

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

**RECEIPT OF FURTHER NOTICE FROM THE MINISTRY OF HEALTH AND
UPDATE ON HUMAN TISSUE BANKING AND CLINICAL LABORATORY SERVICE LICENSES**

The Board of Directors (the "**Board**") of Cordlife Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to its announcements dated 30 November 2023, 13 December 2023, 15 December 2023, 17 January 2024, 23 January 2024 and 8 April 2024 (collectively, the "**Announcements**") relating to, among others:

- (a) 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 (the "**Notice**");
- (b) the Company's acceptance of the contents of the Notice;
- (c) the letter from the MOH directing the Company to give effect to the contents of the Notice; and
- (d) the letter from the MOH providing a list of the potential areas of non-compliance with the Healthcare Services (General) Regulations and the Healthcare Services (Cord Blood Banking Service) Regulations (the "**Regulations**") that the MOH has identified based on its inspections.

As previously announced on 15 December 2023, the MOH had directed the Company to give effect to the contents of the Notice 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 with effect on and from 15 December 2023. Since then, the Company has been making efforts towards implementing appropriate rectification measures to address all areas of non-compliance with the Regulations.

The MOH conducted further inspections on the Company in April and May 2024 and has corresponded further with the Company, to evaluate the Company's progress in rectifying the identified issues. The MOH has informed the Company of its finding that, among others, the Company has yet to complete the validation of its AXP II System for cord blood processing, the development of its relevant operating procedures and practices for the AXP II System (the "**SOPs**"), and the training and competency assessment of its staff in using the system.

The MOH has stated that potency testing for validating the AXP II System remains outstanding. Additional time will also be needed, to assess the validation data, approve the outcome of the validation, review and approve the SOPs, and conduct staff training and competency assessments, and the MOH has assessed that the completion of all requirements will take around three months from 15 June 2024. The MOH has further stated that the fulfilment of the foregoing requirements is vital to the Company's proper resumption of its cord blood banking service operations.

In view of the above, in relation to the Company's license to provide a cord blood banking service, the MOH on 27 May 2024 issued a notice to the Company to stop the collection, testing, processing and/or storage of any new cord blood for up to an additional three months with effect on and from 15 June 2024 or unless sooner approved by the Director-General of Health, pending the Company's written representations to the MOH (the "**Second Notice**").

The Company will continue to make efforts to expedite potency testing, on top of other rectification efforts, and will update the MOH on its progress to fulfil all requirements and receive approval to resume operations as soon as possible.

The Company would also like to update that on 15 May 2024, it applied to stop providing services relating to haematopoietic stem cells (including bone marrow) under its human tissue banking service (the "**HTBS License**"), and for now will only be focusing on the provision of services relating to the banking of ocular tissue (corneal lenticule only). This is not expected to have any significant impact on the Company's operations in Singapore because the provision of peripheral blood stem cell (PBSC) banking services did not account for any significant portion of its services. As for the Company's clinical laboratory service license (the "**CLS License**"), the Company also applied on 15 May 2024 to discontinue its CLS License with effect from 20 May 2024. Again, this is not expected to have any significant impact on the Company's operations in Singapore as the Company was not providing any services that required the CLS License. No further modifications have been made by the MOH to the conditions of the Company's HTBS License and CLS License at this juncture.

The Second Notice provides that the Company has 14 days to make written representations to the MOH in relation to the contents of the Second Notice. The Company does not intend to submit such written representations to the MOH, and will inform the MOH of the same accordingly.

As the MOH investigations are still ongoing, the Company is unable to assess the exact financial impact on the financial performance of the Group for the financial year ending 31 December 2024. However, any continued suspension of the Group's operations in Singapore in relation to its cord blood banking services, along with the fixed costs being incurred during such suspension, is expected to continue to have a negative financial impact on the Group.

In the meantime, shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company. They should consult their stockbrokers, bank managers, solicitors, or other professional advisers if they have any doubt about the actions they should take.

The Company will update its shareholders and the investing public if there are any material developments in relation to the above, in accordance with the requirements of the SGX-ST listing rules.

For and on behalf of the Board
CORDLIFE GROUP LIMITED

Ivan Yiu Pang Fai
Group CEO

28 May 2024