

PRESS RELEASE

Cordlife's 1Q2019 net profit grows 47.7% yoy to S\$0.9 million

- Gross profit margin and net profit margin were higher at 67.3% and 5.4% respectively, notwithstanding lower revenues of S\$16.6 million.
- Cash flow from operations remained strong at S\$2.7 million, bringing the Group's net cash position to S\$48.0 million.
- Group to continue to seek growth through the pursuit of new business initiatives and acquisition-driven expansions.

Singapore, 10 May 2019 – Cordlife Group Limited (“Cordlife” and together with its subsidiaries, the “Group”), announced today its financial results for the three months ended 31 March 2019 (“1Q2019”).

Financial Highlights

S\$'000	1Q2019	1Q2018 (restated)	Change (%)
Revenue	16,617	17,370	(4.3)
Gross Profit	11,183	11,527	(3.0)
Net Profit	938	635	47.7
Gross profit margin (%)	67.3	66.4	+90 bps
Net profit margin (%)	5.6	3.7	+190 bps

The Group's net profit grew 47.7% year-on-year (“yoy”) to S\$0.9 million, notwithstanding overall revenue coming in marginally lower at S\$16.6 million. The increase in net profit was driven mainly by a reduction in operating expenses for the Group.

Gross profit margin improved significantly by 90 basis points from 66.4% to 67.3% in 1Q2019. Cost savings are realised from the streamlining of the Group's operations in Hong Kong.

Cash flow from operations remained strong at S\$2.7 million, bringing the Group's net cash position to S\$48.0 million as at 31 March 2019.

On the Group's results, Ms Tan Poh Lan, Group Chief Executive Officer of Cordlife, commented, “**The Group has delivered a steady set of results for the quarter, in spite of increasing maturity for our established markets and initial gestation for our newer markets. Going forward, our focus shall be on increasing customer lifetime value. We will continue to ramp up penetration rate in the newer markets. As a group, improving efficiencies resulting in cost savings will remain a key initiative. For FY2019, the Group shall continue to seek growth through the pursuit of new business initiatives and acquisition-driven expansions.**”

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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 consumer healthcare company dedicated to safeguarding the well-being of mother and child. The Group is listed on the Mainboard of the Singapore Exchange in 2012 and is a pioneer in private cord blood banking in Asia.

Cordlife has processing and storage facilities in six key markets across Asia, namely Singapore, Hong Kong, Malaysia, India, Indonesia and the Philippines, as well as brand presence in Myanmar and Vietnam. This makes the Group one of the leading providers for cord blood, cord lining and cord tissue banking services in the region.

The Group is one of the first private cord blood banks in Asia to release cord blood units for transplants and cellular therapy. To date, the Group has released more than 500 stem cell units for use in successful transplants and therapies.

For more information, please visit <http://cordlife.listedcompany.com>

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