

## PRESS RELEASE

# Cordlife records growth in revenue to S\$29.4 million in 2H2021 amid another challenging year of COVID-19 disruptions

- Revenue for 2H2021 increased year-on-year as number of new samples stored and processed as well as uptake in diagnostics services continue to show recovery and growth.
- Despite pressure on profitability due to COVID-19 induced challenges, gross profit margin has continued to grow with efficient cost-saving measures.
- The Group proposed a final dividend of 0.9 Singapore cents per ordinary share, representing a payout ratio of 37.42% of net profit after tax for FY2021.
- Moving forward, the Group will continue to ramp up its digital initiatives and expand its product offerings while continuing to monitor the market to identify opportunities for expansion.

**Singapore, 25 February 2022** – Cordlife Group Limited (“Cordlife” and together with its subsidiaries, the “Group”), announced today its financial results for second half (“2H2021”) and full year ended 31 December 2021 (“FY2021”).

### Financial Highlights

S\$'000	2H2021	2H2020	Change (%)	FY2021	FY2020	Change (%)
Revenue	29,350	28,409	3.3	56,669	58,987	(3.9)
Gross profit	20,682	19,315	7.1	39,483	40,106	(1.6)
Profit before income tax from operations	3,945	3,866	2.0	6,385	7,005	(8.9)
Profit before tax	4,282	4,412	(2.9)	7,009	7,551	(7.2)
Income tax expense	(641)	(494)	29.8	(874)	(1,001)	(12.7)
Net profit	3,641	3,918	(7.1)	6,135	6,550	(6.3)
Gross profit margin (%)	70.5	68.0	2.5pp	69.7	68.0	1.7pp
Net profit margin (%)	12.4	13.8	(1.4)pp	10.8	11.1	(0.3)pp

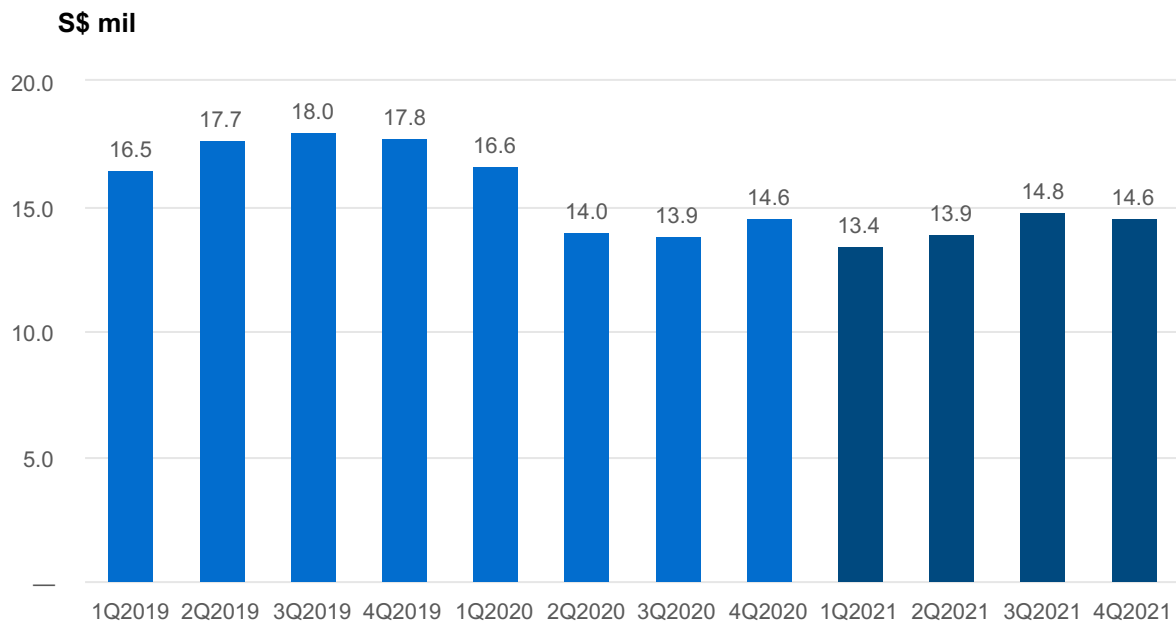
The Group’s revenue for 2H2021 increased 3.3% year-on-year (“yoy”) to S\$29.4 million from S\$28.4 million in 2H2020 driven by 5.0% yoy increase in the number of new samples processed and stored, especially in the India market. Contributions from the Group’s diagnostics services grew 24.2% or S\$0.4 million from 2H2020 to 2H2021. For FY2021, the Group’s revenue decreased to S\$56.7 million for FY2021 from S\$59.0 million for FY2020 due to a 6.3% decrease in the new samples processed and stored from 20,600 in FY2020 to 19,300 in FY2021, but this was partly mitigated by the conversion of more clients to higher value plans in the Philippines.

For 2H2021, gross profit increased to S\$20.7 million from S\$19.3 million in 2H2020, mainly due to the increase in new samples processed and stored, while gross profit margin increased to 70.5% as compared to 68.0% in 2H2020. Gross profit decreased from S\$40.1 million in FY2020 to S\$39.5 million in FY2021, while gross profit margin increased to 69.7% in FY2021 as compared to 68.0% in FY2020. This is due to a higher proportion of clients opting for higher value plans in the Philippines and lower cost of sales incurred, as well as increasing cost efficiency in our service delivery.

The Group’s 2H2021 net profit after tax decreased 7.1% yoy to S\$3.6 million, partially due to lower government grants recognised during the period. For FY2021, net profit after tax decreased from S\$6.6 million to S\$6.1 million.

Net cash flow from operations remained strong at S\$9.5 million, bringing the Group's net cash position to S\$79.0 million as at 31 December 2021.

### **Safe & Sound – Looking Forward**



**Chart 1: Quarterly Revenue - illustrating stable revenue of the past 7 quarters**

The Group has continued to adapt to the evolving COVID-19 landscape as the emergence of new variants has continued to threaten the recovery of the global economy. However, the increase in vaccination rates and better management strategies have led to authorities in certain countries committing to treating COVID-19 as endemic and to avoid imposing lockdown restrictions where possible. Nonetheless, the Group remains cautiously optimistic of its long-term prospects while continuing to closely monitor the situation and adapt accordingly.

Commenting on the Group's results, Ms Tan Poh Lan, Chief Executive Officer of Cordlife, said, "Despite the challenging conditions amidst the evolving COVID-19 situation, the Group has remained resilient to bring about stable revenue in the last seven quarters. As the global economy continues to recover in tandem with the stabilisation of pandemic situation, the Group has also seen improvement in signups for both our banking and diagnostics services in the second half of 2021. While the immediate concern for families is the pandemic, it has also highlighted to parents the need for them to better protect their children with both preventive and precautionary measures. Moving forward, we will continue to focus on building up our revenue growth by improving our existing services and developing more services to our clients and their broader families while improving our profitability."

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## About Cordlife Group Limited

Established in May 2001, Cordlife Group Limited (“Cordlife”, together with its subsidiaries, the “Group”) is a leading company dedicated to safeguarding the well-being of mother and child. The Group has been listed on the Mainboard of the Singapore Exchange since 2012 and is a pioneer in private cord blood banking in Asia. Cordlife owns the largest network of cord blood banks in Asia with full stem cell banking facilities in six key markets namely Singapore, Hong Kong, Indonesia, India, Malaysia and the Philippines. In Singapore, Hong Kong, the Philippines and Indonesia, Cordlife operates the largest private cord blood banks and it is amongst the top three market leaders in India and Malaysia. In January 2018, Cordlife became the market leader in Hong Kong with the acquisition of the largest private cord blood bank, Healthbaby Biotech (Hong Kong) Co., Limited. Through its majority-owned subsidiary in Malaysia, Stemlife Berhad, Cordlife holds an indirect stake in Thailand’s largest private cord blood bank, Thai Stemlife. Cordlife has also established its presence in Myanmar, Vietnam, Macau, Brunei and Bangladesh. Beyond cord blood, cord lining and cord tissue banking, Cordlife offers a comprehensive suite of diagnostics services for the family including urine-based newborn metabolic screening, non-invasive prenatal testing, paediatric vision screening and family genetic screening services. Quality and customer focus are amongst some of the cornerstones of Cordlife. For more information, visit <http://cordlife.listedcompany.com>

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