

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

CHANGE IN USE OF PROCEEDS FROM THE PRIVATE PLACEMENT

The Board of Directors (the "**Board**" or the "**Directors**") of the Cordlife Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcements dated 2 October 2013, 11 October 2013 and 14 October 2013 in relation to, among others, the issuance and allotment of an aggregate of 26,838,000 new ordinary shares in the capital of the Company ("**Placement Shares**") by way of a private placement ("**Private Placement**") at an issue price of S\$1.25 per Placement Share, to raise gross proceeds of S\$33,547,500 (the "**Placement Proceeds**").

The Board further refers to:

- (a) the Company's announcements dated 29 February 2024 and 29 April 2024 in relation to the Company's unaudited and audited financial results for the financial year ended 31 December 2023, setting out, among others, that as at 29 February 2024:
 - (i) the Group had utilised approximately S\$27.2 million out of the approximately S\$33.5 million raised from the Private Placement; and
 - (ii) the Board had, after deliberation, deemed it in the best interests of the Company and its shareholders to re-deploy the balance amount of approximately S\$0.8 million from the approximately S\$1.4 million originally allocated to pay for expenses incurred in connection with the Private Placement, for general working capital purposes ("**Initial Re-Deployment**");
- (b) the Company's announcements dated 30 November 2023, 13 December 2023, 15 December 2023, 17 January 2024, 23 January 2024, 8 April 2024, 28 May 2024 and 18 June 2024 in relation to, among others:
 - (i) the issuance of a notice from the Ministry of Health ("**MOH**") to stop, for a period up to six months with effect on and from 15 December 2023, 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 "**Initial Suspension**"); and
 - (ii) the issuance of a second notice from the MOH to stop, for an additional three months with effect on and from 15 June 2024, 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 "**Further Suspension**", and together with the Initial Suspension, the "**Suspensions**"); and
- (c) the Company's announcement dated 8 April 2024 in relation to the updates on the testing results for the tanks under investigation by the MOH, setting out, among others, that the Company will be offering a refund of the annual fees received from the start of the temperature excursion and waiving subsequent fees for all active clients whose cord blood units are stored in one cryogenic tank and a dry shipper which have been deemed by the MOH's expert panel to be at high risk of being adversely affected by temperature excursions (the "**Refund / Waiver of the High-Risk Tanks**").

The intended use of the remaining proceeds of S\$6.3 million ("**Remaining Proceeds**") from the Private Placement was initially to 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.

After a review of the Company's cash flow requirements for the Refund / Waiver of the High-Risk Tanks, the rectification efforts taken in relation to the Suspensions and brand rebuilding efforts, the Board has determined that it is in the best interest of the Company to re-allocate the Remaining Proceeds to better utilise the Remaining Proceeds for the aforesaid purposes ("**Re-Allocation**").

As at 14 August 2024, the Group has utilised approximately S\$27.2 million out of the Placement Proceeds. Consequent to the Re-Allocation, the use of the Placement Proceeds raised from the Private Placement is as follows:

Intended Use of Placement Proceeds	Amount allocated (\$ million)	Amount allocated after Initial Re-Deployment (\$ million)	Amount re-allocated (\$ million)	Revised amount allocated after Re-Allocation (\$ million)	Amount utilised as at 14 August 2024 (\$ million)
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	23.5	(6.3)	17.2	17.2
General working capital	8.6	9.4	—	9.4	9.4
Expenses incurred in connection with the Private Placement	1.4	0.6	—	0.6	0.6
Refund / Waiver of High-Risk Tanks, rectification and brand rebuilding efforts	—	—	6.3	6.3	—
Total	33.5	33.5	—	33.5	27.2

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

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

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

The Company will make further announcements via SGXNET as and when the balance of the Placement Proceeds is materially disbursed in accordance with Rule 704(30) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

For and on behalf of the Board
CORDLIFE GROUP LIMITED

Ivan Yiu
Group CEO
15 August 2024