

22 March 2024

Letter to Shareholders

Dear Shareholders,

I am reaching out to you today as the newly appointed Group CEO of Cordlife Group Limited (“Cordlife”, together with its subsidiaries, “Cordlife Group”) to share our plans aimed at strengthening our procedures and operations and rebuilding trust with all our stakeholders.

There are a number of challenges facing Cordlife, particularly the halt in new cord blood and human tissue collection (“Suspension”) in Singapore as directed by the Ministry of Health (“MOH”), and the loss of trust that has come thereafter. In addition, with the ongoing investigation by the Commercial Affairs Department, Cordlife faces further uncertainty.

As a client of Cordlife myself, I am deeply disappointed that such lapses occurred in an organisation of such high esteem. I feel a huge responsibility to understand the situation more deeply and make amends while also meeting our existing client commitments.

Having handled large-scale infrastructure projects across the region, I am acutely aware of the importance of robust standard operating procedures (“SOP”) and equipment operating procedures (“EOP”). My professional background underscores my dedication to upholding health, safety, and environmental standards. I have personally visited some of the Company’s offices and laboratories to better understand the business operations and pertinent issues at hand.

My immediate goal is to focus on the rectification plan, which the Company is closely working with MOH on, in order to have the Suspension lifted. This would allow us to resume collecting new cord blood and human tissue for our Singapore business. We are working to institute stringent measures to enhance our operational standards with assistance from experts. Some of the initiatives to strengthen our SOPs and EOPs going forward include:

- Enlisting the expertise of the Foundation for the Accreditation of Cellular Therapy ([FACT](#)) to provide guidance and reinforce our procedures and organisational structure;
- Implementing a more advanced digitalised lab monitoring system to enhance real-time monitoring of our Singapore laboratory facility, both remotely and on-site;
- Fortifying our fail-safe measures to ensure uninterrupted operations even under adverse conditions;
- Providing extensive training for our staff to explain the rationale and importance of every SOP and EOP while also cultivating a stronger sense of accountability and responsibility;
- Increasing the number of experienced technical personnel to improve laboratory expertise and processing capabilities.

I deeply understand the importance of our services and the urgency of resolving the situation in Singapore as soon as possible. We are working in full compliance with MOH and all related authorities to understand the problems at hand and take the appropriate remedial steps thereafter. As we address this, we will ensure that all corrective actions taken are sustainable, and that these good practices continue beyond the rectification exercise.



Nonetheless, I would like to emphasise that the Suspension and ongoing investigations are isolated to the Group's operations in Singapore and do not impact the operations of the subsidiaries located outside of Singapore. The entities in the other markets outside of Singapore operate independently, with their own dedicated team, and adhere to their respective local laws and regulations.

While I am confident that we can make enhancements to our operational procedures in the foreseeable future, rebuilding trust within our community will require sustained efforts over a longer term. Together with the team, we are determined to achieve that.

I seek your support, and we will provide regular updates on our progress.

Yours sincerely,

Ivan Yiu

Group Chief Executive Officer