

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

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The Board of Directors (the "**Board**") of Cordlife Group Limited (the "**Company**") and together with its subsidiaries, the "**Group**") refers to its following announcements:

- (a) the announcement dated 30 November 2023, in relation to the issuance of a notice from the Ministry of Health ("**MOH**") to stop for a period of up to six months, the collection, testing, processing and/or storage of any new cord blood and human tissues, or the provision of any new types of tests to patients ("**Outstanding Matter (A)**");
- (b) the announcement dated 8 April 2024 in relation to the update on test results submitted to the MOH and the ongoing implementation of the rectification measures to address the Company's non-compliance with the Healthcare Services (General) Regulations and Healthcare Services (Cord Blood Banking Service) Regulations ("**Outstanding Matter (B)**", and together with Outstanding Matter (A), the "**Outstanding Matters (MOH)**");
- (c) the announcements dated 22 March 2024, 27 March 2024 and 5 April 2024 in relation to the investigations of the Company, the Board as well as certain key management personnel ("**KMP**") by the Commercial Affairs Department ("**CAD**") and the subsequent updates in connection with the foregoing ("**Outstanding Matter (CAD)**");
- (d) the announcement dated 17 April 2024 in relation to the police report filed against certain former employees of the Group ("**Outstanding Matter (Police Report)**"); and
- (e) the announcement dated 29 April 2024 in relation to the Company's Annual Report for the financial year ended 31 December 2023, in which the auditors of the Company have issued a disclaimer of opinion in their independent auditor's report dated 24 April 2024,

(collectively, the "**Outstanding Matters**").

The Company has received queries from the Singapore Exchange Regulation in relation to the Outstanding Matters, and wishes to respond as follows:

Question 1: Please clarify whether all the Directors and relevant KMP will be attending the Annual General Meeting of the Company ("AGM**") physically to address shareholders' concerns. If there are any individuals not attending physically, please disclose who they are and provide the specific reasons as to why not.**

Company's Response

The following Directors and KMP have confirmed that they will be able to physically attend the AGM, which will be held at the Temasek Club at 131 Rifle Range Road, Singapore 588406 on Tuesday, 14 May 2024, at 9.00 a.m. (Singapore time):

Directors

1. Dr Ho Choon Hou (Acting Chairman and Non-Independent Non-Executive Director) ("**Dr Ho**")
2. Mr Yeo Hwee Tiong (Independent Director) ("**Mr Yeo**")
3. Mr Cheong Tuck Yan Titus Jim (Independent Director) ("**Mr Cheong**")
4. Ms Chen Xiaoling (Non-Independent Non-Executive Director) ("**Ms Chen**")
5. Mr Chow Wai Leong (Non-Independent Non-Executive Director) ("**Mr Chow**")
6. Mr Yiu Ming Yiu (Non-Independent Non-Executive Director) ("**Mr Yiu**")

KMP

1. Mr Ivan Yiu Pang Fai (Group Chief Executive Officer)
2. Ms Thet Hnin Yi (Group Chief Financial Officer)
3. Ms Jamie Woon Geok Peng (Group Director – Brand Development)
4. Ms Stella Lee Mei Suan (Group Director – Organisational Development)
5. Ms Tan Huiying (Group Director – Quality and Operations)

The other Directors of the Company have informed the Company of the following:

- Mr Joseph Wong Wai Leung (Independent Director) ("**Mr Wong**") has informed that he is unable to attend the AGM in person due to his current health condition.
- Mr Zhai Lingyun (Non-Independent Non-Executive Director) ("**Mr Zhai**") has informed that he is unable to attend the AGM in person due to prior business commitments but can participate virtually.

Question 2. Please clarify who are the Directors and KMP that are currently overseeing the completion of the Outstanding Matters and assisting in dealings with the relevant authorities.

Company's Response

The Company has received the following responses from the Directors in relation to SGX's question 2:

Inputs Received from Dr Ho, Mr Yeo and Mr Cheong

Dr Ho, Mr Yeo and Mr Cheong are currently involved in overseeing both Outstanding Matters and in assisting in dealing with relevant authorities.

The nominee directors of Nanjing Xinjiekou Department Store Co., Ltd. ("**NJXJK**"), Mr Zhai and Ms Chen (collectively, the "**NJXJK Directors**") have not been physically present in Singapore since the MOH announcement on 30 November 2023, save that Ms Chen attended a briefing on 22 February 2024 held at the MOH's offices. At this meeting, Ms Chen offered technical resources from China, but there has been no follow-up from her to date. The NJXJK Directors have attended virtual board discussions, but have not taken active steps towards resolving any of the Outstanding Matters.

Subsequent to the meeting with MOH on 22 February 2024, the then-Chairman, Mr Wong, resigned due to health condition.

Mr Wong and Mr Yiu who are in Hong Kong have not been physically present in the handling of the Outstanding Matters. Mr Chow has also not been physically present in the handling of the Outstanding Matters as he is required to travel extensively for his work.

The Board (save for the NJXJK Directors) has reached out to the NJXJK Directors on several occasions to come to Singapore to assist. Neither of the NJXJK Directors have to date come to Singapore to directly deal with the issues at hand.

Dr Ho, Mr Yeo and Mr Cheong have been actively engaged in overseeing the completion of the Outstanding Matters and assisting in dealings with relevant authorities. They have also made themselves available to join MOH in its on-site inspections and meetings with the Company's management ("**Management**").

Dr Ho, Mr Yeo and Mr Cheong have been following through with Management and MOH on the intricacies and details relating to the temperature excursion incident. Despite being independent non-executive directors, Mr Cheong and Mr Yeo have been proactive in resolving the Company's ongoing issues. These include engaging in discussions with MOH and KMP, conducting thorough reviews of company policies and procedures to identify possible compliance gaps, implementing solutions to bridge and close the gaps, driving internal audits and investigations to address areas of potential non-compliance, and developing and implementing improvements through best-practice policies and use of IT, among other efforts.

Besides practical leadership, Dr Ho, Mr Yeo and Mr Cheong have been providing moral support and encouragement for the staff in order to maintain the morale and team spirit of the team so that the efforts to complete and deliver on the rectification plan can be sustained.

Inputs Received from Mr Zhai and Ms Chen

Mr Zhai and Ms Chen have stated that the Acting Chairman and the Group Chief Executive Officer would be best placed to respond to these queries. Mr Zhai and Ms Chen have not been tasked to oversee the Outstanding Matters, save for updates given by Management, the Committee of Inquiry convened by the Board (as stated in the Company's announcement dated 17 April 2024), the Acting Chairman and the independent directors to the Board from time to time.

Inputs Received from Mr Yiu

Mr Yiu would like to take this opportunity to emphasise that, as a Director, he is committed to fulfilling his duties responsibly and diligently. Earlier this year, when all four directors who were overseas were requested to come to Singapore to assist the CAD with investigations, Mr Yiu was the first to do so (on 2 April 2024); the other three directors have yet to meet CAD.

Since the recent change in the management team, he has witnessed the significant efforts made by both the new Management team and the current Independent Directors. They have engaged in consistent and proactive communication with relevant authorities such as the MOH and SGX to address and resolve the ongoing issues.

In addition, Directors have been consistently receiving updates regarding the ongoing matters within the Company. The new Management team ensures that Directors are kept well-informed about the progress, challenges, and developments related to the Company's affairs. This open line of communication allows the Directors to stay actively involved and make informed decisions based on the latest information available. It demonstrates the commitment of the new Management team to transparency and collaborative decision-making. Based on his

observations, he is confident that the Company is now under the guidance of capable individuals who are steering it in a positive direction.

Inputs Received from Mr Chow

Mr Chow has stated that he has been actively participating in many discussions at Board level and at Management level on the Outstanding Matters and the Company's response to authorities. He has contributed his time and expertise on the reparation work, corrective actions, internal investigation and the responses to MOH and SGX.

The KMP's involvement in the Outstanding Matters is as set out in the table below. For the purposes of the response to this question, in relation to the Outstanding Matter (CAD), the response is provided on the assumption that the involvement of the KMP relates only to the investigations by the CAD of the Company (and not of the Directors and/or any other former or current employees of the Company), as announced on 22 March 2024:

	KMP (Name and Designation)	Involvement
1.	Mr Ivan Yiu Pang Fai (Group Chief Executive Officer)	All Outstanding Matters, save for the Outstanding Matter (Police Report)
2.	Ms Thet Hnin Yi (Group Chief Financial Officer)	All Outstanding Matters, save for the Outstanding Matter (Police Report)
3.	Ms Jamie Woon Geok Peng (Group Director – Brand Development)	Outstanding Matters (MOH)
4.	Ms Stella Lee Mei Suan (Group Director – Organisational Development)	(A) Outstanding Matters (MOH) (B) Outstanding Matter (CAD)
5.	Ms Tan Huiying (Group Director – Quality and Operations)	(A) Outstanding Matters (MOH) (B) Outstanding Matter (CAD)

Question 3. Noting the resolutions to replace a substantial number of directors from the Board during the AGM, please clarify how the Board intends to coordinate and cooperate with the relevant authorities in resolving the current issues and to ensure continuity of the completion of the Outstanding Matters.

Company's Response

The Company has received the following responses from the Directors in relation to SGX's question 3:

Inputs Received from Dr Ho, Mr Yeo and Mr Cheong

If the resolutions sought in the requisition notice received on 13 March 2024 from Phillip Securities Pte Ltd as nominee for NJXJK ("**NJXJK Requisition Notice**") are passed, resulting in the removal of Dr Ho, Mr Yeo and Mr Cheong, and the appointment of Dato' Dr Teo Tong Kooi ("**Dato' Dr Teo**"), Dr Xu, Tianhong, and Cai, Yong (collectively, the "**Proposed New Independent Directors**") as independent directors, then Dr Ho, Mr Yeo and Mr Cheong are

unaware of any strategy or plan to coordinate and cooperate with the relevant authorities in resolving the current issues and to ensure continuity of completion of the Outstanding Matters.

To the best of Dr Ho, Mr Yeo and Mr Cheong's knowledge, the NJXJK Directors have not been personally involved nor physically present in Singapore to take part in the resolution or rectification of any of the Outstanding Matters.

Dr Ho, Mr Yeo and Mr Cheong are also concerned that the Proposed New Independent Directors will not have sufficient time to grasp the issues at hand or understand the intricacies on the ground, especially in engaging MOH, SGX and affected clients. The time required for them to come up to speed to effectively address these issues may potentially hinder efforts to seek a lifting of the MOH suspension, and to address resolution issues.

Furthermore, all three of the Proposed New Independent Directors are based outside Singapore, being principally resident in either Malaysia or China. This would leave the Board with only one Singapore-based director, Mr Chow, who has not participated on the ground as extensively as Dr Ho, Mr Yeo and Mr Cheong given his work commitments and frequent travels.

It should also be noted that as Mr Chow is seeking re-election at the AGM. If NJXJK's resolutions are carried, it is highly likely there will be **no** local directors and no continuity from the present Board as to the Outstanding Matters.

In contrast, Dr Ho and Mr Yeo are both healthcare professionals and have experience in managing healthcare facilities. Mr Cheong is the current Chairman of the Audit & Risk Committee, and apart from understanding the financial and corporate situation of the Company, he has also been providing advice on the use of information technology to rectify the recent lapses.

Furthermore, the Company's external auditor, KPMG LLP, has recently resigned. It is therefore even more important for the current Board, who is familiar with the Company, to stay on in order to assist in the appointment of a new external auditor, which would require an Extraordinary General Meeting to be convened. Not only have Dr Ho, Mr Yeo and Mr Cheong been actively involved in dealing with the Outstanding Issues, they are also deeply familiar with the Company's finances and operations, given that Dr Ho has been a Director since June 2011, Mr Yeo since May 2018, and Mr Cheong since December 2021. Replacing them with an all-new slate of foreign-based Directors would mean a loss of institutional knowledge at a critical time of the Company.

Inputs Received from Mr Zhai and Ms Chen

Depending on the resolutions to be approved by shareholders at the AGM, this question should be addressed by the resultant board after the AGM. The resultant Board may convene an emergency meeting to discuss these issues after the AGM and update SGX and the shareholders accordingly.

Inputs Received from Mr Chow

If the current Board remains intact, Mr Chow will continue to commit his time to the existing reparation work and collaboration with the relevant authorities, and intends to see this to satisfactory completion if given the opportunity. However, it is difficult to speculate how the new

Board may look after the AGM and the continuation of his service depends largely on the new Board.

Question 4. To disclose who will be the directors based in Singapore assuming all resolutions are carried at the AGM and who would be able to oversee the ongoing developments in the Company.

Company's Response

Assuming all resolutions are carried at the AGM¹, the Directors that will be appointed to the Board will be as follows:

1. Ms Chen Xiaoling (Non-Independent Non-Executive Director)
2. Mr Yiu Ming Yiu (Non-Independent Non-Executive Director)
3. Mr Chow Wai Leong (Non-Independent Non-Executive Director)
4. Dato' Dr Teo Tong Kooi (Independent and Non-Executive Director)
5. Dr Xu, Tianhong (Independent and Non-Executive Director)
6. Mr Cai, Yong (Independent and Non-Executive Director)

Based on the information that was provided pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") by each of the above-mentioned Directors (which was announced by the Company on 29 April 2024), the Company notes that although Mr Yiu and Mr Chow have listed their "Country of Principal Residence" as Singapore, they are mostly not in Singapore as they are required to travel extensively for work.

In addition to the above, the Company has also received the following inputs from Directors in relation to SGX's question 4:

Inputs Received from Dr Ho, Mr Yeo and Mr Cheong

None of the Proposed New Independent Directors will be based in Singapore to oversee the ongoing developments should all the resolutions be carried out and approved at the AGM.

As mentioned, as Mr Chow is seeking re-election at the AGM, it is highly likely that if NJXJK's resolutions are carried, there will be no local directors and no continuity from the present Board as to the Outstanding Matters.

Inputs Received from Mr Zhai and Ms Chen

If appointed, Dato' Dr Teo is a permanent resident of Singapore. In relation to the Board's oversight/supervision on ongoing developments, these issues should be decided by the resultant Board after the AGM. The resultant new Directors will do their best to ensure there

¹ This assumes that Ordinary Resolutions 1 to 15 and 18 will be passed. Shareholders should note the following:

- In relation to Ordinary Resolution 17, as stated in paragraph 4.2 of the circular to shareholders dated 29 April 2024 (the "**Circular**"), if more than one (1) of Ordinary Resolutions 9, 10, 11 and 12 are approved by shareholders at the AGM, the Company will NOT be tabling Ordinary Resolution 17 for shareholders' approval at this AGM, as such a resolution, even if approved by shareholders, will be void pursuant to Section 150(2) of the Companies Act 1967 of Singapore. Given that this hypothetical illustration assumes that all of Ordinary Resolutions 9, 10, 11 and 12 are approved by shareholders, it has been assumed that Ordinary Resolution 17 will not be tabled to shareholders for approval.
- In relation to Ordinary Resolutions 16 and 19, as stated in paragraphs 3.2.5 and 4.3, these resolutions will be tabled for voting by Shareholders ONLY if any Director is appointed between the Latest Practicable Date of the Circular and the date of the AGM.

Please refer to the Circular for further details.

will be a smooth transition and handover between the incoming Directors and outgoing Directors should the resolutions be carried.

Inputs Received from Mr Chow

Please refer to Mr Chow's response to Question 3 above.

Question 5. Elaborate on whether the Company intends to appoint additional independent directors with relevant experience in cord blood operations and/or who have experience on boards of SGX-listed issuers in view of the issues currently faced by the Company.

Company's Response

The Company has received the following inputs from Directors in relation to SGX's question 5:

Inputs Received from Dr Ho, Mr Yeo and Mr Cheong

The Board is interviewing new independent directors with relevant experience. However, it is highlighted that Proposed Resolution (h) of NJXJK's Requisition Notice seeks to remove any other director of the Company who may have been appointed between the date of the NJXJK Requisition Notice and the date of the AGM. There is a likelihood that any new independent directors appointed may be removed at the AGM as well.

Inputs Received from Mr Zhai and Ms Chen

Please refer to Mr Zhai and Ms Chen's responses above. In addition, the NJXJK Requisition Notice states, *inter alia*, that once the Board is reconstituted with the support of fellow shareholders, the Board will evaluate the evolving needs of the Group and where necessary, appoint additional Directors to enhance the mix of skills, knowledge, geographical, gender and other aspects of diversity.

For and on behalf of the Board
CORDLIFE GROUP LIMITED

Ivan Yiu Pang Fai
Group CEO

6 May 2024