Hou for the financial year ending 31 December 2023, payable quarterly in arrears.			
7.	Re-appointment of Messrs KPMG LLP as Auditors of the Company.			
	Special Business			
8.	Authority to Directors to allot and issue shares.			
9.	Authority to grant share awards and to issue shares under the Cordlife Share Grant Plan.			
10.	Proposed Renewal of the Share Purchase Mandate.			

* Delete accordingly

If you wish to exercise all your votes "For" or "Against", please mark an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark "X" in the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution.

Dated this _____ day of _____ 2023

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature of member(s)
or, Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES TO PROXY FORM OVERLEAF



Notes:-

1. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
2. Pursuant to the COVID-19 Order, the AGM of the Company will be held by electronic and audio means and a member of the Company will not be able to attend the Meeting physically in person. A member of the Company (whether individual or corporate) can appoint up to two (2) proxies, or the Chairman of the Meeting, as their proxy to attend, speak and vote on their behalf at the Meeting if such member wishes to exercise their voting rights at the Meeting. This proxy form has been made available on SGXNet and at the Company's investor relations website at https://cordlife.listedcompany.com/corporate_news.html. Printed copies of the AGM Documents, including this proxy form will **NOT** be despatched to members. Where a member of the Company appoints two (2) proxies, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each such proxy.
3. The instrument appointing a proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notorially certified copy thereof, must be deposited: (i) by email to sg.is.proxy@sg.tricorglobal.com; or (ii) by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinsons Road #11-02, Singapore 068898, by 10.00am on Wednesday, 26 April 2023 (being not less than forty-eight (48) hours before the time fixed for the AGM).
4. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.
5. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.
6. A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting and to speak and vote thereat unless their name appears on the Depository Register seventy-two (72) hours before the time set for the Annual General Meeting.
7. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) may attend and cast their vote(s) at the Meeting held via LIVE WEBCAST. CPF and SRS Investors who are unable to attend the AGM via LIVE WEBCAST but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Annual General Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Annual General Meeting. They should approach their respective SRS Operators to submit their votes by email to sg.is.proxy@sg.tricorglobal.com or post to the Company's Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinsons Road #11-02, Singapore 068898 at least seven (7) working days before the AGM.

Personal data privacy:

By submitting an instrument appointing a proxy or proxies to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of the appointment of a proxy or proxies for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendances lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines.



Cordlife Group Limited

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Company Registration Number: 200102883E