



Condensed Interim Financial Statements for the
Six Months and Full Year Ended 31 December 2024

Table of Contents

A.	Condensed interim consolidated statement of profit or loss and other comprehensive income	<u>3</u>
B.	Condensed interim statements of financial position	<u>6</u>
C.	Condensed interim consolidated statement of cash flows	<u>9</u>
D.	Condensed interim statements of changes in equity	<u>11</u>
E.	Notes to the condensed interim consolidated financial statements	<u>15</u>
F.	Other information required under Appendix 7.2 of the SGX-ST Listing Manual	<u>25</u>

A Condensed interim consolidated statement of profit or loss and other comprehensive income

	Group			Group		
	6 months ended 31 December		+ / (-) Increase/ (Decrease) %	12 months ended 31 December		+ / (-) Increase/ (Decrease) %
	2024 \$'000	2023 \$'000		2024 \$'000	2023 \$'000	
Revenue	18,653	27,417	(32.0)	27,843	55,730	(50.0)
Cost of sales	<u>(8,323)</u>	<u>(9,264)</u>	(10.2)	<u>(16,111)</u>	<u>(18,425)</u>	(12.6)
Gross profit	10,330	18,153	(43.1)	11,732	37,305	(68.6)
Other operating income	28	463	(94.0)	396	586	(32.4)
Selling and marketing expenses	(7,395)	(9,976)	(25.9)	(14,684)	(19,332)	(24.0)
Administrative expenses	(10,989)	(9,766)	12.5	(21,249)	(18,968)	12.0
Finance income	1,690	1,790	(5.6)	3,436	3,420	0.5
Finance costs	<u>(85)</u>	<u>(133)</u>	(36.1)	<u>(196)</u>	<u>(268)</u>	(26.9)
(Loss)/profit before income tax from operations *	(6,421)	531	n.m.	(20,565)	2,743	n.m.
Fair value gain on investment properties	161	252	(36.1)	161	252	(36.1)
Share of profit of associate	<u>1,011</u>	<u>740</u>	36.6	<u>1,621</u>	<u>1,263</u>	28.3
(Loss)/profit before income tax	(5,249)	1,523	n.m.	(18,783)	4,258	n.m.
Income tax expense	<u>(1,077)</u>	<u>(186)</u>	n.m.	<u>104</u>	<u>(692)</u>	n.m.
(Loss)/profit for the financial period/year	<u>(6,326)</u>	<u>1,337</u>	n.m.	<u>(18,679)</u>	<u>3,566</u>	n.m.
Other comprehensive gain/(loss) for the financial period/year, net of tax:						
<i>Item that will not be reclassified to profit or loss:</i>						
Revaluation gain on investment properties	—	—	n.m.	—	—	n.m.
<i>Item that may be reclassified subsequently to profit or loss</i>						
Foreign currency translation^	<u>2,265</u>	<u>(1,811)</u>	n.m.	<u>2,001</u>	<u>(2,491)</u>	n.m.
Total comprehensive (loss)/income for the financial period/year	<u>(4,061)</u>	<u>(474)</u>	n.m.	<u>(16,678)</u>	<u>1,075</u>	n.m.

A Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)

	Group			Group		
	6 months ended 31		+ / (-)	12 months ended 31		+ / (-)
	December			December		
	2024	2023	Increase/ (Decrease)	2024	2023	Increase/ (Decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
(Loss)/profit for the financial period/ year attributable to:						
- Owners of the Company	(6,330)	1,298	n.m.	(18,686)	3,523	n.m.
- Non-controlling interests	4	39	n.m.	7	43	n.m.
	<u>(6,326)</u>	<u>1,337</u>	n.m.	<u>(18,679)</u>	<u>3,566</u>	n.m.
Total comprehensive (loss)/income for the financial period/year attributable to:						
- Owners of the Company	(4,067)	(513)	n.m.	(16,688)	1,024	n.m.
- Non-controlling interests	6	39	(84.2)	10	51	(80.1)
	<u>(4,061)</u>	<u>(474)</u>	n.m.	<u>(16,678)</u>	<u>1,075</u>	n.m.
Earnings per share (cents per share):						
- Basic	(2.47)	0.51	n.m.	(7.29)	1.38	n.m.
- Diluted	(2.47)	0.50	n.m.	(7.29)	1.37	n.m.

n.m. denotes not meaningful

*In order to provide more clarity to readers, the Group has separately presented its fair value gain on investment properties and share of profit of associate.

^Foreign currency translation classified as other comprehensive income/(loss) and presented in the foreign currency translation reserve in equity, represents the exchange differences arising from:

- translation of assets and liabilities of foreign operations to Singapore dollars at exchange rates at the reporting date; and
- translation of income and expenses of foreign operations to Singapore dollars at exchange rates at the dates of the transactions.

When a foreign operation is disposed of, such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

A Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)
A(i) Notes to the consolidated statement of profit or loss

	Group					
	6 months ended 31 December		12 months ended 31 December			
	2024	2023	2024		2023	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Depreciation of property, plant and equipment	1,711	1,675		3,411	3,217	[1]
Amortisation of intangible assets	396	418		797	813	
Impairment loss on trade receivables and bad debts written off, net	1,337	80	[2]	1,752	294	[2]
Foreign exchange loss	134	80	[3]	126	170	[3]
Other operating income	(28)	(463)	[4]	(396)	(586)	[4]
(Over)/under-provision of tax in respect of prior years	330	(408)	[5]	330	(603)	[5]
Finance income	(1,690)	(1,790)	[6]	(3,436)	(3,420)	[6]

Notes

1. The increase in depreciation of property, plant and equipment in the twelve months ended 31 December 2024 ("FY2024") compared to the twelve months ended 31 December 2023 ("FY2023") was mainly due to the addition of laboratory equipment in Singapore and Hong Kong, leasehold improvements made to the Singapore laboratory in 1H2024, and unwinding of depreciation due to addition of right-of-use assets for new office unit leases in India which commenced in 2H2023.
2. The increase in impairment loss on trade receivables and bad debts written off for FY2024 compared to FY2023 and 2H2024 compared to 2H2023 was mainly due to higher impairment loss provided across the Group in FY2024.
3. The increase in foreign exchange loss in 2H2024 compared to 2H2023 was mainly due to steady weakening of IDR and Peso against SGD during 2H2024. The foreign exchange loss in FY2024 was also mainly due to weakening of IDR and Peso against SGD.
4. Other operating income decreased by approximately S\$0.2 million in FY2024 compared to FY2023. The decrease was mainly due to the reversal of over-accrual of expenses in prior years in India. There is no reversal of over-accrual of expenses in prior years in India for FY2024.

The decrease in other income of approximately S\$0.4 million in 2H2024 compared to 2H2023 was mainly due to the decrease in talent funding received in Hong Kong and no reversal of over-accrual of expenses in prior years in India.

5. Under-provision of tax in respect of prior years of approximately S\$330,000 for FY2024 and 2H2024 mainly comprises under-provision of corporate income tax of S\$212,000 and S\$10,000 in Singapore and Indonesia respectively, offset by an over-provision of deferred tax liability of S\$58,000 in Indonesia.

In FY2023, the over-provision of tax in respect of prior years of approximately S\$603,000 mainly comprises over-provision of corporate income tax of S\$212,000 and S\$145,000 in Singapore and Indonesia respectively, an over-provision of deferred tax liability of S\$74,000 in Malaysia and an under-provision of deferred tax asset of S\$244,000 in the Philippines, partly offset by an under-provision of corporate income tax of S\$72,000 in the Philippines.

In 2H2023, over-provision of tax in respect of prior years of S\$361,000 mainly comprises under-provision of deferred tax asset of S\$244,000 in the Philippines and an over-provision of corporate income tax of S\$212,000 in Singapore, offset by an under-provision of corporate income tax of S\$72,000 and S\$21,000 in the Philippines and Indonesia respectively.

6. Finance income increased by S\$16,000 from FY2023 to FY2024. This is mainly due to higher average deposit rates for FY2024 as compared to FY2023. Finance income decreased by S\$100,000 from 2H2023 to 2H2024 mainly due to the lower average deposit rate for 2H2024 as compared to 2H2023 and a decrease in funds placed in fixed deposits.

B Condensed interim statements of financial position

	Group as at		Company as at	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	17,035	16,271	5,981	6,112
Investment properties	5,032	4,736	2,600	2,433
Intangible assets	29,803	29,308	873	995
Deferred tax assets	1,748	858	1,406	415
Investment in subsidiaries	—	—	56,705	56,841
Investment in associate	3,644	2,218	—	—
Contract assets	58,421	62,556	35,383	38,788
Other receivables	12	10	—	—
Fixed deposits	6,343	8,671	—	—
	<u>122,038</u>	<u>124,628</u>	<u>102,948</u>	<u>105,584</u>
Current assets				
Inventories	922	797	151	207
Prepayments	2,861	2,215	1,126	879
Trade receivables	25,162	22,672	11,187	10,215
Other receivables	4,155	3,170	1,335	751
Tax recoverable	1,153	1,105	—	—
Amount owing by subsidiaries	—	—	23,889	25,349
Short-term investments	5,960	5,855	4,616	4,627
Fixed deposits	43,122	40,731	3,988	6,111
Pledged fixed deposits	272	8,860	—	—
Cash and cash equivalents	11,497	18,423	1,571	7,127
	<u>95,104</u>	<u>103,828</u>	<u>47,863</u>	<u>55,266</u>
Total assets	<u>217,142</u>	<u>228,456</u>	<u>150,811</u>	<u>160,850</u>
Current liabilities				
Trade and other payables	16,291	13,161	8,786	5,930
Amounts owing to subsidiaries	—	—	939	3,036
Lease liabilities	1,894	1,813	365	411
Contract liabilities	10,463	8,852	3,791	3,691
Tax payable	85	500	—	—
	<u>28,733</u>	<u>24,326</u>	<u>13,881</u>	<u>13,068</u>
Net current assets	<u>66,371</u>	<u>79,502</u>	<u>33,982</u>	<u>42,198</u>

B Condensed interim statements of financial position (cont'd)

	Group As at		Company As at	
	31 December 2024 \$'000	31 December 2023 \$'000	31 December 2024 \$'000	31 December 2023 \$'000
Non-current liabilities				
Other payables	1,002	1,005	—	—
Amount owing to subsidiaries	—	—	13,232	12,846
Lease liabilities	531	1,692	20	386
Contract liabilities	64,423	62,052	10,539	12,013
Deferred tax liabilities	3,794	3,730	15	15
	<u>69,750</u>	<u>68,479</u>	<u>23,806</u>	<u>25,260</u>
Total liabilities	<u>98,483</u>	<u>92,805</u>	<u>37,687</u>	<u>38,328</u>
Net assets	<u>118,659</u>	<u>135,651</u>	<u>113,124</u>	<u>122,522</u>
Equity attributable to owners of the Company				
Share capital	94,468	94,468	94,468	94,468
Treasury shares	(12,194)	(12,194)	(12,194)	(12,194)
Accumulated profits	56,827	75,513	30,403	39,561
Other reserves	(20,695)	(22,453)	447	687
	<u>118,406</u>	<u>135,334</u>	<u>113,124</u>	<u>122,522</u>
Non-controlling interests	<u>253</u>	<u>317</u>	<u>—</u>	<u>—</u>
Total equity	<u>118,659</u>	<u>135,651</u>	<u>113,124</u>	<u>122,522</u>
Total equity and liabilities	<u>217,142</u>	<u>228,456</u>	<u>150,811</u>	<u>160,850</u>

C Condensed interim consolidated statement of cash flows

	Group	
	12 months ended 31 December	
	2024	2023
	\$'000	\$'000
Cash flows from operating activities:		
(Loss)/profit before income tax	(18,783)	4,258
Adjustments for:		
Depreciation of property, plant and equipment	3,411	3,217
Amortisation of intangible assets	797	813
(Gain)/loss on disposal of property, plant and equipment	—	5
Impairment loss on receivables and bad debts written off, net	1,752	294
Interest income	(3,436)	(3,420)
Interest expense	196	268
Investment gain	(34)	(36)
Share-based compensation (reversal)/expense	(240)	248
Fair value gain on investment properties	(161)	(252)
Loss on financial asset at fair value through profit or loss	—	30
Share of profit of associate	(1,621)	(1,263)
Unrealised exchange loss	602	107
Operating cash flows before changes in working capital	(17,517)	4,269
Changes in working capital		
(Increase)/decrease in trade receivables	(4,252)	2,240
Decrease in contract assets	4,052	850
Decrease/(increase) in other receivables and prepayments	165	(65)
(Increase)/decrease in inventories	(125)	565
Increase in trade and other payables	3,167	3,839
Increase/(decrease) in contract liabilities	3,007	(4,015)
Cash (used in)/generated from operations	(11,503)	7,683
Interest received	1,697	3,167
Income tax paid	(1,506)	(1,054)
Net cash (used in)/from operating activities	(11,312)	9,796

C Condensed interim consolidated statement of cash flows (cont'd)

	Group	
	12 months ended 31 December	
	2024	2023
	\$'000	\$'000
Cash flows from investing activities:		
Purchase of property, plant and equipment	(4,160)	(2,273)
Purchase of intangible assets	(146)	(558)
Proceeds from disposal of property, plant and equipment	173	7
Dividend received	440	466
Transfer from/(to) term deposits	883	(273)
Net cash flow used in investing activities	<u>(2,810)</u>	<u>(2,631)</u>
Cash flows from financing activities:		
Transfer from pledged fixed deposits	8,556	—
Payment of lease liabilities	(1,121)	(1,592)
Interest paid	(196)	(268)
Dividends paid	(74)	—
Net cash flows generated from/(used in) financing activities	<u>7,165</u>	<u>(1,860)</u>
Net (decrease)/increase in cash and cash equivalents	(6,957)	5,305
Cash and cash equivalents at the beginning of the financial year	18,423	13,381
Effects of exchange rate changes on cash and cash equivalents	31	(263)
Cash and cash equivalents at end of the financial year	<u>11,497</u>	<u>18,423</u>

Condensed Interim Financial Statements for the Six Months and Full Year Ended 31 December 2024
D Condensed interim statements of changes in equity

	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Share-based compensation reserve \$'000	Capital reserve \$'000	Merger reserve \$'000	Acquisition reserve \$'000	Revaluation reserve \$'000	Foreign currency translation reserve \$'000	Non-controlling interests \$'000	Total \$'000
Group											
At 1 January 2023	94,686	(12,554)	71,990	159	568	534	(11,931)	477	(9,867)	266	134,328
Profit for the financial year	—	—	3,523	—	—	—	—	—	—	43	3,566
Other comprehensive (loss)/income for the financial year, net of tax											
- Foreign currency translation	—	—	—	—	—	—	—	—	(2,499)	8	(2,491)
Total comprehensive income/(loss) for the financial year, net of tax	—	—	3,523	—	—	—	—	—	(2,499)	51	1,075
<u>Contributions by and distributions to owners</u>											
Share-based compensation expense	—	—	—	248	—	—	—	—	—	—	248
Reissuance of treasury shares pursuant to equity compensation plans	(218)	360	—	(142)	—	—	—	—	—	—	—
Total contributions by and distributions to owners	(218)	360	—	106	—	—	—	—	—	—	248
At 31 December 2023	94,468	(12,194)	75,513	265	568	534	(11,931)	477	(12,366)	317	135,651

Condensed Interim Financial Statements for the Six Months and Full Year Ended 31 December 2024
D Condensed interim statements of changes in equity (cont'd)

Company	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Share-based compensation reserve \$'000	Capital reserve \$'000	Total \$'000
At 1 January 2023	94,686	(12,554)	38,486	159	422	121,199
Profit for the financial year, representing total comprehensive income for the financial year	—	—	1,075	—	—	1,075
<u>Contributions by and distributions to owners</u>						
Share-based compensation expense	—	—	—	248	—	248
Reissuance of treasury shares pursuant to equity compensation plans	(218)	360	—	(142)	—	—
Total contributions by and distributions to owners	(218)	360	—	106	—	248
At 31 December 2023	94,468	(12,194)	39,561	265	422	122,522

Condensed Interim Financial Statements for the Six Months and Full Year Ended 31 December 2024
D Condensed interim statements of changes in equity (cont'd)

	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Share-based compensation reserve \$'000	Capital reserve \$'000	Merger reserve \$'000	Acquisition reserve \$'000	Revaluation reserve \$'000	Foreign currency translation reserve \$'000	Non-controlling interests \$'000	Total \$'000
Group											
At 1 January 2024	94,468	(12,194)	75,513	265	568	534	(11,931)	477	(12,366)	317	135,651
(Loss)/profit for the financial year	—	—	(18,686)	—	—	—	—	—	—	7	(18,679)
Other comprehensive income for the financial year, net of tax											
- Foreign currency translation	—	—	—	—	—	—	—	—	1,998	3	2,001
Total comprehensive (loss)/income for the financial year, net of tax	—	—	(18,686)	—	—	—	—	—	1,998	10	(16,678)
<u>Contributions by and distributions to owners</u>											
Grant of share awards to employees	—	—	—	(240)	—	—	—	—	—	—	(240)
Dividends	—	—	—	—	—	—	—	—	—	(74)	(74)
Total contributions by and distributions to owners	—	—	—	(240)	—	—	—	—	—	(74)	(314)
At 31 December 2024	94,468	(12,194)	56,827	25	568	534	(11,931)	477	(10,368)	253	118,659

Condensed Interim Financial Statements for the Six Months and Full Year Ended 31 December 2024
D Condensed interim statements of changes in equity (cont'd)

Company	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Share-based compensation reserve \$'000	Capital reserve \$'000	Total \$'000
At 1 January 2024	94,468	(12,194)	39,561	265	422	122,522
Loss for the financial year, representing total comprehensive loss for the financial year	—	—	(9,158)	—	—	(9,158)
<u>Contributions by and distributions to owners</u>						
Grant of share awards to employees	—	—	—	(240)	—	(240)
Total contributions by and distributions to owners	—	—	—	(240)	—	(240)
At 31 December 2024	94,468	(12,194)	30,403	25	422	113,124

E Notes to the condensed interim consolidated financial statements

1 Corporate information

Cordlife Group Limited (the “Company”) is incorporated in Singapore and has its registered office at 1 Yishun Industrial Street 1, #06-01/09, A’Posh Bizhub, Singapore 768160. The Company is a limited liability company incorporated and domiciled in Singapore and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”). These condensed interim financial statements as at and for the six months and twelve months ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in equity-accounted investees.

The principal activities of the Company are investment holding and the provision of cord blood banking services, which involves the processing and storage of cord blood stem cells. The principal activities of the subsidiaries are:

- a. provision of cord blood, cord lining and cord tissue banking services
- b. provision of newborn metabolic screening services
- c. provision of medical laboratory and diagnostic services and general medical screening tests
- d. property investment
- e. investment holding
- f. provision of marketing services

2 Basis of Preparation

2(a) Statement of compliance

The condensed interim financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I”).

2(b) Basis of measurement

The condensed interim financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2(c) Functional and presentation currency

These condensed interim financial statements are presented in Singapore dollars (“\$”), which is the Company’s functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

E Notes to the condensed interim consolidated financial statements (cont'd)
2 Basis of Preparation (cont'd)
2(d) Use of estimates and judgements

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the condensed interim financial statements are as follows :

- *Revenue recognition: whether revenue from rendering of cord blood, cord lining and cord tissue banking services is recognised over time or point in time*

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Rendering of cord blood, cord lining and cord tissue banking services: processing revenue

Nature of goods or services	Collection, processing and testing of the cord blood, cord lining and cord tissue sample.
When revenue is recognised	Revenue is recognised upon completion of processing of the cord blood, cord lining and cord tissue sample.
Significant payment terms	Deferred payment plans that include annual instalments over 18 to 21 years or full upfront payment upon contract signing or client delivery. Deferred payment plans have been determined to include a significant financing component. No significant financing component is recognised for upfront payments plans as these terms are designed for reasons other than provision of financing to the Group.
Obligations for refunds, if any	Refunds will be provided if no collection is done.
Obligations for warranties	Nil

Rendering of cord blood, cord lining and cord tissue banking services: storage revenue

Nature of goods or services	Cryogenic storage of the cord blood, cord lining and cord tissue sample.
When revenue is recognised	Over the storage period.
Significant payment terms	Deferred payment plans that include annual instalments over 18 to 21 years or full upfront payment upon contract signing or client delivery. Deferred payment plans have been determined to include a significant financing component. No significant financing component is recognised for upfront payments plans as these terms are designed for reasons other than provision of financing to the Group.
Obligations for refunds, if any	For full upfront payments, customers are entitled to refunds on the prepaid storage component that has not been fulfilled, if the contract is terminated in accordance with the terms of the contract.
Obligations for warranties	Nil

E Notes to the condensed interim consolidated financial statements (cont'd)
2 Basis of Preparation (cont'd)
2(d) Use of estimates and judgements (cont'd)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next interim period are as follows:

- *Fair value of investment properties: determination of fair value of investment properties based on the valuation technique and significant unobservable inputs*

For the year ended 31 December 2024, the valuations are performed by PREMAS Valuers & Property Consultants Pte Ltd and VPC Alliance (KL) Sdn. Bhd., who are independent valuers with recognised and relevant professional qualifications and with recent experiences in the location and category of the properties being valued. The valuations are based on comparable market transactions that consider the sales of similar properties that have been transacted in the open market.

- *Impairment of non-financial assets: key assumptions used the determination of recoverable amounts*

For the purposes of impairment testing, goodwill acquired through business combinations has been allocated to the Group's cash generating units ("CGUs") (operating divisions) as follows :

	Group	
	As at	
	31 December 2024	31 December 2023
	\$'000	\$'000
Business operations in Malaysia – Stemlife Berhad	7,027	6,636
Business operations in Hong Kong – Healthbaby and Cordlife Hong Kong	20,300	19,604
	<u>27,327</u>	<u>26,240</u>

As at 31 December 2024, the recoverable amount of CGUs has been determined based on the greater of fair value less costs of disposal and value in use calculations using cash flow projections from financial budgets approved by management covering a five-year period.

- *Measurement of expected credit losses ("ECLs") allowance for trade and other receivables and contract assets: key assumptions in determining the weighted-average loss*

As at 31 December 2024, the Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances. The allowance is calculated by reference to credit losses expected to be incurred over the lifetime of the receivables. In estimating a loss allowance, management considers historical experience and informed credit assessment alongside other factors such as the current state of the economy and particular industry issues.

E Notes to the condensed interim consolidated financial statements (cont'd)

2 Basis of Preparation (cont'd)

2(d) Use of estimates and judgements (cont'd)

• *Contingent liabilities*

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events but it is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

The preparation of the condensed interim financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities. Actual results may differ from these estimates.

3 Seasonal operations

The Group's business are not affected significantly by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

For management reporting purposes, the Group monitors the performance of the business units based on their products and services and has two reportable segments as follows:

- The banking segment comprises of the banking of samples such as cord blood, cord lining and cord tissue. Cord blood, cord lining and cord tissue are collected, processed and stored in the various laboratories in the regions that the Group operates in.
- The diagnostics segment comprises diagnostic testing such as non-invasive prenatal testing service, newborn metabolic screening, newborn genetic screening and paediatric vision screening services.

The following items and associated assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Interest income excluding interest income on contract assets.
- Income taxes that are managed on a group basis.
- Subsidiaries not in the principal activities of the provision of cord blood, cord lining and cord tissue banking services, non-invasive prenatal testing services, newborn metabolic screening, and paediatric vision screening services.

No operating segments have been aggregated to form the above reportable operating segments.

E Notes to the condensed interim consolidated financial statements (cont'd)
4 Segment and revenue information (cont'd)

	Banking \$'000	Diagnostics \$'000	Total \$'000
Segment revenue			
1 July 2024 to 31 December 2024			
Revenue from external clients	16,746	1,907	18,653
Total consolidated revenue			<u>18,653</u>
1 July 2023 to 31 December 2023			
Revenue from external clients	25,259	2,158	27,417
Total consolidated revenue			<u>27,417</u>
Segment results			
1 July 2024 to 31 December 2024			
Depreciation and amortisation	<u>(2,017)</u>	<u>(90)</u>	<u>(2,107)</u>
Segment (loss)/profit	(6,728)	307	(6,421)
Fair value gain on investment properties			161
Share of profit of associate			1,011
Loss before income tax			<u>(5,249)</u>
Income tax			<u>(1,077)</u>
Loss for the period			<u>(6,326)</u>
1 July 2023 to 31 December 2023			
Depreciation and amortisation	<u>(2,059)</u>	<u>(34)</u>	<u>(2,093)</u>
Segment (loss)/profit	(48)	579	531
Fair value gain on investment properties			252
Share of profit of associate			740
Profit before income tax			<u>1,523</u>
Income tax			<u>(186)</u>
Profit for the period			<u>1,337</u>

E Notes to the condensed interim consolidated financial statements (cont'd)
4 Segment and revenue information (cont'd)

	Banking \$'000	Diagnostics \$'000	Total \$'000
Segment revenue			
1 January 2024 to 31 December 2024			
Revenue from external clients	23,938	3,905	27,843
Total consolidated revenue			<u>27,843</u>
1 January 2023 to 31 December 2023			
Revenue from external clients	51,284	4,446	55,730
Total consolidated revenue			<u>55,730</u>
Segment results			
1 January 2024 to 31 December 2024			
Depreciation and amortisation	(4,113)	(95)	(4,208)
Segment (loss)/profit	(20,877)	312	(20,565)
Fair value gain on investment properties			161
Share of profit of associate			1,621
Loss before income tax			<u>(18,783)</u>
Income tax			104
Loss for the year			<u>(18,679)</u>
1 January 2023 to 31 December 2023			
Depreciation and amortisation	(3,993)	(37)	(4,030)
Segment profit	1,893	850	2,743
Fair value gain on investment properties			252
Share of profit of associate			1,263
Profit before income tax			<u>4,258</u>
Income tax			(692)
Profit for the year			<u>3,566</u>

E Notes to the condensed interim consolidated financial statements (cont'd)
4 Segment and revenue information (cont'd)
Segment assets and liabilities

	Banking \$'000	Diagnostics \$'000	Others* \$'000	Total \$'000
31 December 2024				
Additions to non-current assets, comprising additions to property, plant and equipment and intangible assets	4,130	194	—	4,324
Segment assets	249,135	5,779	996	255,910
Investment in associate				3,644
Investment properties				5,032
Eliminations+				(47,444)
Per interim financial statements				<u>217,142</u>
Segment liabilities	127,397	2,404	12,072	141,873
Tax payables				85
Deferred tax liabilities				3,794
Eliminations+				(47,269)
Per interim financial statements				<u>98,483</u>
31 December 2023				
Additions to non-current assets, comprising additions to property, plant and equipment and intangible assets	5,692	196	—	5,888
Segment assets	263,118	7,355	850	271,323
Investment in associate				2,218
Investment properties				4,736
Eliminations+				(49,821)
Per interim financial statements				<u>228,456</u>
Segment liabilities	123,905	2,044	12,441	138,390
Tax payables				500
Deferred tax liabilities				3,730
Eliminations+				(49,815)
Per interim financial statements				<u>92,805</u>

+ Inter-segment balances are eliminated on consolidation.

* Others refer to the assets and liabilities of subsidiaries not offering services under the banking and diagnostics segments.

E Notes to the condensed interim consolidated financial statements (cont'd)
4 Segment and revenue information (cont'd)

	Revenue			
	6 months ended 31 December		12 months ended 31 December	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Singapore	3,127	11,734	(1,810)	24,597
Hong Kong	5,157	4,581	9,627	8,735
India	2,919	3,141	5,533	6,342
Malaysia	1,806	1,758	3,175	3,517
Philippines	3,188	3,262	6,450	6,523
Indonesia	2,456	2,941	4,868	6,016
	18,653	27,417	27,843	55,730

A breakdown of sales as follows:

	Group		+/(−)
	Financial Year ending		Increase/ (Decrease) %
	31 December 2024	31 December 2023	
	\$'000	\$'000	
(a) Revenue reported for first half year (e.g. 1 Jan – 30 Jun)	9,190	28,313	(67.5)
(b) (Loss)/profit after tax before deducting non- controlling interests reported for the first half	(12,353)	2,229	(654.2)
(c) Revenue reported for second half year (e.g. 1 Jul – 31 Dec)	18,653	27,417	(32.0)
(d) (Loss)/profit after tax before deducting non- controlling interests reported for the second	(6,326)	1,337	(573.1)

E Notes to the condensed interim consolidated financial statements (cont'd)
5 Taxation

	Group			
	6 months ended 31 December		12 months ended 31 December	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<i>Current tax expense</i>				
Current year	(661)	690	(463)	1,395
Under/(over)-provision in respect of previous years	388	(119)	388	(285)
	(273)	571	(75)	1,110
<i>Deferred tax expense</i>				
Origination and reversal of temporary differences	1,408	(96)	29	(100)
Over-provision in respect of previous years	(58)	(289)	(58)	(318)
	1,077	186	(104)	692

Income tax is calculated at prevailing tax rates of the respective countries on the estimated assessable profit for the period.

6 Contingent liabilities
Status of Claims against the Company

The Company has received claims from the Company's clients alleging the damage of cord blood units resulting from the Company's storage of the cord blood units. The Company is, in consultation with its legal advisers, actively monitoring and attending to the abovementioned matters and will take necessary steps to engage with relevant parties at the appropriate juncture. The status of those claims remains subject to change and further determination with the relevant parties.

Investigation by Ministry of Health ("MOH")

On 22 January 2024, the Company had received a 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 Services) Regulations that were identified by MOH based on its inspections conducted on 16, 17, 18, 20, 21 and 27 November and 6 December 2023. To date, the Company has not been notified of any fines and/or penalties to be imposed on the Company arising from the potential areas of non-compliance identified by the MOH.

Investigation by Commercial Affairs Department ("CAD")

On 19 March 2024, the Company received a notice from the Commercial Affairs Department ("CAD") and the Monetary Authority of Singapore ("MAS") pursuant to Section 20 of the Criminal Procedure Code 2010 of Singapore, requiring the provision of certain documents and information in connection with investigations by the CAD into an offence under the Securities and Futures Act 2001 of Singapore (the "Investigations"). Subsequently, several Directors and Group

Chief Financial Officer were arrested in connection with the investigations and released on bail. The Company was informed that the offence was in connection with potential breaches of the disclosure obligations of the Company in relation to the irregular temperatures of a certain cryogenic storage tank of the Company, which was first disclosed by the Company in its announcement dated 30 November 2023.

As the CAD's investigation is still ongoing as at 31 December 2024 and the date of this Announcement, the CAD had not imposed any further directives and/or penalties on the Company in relation to the Investigations.

Additional Testing of Low-Risk Tanks

On 8 April 2024, the Company announced it would be sending over 200 samples, a statistically meaningful number of Cord Blood Units from the five Low-Risk Tanks, for testing by a third-party laboratory to provide more assurance in the testing results ("Additional Testing of Low-Risk Tanks").

The Company is still in the process of the Additional Testing of Low-Risk Tanks as at the end of FY2024 and the date of this Announcement.

Due to uncertainties in the outcome of the claims against the Company, investigations by MOH and CAD and the Additional Testing of Low-Risk Tanks, the Company is at present unable to assess the financial impact arising therefrom.



Other information required under Appendix 7.2 of the
SGX-ST Listing Manual

- 1(a) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Company	Number of shares	Share capital (\$)
As at 31 December 2023	256,307,744	94,467,722
Treasury shares reissued pursuant to equity compensation plans	—	—
As at 31 December 2024	<u>256,307,744</u>	<u>94,467,722</u>

- 1(b) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	As at	
	As at 31 December 2024	As at 31 December 2023
	No. of shares	No. of shares
Total number of issued shares	267,525,354	267,525,354
Less: Treasury shares	(11,217,610)	(11,217,610)
Total number of issued shares excluding treasury shares	<u>256,307,744</u>	<u>256,307,744</u>
Percentage of treasury shares against total number of shares outstanding	4.2 %	4.2 %

- 1(c) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

- 1(d) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable.

2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of matter)

Not applicable.

3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion: (a) Updates on the efforts taken to resolve each outstanding audit issue, (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This is not required for any audit issue that is a material uncertainty relating to going concern.

a) The Company's Independent Auditors for the financial year ended 31 December 2023 ("FY2023"), KPMG LLP ("KPMG"), had issued a disclaimer of opinion ("Disclaimer of Opinion") in their Independent Auditors' Report dated 24 April 2024 in relation to the consolidated financial statements of the Group for FY2023.

The basis for the Disclaimer of Opinion is in relation to (i) the investigations conducted by MOH and Commercial Affairs Department ("CAD") into the Company's compliance with laws and regulations, (ii) refunds and claims, (iii) going concern basis of preparation and (iv) financial support for subsidiaries.

Please refer to the following developments and follow-up actions taken by the Company to date.

i) Compliance with laws and regulations

MOH Investigation

As announced by the Company on 30 August 2024, the Company received a letter from the MOH on 29 August 2024, giving notice to the Company that it can resume its cord blood banking service operations in a controlled manner, with proposed modifications to the conditions of the Company's cord blood banking service licence that the Company shall not collect, test, process and/or store more than 30 units per month of new cord blood from infant donors (including through any person appointed to provide the aforementioned services on behalf of the Company) from 15 September 2024 to 13 January 2025 (both dates inclusive), unless sooner approved by the Director-General of Health.

This followed the MOH's findings that further inspections conducted in August 2024 showed that the Company had met the essential requirements necessary to resume its cord blood banking service operations, which included the successful validation of its AXP II System for cord blood processing, the implementation of a new temperature monitoring system with acceptable temperature monitoring practices, and the streamlining of its incident tracking and escalation workflow.

On 14 January 2025, the Company's cord blood banking and human tissue banking licences were renewed for a period of one year, and the Company resumed full operations in Singapore.

CAD Investigations

The Company will continue to monitor the progress of the investigations and will cooperate fully with all regulatory authorities, and will update its shareholders as and when there are any material updates.

ii) Refunds and claims

In FY2024, the financial impact of the Refund/Waiver for High-Risk Tanks resulted in a revenue reversal of approximately S\$10.4 million, which included the recognition of S\$0.6 million in contract liabilities relating to future storage obligations for affected clients.

The Company will continue to assess the liabilities in relation to claims, both constructive and contingent, in relation to Tank A and the High-Risk Tanks as and when any developments arise. In relation to the Low-Risk Tanks, the Company has sent over 200 samples, a statistically meaningful number of Cord Blood Units from the five Low-Risk Tanks, for testing. The assessment of the liabilities, both constructive and contingent, will also be assessed accordingly as the additional samples are tested and the results become available.

iii) Going concern basis of preparation

No update is required as this is an audit issue that is a material uncertainty relating to going concern.

iv) Financial support for subsidiaries

The Company will continue to assess its ability to provide financial support for its subsidiaries on an ongoing basis.

b) Based on the information currently available to the Board, the Board confirms that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in note (5) below, the condensed interim financial statements for the current period reported on have been presented using the same accounting policies and methods of computation as presented in the Company's most recently audited annual financial statements.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of SFRS(I) ("INT SFRS(I)") which became effective for the financial year beginning 1 January 2024.

The adoption of these new/revised SFRS(I) and INT SFRS(I) did not result in any substantial change to the Group's accounting policies and has no material/significant impact on the condensed interim financial statements of the Group for the current reporting period or the reporting periods in prior years.

6 (Loss)/earnings per ordinary share

	Group			
	6 months ended 31 December		12 months ended 31 December	
Basic (Loss)/Earnings Per Share	2024	2023	2024	2023
Earnings per ordinary share of the group for the financial period based on net (loss)/profit attributable to shareholders of the Company:				
(Loss)/profit attributable to shareholders of the Company (S\$ '000)	(6,330)	1,298	(18,686)	3,523
Weighted average number of shares in issue during the period ('000)	256,308	256,308	256,308	256,191
weighted average number of ordinary shares (cents)	<u>(2.47)</u>	<u>0.51</u>	<u>(7.29)</u>	<u>1.38</u>
Diluted (Loss)/Earnings Per Share				
Earnings per ordinary share of the group for the financial period based on net (loss)/profit attributable to shareholders of the Company:				
(Loss)/profit attributable to shareholders of the Company (S\$ '000)	(6,330)	1,298	(18,686)	3,523
Weighted average number of shares in issue during the period ('000)	256,339	256,294	256,339	256,294
weighted average number of ordinary shares (cents)	<u>(2.47)</u>	<u>0.51</u>	<u>(7.29)</u>	<u>1.37</u>

Notes:

Basic (loss)/earnings per share are calculated by dividing (loss)/profit net of tax attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial period.

Diluted (loss)/earnings per share are calculated by dividing (loss)/profit net of tax attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Potential ordinary shares shall be treated as dilutive only when their conversion to ordinary shares would decrease earnings per share or increase loss per share.

7 Net asset value

	Group		Company	
	31 December 2024 (cents)	31 December 2023 (cents)	31 December 2024 (cents)	31 December 2023 (cents)
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the relevant period	46.30	52.93	44.14	47.80

The number of shares in issue (excluding treasury shares) and used in calculating the net asset value per share as at 31 December 2024 is 256,307,744 (31 December 2023: 256,307,744).

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

COMPARING 6 MONTHS ENDED 31 DECEMBER 2024 ("2H2024") AGAINST 6 MONTHS ENDED 31 DECEMBER 2023 ("2H2023")

Income Statement

Revenue

Revenue decreased by 32.0% or S\$8.8 million from S\$27.4 million in 2H2023 to S\$18.7 million in 2H2024, comprising a 33.7% decline in revenue contributed by the banking business unit ("Banking revenue"), from S\$25.3 million in 2H2023 to S\$16.7 million in 2H2024. The decrease in Banking revenue was mainly due to a 25.0% decrease in new samples processed and stored from 8,800 in 2H2023 to 6,600 in 2H2024, largely attributed to Singapore and India. The decrease is also due to the additional financial impact of the Refund/Waiver for High-Risk Tanks of S\$0.7 million recorded in 2H2024. The decrease was partially offset by an increase in new samples processed in Hong Kong.

During 2H2024, the Group's Singapore operations continued to be suspended until 14 September 2024. From 15 September 2024 to 13 January 2025, it was allowed to resume its cord blood banking service operations in a controlled manner with the limit of not more than 30 new cord blood units per month to collect, test, process and/or store.

The diagnostics business unit ("Diagnostics revenue") decreased by 11.6% or S\$0.3 million from S\$2.2 million in 2H2023 to S\$1.9 million in 2H2024, largely due to the decrease in testing volume in Singapore.

Gross profit and gross profit margin

Gross profit decreased from S\$18.2 million in 2H2023 to S\$10.3 million in 2H2024 mainly due to the decrease in new samples processed and stored and the additional financial impact of the Refund/Waiver for High-Risk Tanks of S\$0.7 million recorded in 2H2024. The gross profit margin

decreased to 55.4% in 2H2024 as compared to 66.2% in 2H2023. The Group's Singapore operations continued to incur fixed running costs in 2H2024 as the suspension of Singapore's operations remained until 14 September 2024 and subsequent resumption of its cord blood banking business in a controlled manner,

Other operating income

The decrease in other income of approximately S\$0.4 million in 2H2024 compared to 2H2023 was mainly due to the decrease in talent funding received in Hong Kong and no reversal of over-accrual of expenses in prior year in India.

Selling and marketing expenses

Selling and marketing expenses decreased by 25.9% or S\$2.6 million in 2H2024 compared to 2H2023, mainly due to the suspension of operations in Singapore until 14 September 2024.

Administrative expenses

Administrative expenses increased by 12.5% or S\$1.2 million in 2H2024 compared to 2H2023, mainly due to an increase of approximately S\$1.3 million in impairment loss on trade receivables, S\$0.6 million in legal and professional fees and consultancy fees and \$0.5 million for staff costs. A significant portion of the increase in professional fees and consultancy fees were attributable to services in relation to regulatory investigations and third party claims. This is partially offset by a decrease of S\$0.3 million in directors fees, an once off refund received of \$0.5 million for development expenses previously paid as certain milestones of the project were not met and lower share-based compensation expenses of \$0.4 million due to expiry of share grant plan in FY2024.

Finance income

Finance income decreased by S\$0.1 million from 2H2023 to 2H2024 mainly due to the lower average deposit rate for 2H2024 as compared to 2H2023 and a decrease in funds placed in fixed deposits.

Finance costs

Finance costs relate to lease liabilities amounted to S\$85,000 (2H2023: S\$133,000). The decrease was mainly due to decrease in lease liabilities recognised in 2H2024 as compared to 2H2023.

(Loss)/profit before income tax from operations

As a result of the foregoing, the Group incurred a loss before income tax from operations of S\$6.4 million for 2H2024 as compared to a profit before income tax of S\$0.5 million for 2H2023.

Fair value gain on investment properties

In 2H2024, the Group recognised fair value gain of S\$0.2 million (2H2023: S\$0.3 million) on its investment properties held in Singapore and Malaysia.

Share of profit of associate

In 2H2024, the Group recognised the share of profit of associate of S\$1.0 million compared to S\$0.7 million recognised in 2H2023.

Tax

In 2H2024 and 2H2023, fair value gain on investment properties was not taxable.

Under-provision of tax in respect of prior years of S\$330,000 for 2H2024 mainly comprises under-provision of corporate income tax of S\$212,000 and S\$166,000 in Singapore and Philippines respectively, offset by an over-provision of deferred tax liability for prior years of S\$58,000 in Indonesia.

In 2H2023, over-provision of tax in respect of prior years of S\$361,000 mainly comprises under-provision of deferred tax asset of S\$244,000 in Philippines and an over-provision of corporate income tax of S\$212,000 in Singapore, offset by an under-provision of corporate income tax of S\$72,000 and S\$21,000 in Philippines and Indonesia respectively.

Adjusting for the foregoing, the Group recorded higher tax expenses in 2H2024 mainly due to higher tax assessment in Indonesia, Malaysia, Hong Kong and Philippines.

COMPARING 12 MONTHS ENDED 31 DECEMBER 2024 (“FY2024”) AGAINST 12 MONTHS ENDED 31 DECEMBER 2023 (“FY2023”)

Income Statement

Revenue

Revenue decreased by 50.0% or S\$27.9 million from S\$55.7 million in FY2023 to S\$27.8 million in FY2024. The decrease in revenue comprised a 53.3% or S\$27.3 million decrease in Banking revenue from S\$51.3 million in FY2023 to S\$23.9 million in FY2024.

In FY2024, the financial impact of the Refund/Waiver for High-Risk Tanks resulted in a revenue reversal of approximately S\$10.4 million, which included the recognition of S\$0.6 million in contract liabilities relating to future storage obligations for affected clients. Consequently, the Group recorded revenue of approximately S\$27.8 million in FY2024.

Excluding the reversal, the Group’s revenue for FY2024 would have been approximately S\$38.2 million, a decline of 31.4% year-on-year (“yoy”) from S\$55.7 million in FY2023, mainly contributed by the suspension of the Group’s Singapore operations.

Adjusting for the revenue reversal from the Refund/Waiver for High-Risk Tanks, the banking business unit (“Banking revenue”) decreased by 33.1% from S\$51.3 million in FY2023 to S\$34.3 million in FY2024. This was mainly due to a 31.6% decrease in new samples processed and stored from 17,700 in FY2023 to 12,100 in FY2024. The decline in new samples processed and stored is mainly contributed by Singapore, as well as India, Malaysia and Indonesia, as the publicity surrounding the suspension of the Group’s Singapore operations had adversely affected customer sentiment, even though operations of the overseas subsidiaries have not been directly impacted.

From 15 September 2024 to 13 January 2025, the Group’s Singapore operations was allowed to resume its cord blood banking service operations in a controlled manner with the limit of not more than 30 new cord blood units per month to collect, test, process and/or store.

Diagnostics revenue decreased by 12.2% or S\$0.5 million from FY2023 to FY2024 largely due to the decrease in testing volume in Singapore and Indonesia.

Gross profit and gross profit margin

Gross profit decreased from S\$37.3 million in FY2023 to S\$11.7 million in FY2024 mainly due to the decrease in new samples processed and stored. Excluding the financial impact of the refunds

of approximately S\$10.4 million, the gross profit in FY2024 would have been approximately S\$22.1 million, a decline of 40.8% yoy from S\$37.3 million in FY2023 and gross profit margin would have been 57.9% in FY2024 as compared to 66.9% in FY2023. This is largely attributed to the suspension of Singapore's operations, as Singapore continued to incur fixed running costs in FY2024. The suspension was lifted on 14 September 2024 and from 15 September 2024 to 13 January 2025, the Group's Singapore operations was allowed to resume its cord blood banking service operations in a controlled manner with the limit of not more than 30 new cord blood units per month to collect, test, process and/or store.

Other operating income

Other operating income decreased by approximately S\$0.2 million in FY2024 compared to FY2023. The decrease was mainly due to the reversal of over-accrual of expense in prior years in India. There is no reversal of over-accrual of expenses for India in FY2024.

Selling and marketing expenses

Selling and marketing expenses decreased by 24.0% or S\$4.6 million in FY2024 compared to FY2023, mainly due to the suspension of operations in Singapore.

Administrative expenses

Administrative expenses for FY2024 of S\$21.2 million increased by 12.0% or S\$2.3 million compared to FY2023 of S\$19.0 million. This is mainly due due to an increase of approximately S\$1.5 million in impairment loss on trade receivables, S\$1.4 million in legal and professional fees. A significant portion of the increase in professional fees was attributed to services in relation to regulatory investigations and third party claims. This is partially offset by an once off refund received of \$0.5 million for development expenses previously paid as certain milestones of the project were not met and lower share-based compensation expenses of \$0.5 million due to expiry of share grant plan.

Finance income

Finance income comprises interest income from deposits, short-term investments and note receivable of S\$3.4 million and remained comparable to that of FY2023.

Finance costs

Finance costs relate to lease liabilities which amounted to S\$0.2 million (FY2023: S\$0.3 million). The decrease was largely due to a decrease in lease liabilities recognised in FY2024 as compared to FY2023.

Profit before income tax from operations

As a result of the foregoing, the Group incurred a loss before income tax from operations of S\$20.6 million for FY2024 as compared to a profit before income tax of S\$2.7 million for FY2023.

Fair value gain on investment properties

In FY2024, the Group recognised fair value gain of S\$0.2 million (FY2023: S\$0.3 million) on its investment properties held in Singapore and Malaysia.

Share of profit of associate

In FY2024, the Group recognised the share of profit of associate of S\$1.6 million, which was a 28.3% increase compared to S\$1.3 million recognised in FY2023.

Tax

In both FY2024 and FY2023, fair value gain on investment properties was not taxable.

Under-provision of tax in respect of prior years of approximately S\$330,000 for FY2024 mainly comprises under-provision of corporate income tax of S\$212,000 and S\$166,000 in Singapore and Philippines respectively, offset by an over-provision of deferred tax liability for prior years of S\$58,000 in Indonesia.

In FY2023, the over-provision of tax in respect of prior years of S\$603,000 mainly comprises over-provision of corporate tax of S\$212,000 and S\$145,000 in Singapore and Indonesia respectively, an over-provision of deferred tax liability of S\$74,000 in Malaysia and an under-provision of deferred tax asset of S\$244,000 in the Philippines, partly offset by an under-provision of corporate income tax of S\$72,000 in the Philippines.

Adjusting for the foregoing, the Group recorded a tax credit of S\$0.5 million for FY2024 compared to tax expenses of S\$1.4 million in FY2023 where there was tax losses not recognised in certain countries as well as an increase in contribution to the profit before tax from countries with higher tax rates.

Balance sheet

Cash and cash equivalents, unpledged and pledged fixed deposits ("fixed deposits"), short-term investments ("investments")

As at 31 December 2024, the Group maintained a strong balance sheet, with cash and cash equivalents, fixed deposits, investments of S\$67.2 million (31 December 2023: S\$82.5 million). Investments mainly comprise of short-term investments in money market funds and redeemable convertible note ("RCN") from CellResearch Corporation Pte. Ltd. ("CRC").

The decrease cash and cash equivalents of S\$6.9 million from S\$18.4 million as at 31 December 2023 to S\$11.5 million as at 31 December 2024 was mainly due to cash used in operating activities of S\$11.3 million and dividend received from associate of S\$0.4 million, offset by the purchase of property, plant and equipment and intangible assets of S\$4.3 million.

Net cash used in operating activities comprised mainly operating cash flows before movements in working capital of S\$17.5 million, net working capital inflow of S\$6.0 million and net interest received of S\$1.7 million offset by net income tax paid of S\$1.5 million.

Net working capital inflow of approximately S\$6.0 million comprised the following:

- increase in trade receivables of approximately S\$4.3 million;
- decrease in contract assets of approximately S\$4.1 million;
- decrease in other receivables, deposits and prepayments of approximately S\$0.2 million;
- increase in inventories of approximately S\$125,000;
- increase in trade and other payables of approximately S\$3.2 million;
- increase in contract liabilities of approximately S\$3.0 million.

The decrease in current and non-current fixed deposits and short-term investments of S\$8.4 million is mainly due to the release of fixed deposits in Malaysia that were pledged for a short-term loan facility and a banker's guarantee issued for an office lease.

Property, plant and equipment

As at 31 December 2024, the Group recorded S\$17.0 million on its balance sheet for property, plant and equipment (31 December 2023: S\$16.3 million). The increase in property, plant and equipment was due to additions of approximately S\$4.2 million, which mainly comprised right-of-use assets recognised for leased office units in India and Singapore and leasehold improvement made to Hong Kong laboratory and office units, offset by depreciation of S\$3.4 million recognised in FY2024.

Investment properties

As at 31 December 2024, the Group recorded S\$5.0 million on its balance sheet for investment properties (31 December 2023: S\$4.7 million). The increase is mainly due to an uplift in valuations for the Singapore properties.

Intangible assets

Intangible assets comprise client contracts, brand and goodwill acquired in business combinations and computer software.

Deferred tax assets

As at 31 December 2024, the Group recorded deferred tax assets of S\$1.7 million. (31 December 2023 : S\$0.9 million). The deferred tax assets represent prior year tax losses carried forward as a result of the transitional adjustments arising from the adoption of FRS115 in the Hong Kong subsidiary and unutilised merger and acquisition allowance, relating to acquisitions made by the Company in previous years. The increase is mainly due to deferred tax asset recognised in the Singapore for deductible temporary differences on the provision for refund.

Investment in associate

Investment in associate comprise of a 39.61% stake in TSL through Stemlife Berhad. The increase in investment in associate was due to the recognition of the share of profit of associate of S\$1.6 million in FY2024, slightly offset by the dividend received from TSL.

Contract assets, non-current

Non-current contract assets represent all service revenues arising from the performance obligations identified under installment payment plans in the cord blood, cord lining and cord tissue banking contracts that have yet to be billed to clients. Upon billing, the billed amount will be receivable under the same terms as the current trade receivables. As at 31 December 2024, the Group recorded non-current contract assets of S\$58.4 million (31 December 2023: S\$62.6 million).

Inventories

As at 31 December 2024, the Group recorded inventories of S\$0.9 million (31 December 2023: S\$0.8 million).

Prepayments

As at 31 December 2024, the Group recorded prepayments of S\$2.9 million (31 December 2023: S\$2.2 million). The increase is mainly due to increase in Singapore where there is increase in prepaid booking fees for participation in baby fair and prepaid insurance premiums.

Trade receivables, current

Current trade receivables as at 31 December 2024 was S\$25.2 million compared to S\$22.7 million as at 31 December 2023.

Other receivables

As at 31 December 2024, the Group recorded other receivables of S\$4.2 million (31 December 2023: S\$3.2 million). The increase is mainly due to an increase in interest receivable from fixed deposit India and higher insurance experience refund and a once off refund of development expenses as certain milestones for the project were not met in Singapore.

Short-term investments

As at 31 December 2024, the Group recorded short-term investments of S\$6.0 million (31 December 2023: S\$5.9 million), which comprises of a RCN in the principal amount of S\$4.2million from CRC, at the yielding interest rate of three month SIBOR plus 7% per annum payable in arrears, and money market funds held in Malaysia. The RCN was redeemed on 31 December 2024 with 50% of the principal amount repaid in January 2025 and the remaining 50% to be repaid by February 2025. The interest rate at three month SORA plus 7% per annum payable in arrears will computed on the outstanding principal amount until the balance is fully repaid.

Trade and other payables, current and non-current

As at 31 December 2024, the Group recorded current trade and other payables of S\$16.3 million (31 December 2023: S\$13.2 million) and non-current other payables of S\$1.0 million (31 December 2023: S\$1.0 million). The increase in current trade and other payables was mainly attributable to Singapore. In FY2024, Singapore has provided a further provision for refunds of S\$9.8 million for the High-Risk Tanks which was partially offset by the utilisation of S\$6.1 million as a result of the refunds made during FY2024 .

Lease liabilities, current and non-current

As of 31 December 2024, the Group recognised lease liabilities of S\$2.4 million on property and equipment leases (31 December 2023: S\$3.5 million). The decrease in lease liabilities was attributable to the payments made during the year.

Contract liabilities, current and non-current

Contract liabilities represent revenue received in advance for services revenues to be rendered under the various performance obligations identified in the cord blood, cord lining, cord tissue banking and diagnostics contracts. As at 31 December 2024, current and non-current contract liabilities were at S\$10.5 million and S\$64.4 million respectively (31 December 2023: S\$8.9 million and S\$62.1 million respectively).

Income tax payable

The Group's income tax payable decreased by S\$0.4 million from 31 December 2023 due to tax refund in Indonesia and Hong Kong.

Deferred tax liabilities

As at 31 December 2024, deferred tax liabilities amounted to S\$3.8 million (31 December 2023: S\$3.7 million), comprising deferred tax liabilities on temporary differences and on intangible assets recognised on business combination.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable as no forecast or prospect statement was previously disclosed to shareholders.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Group remains confident about the cord blood banking industry's long-term growth potential, buoyed by the ongoing shift towards preventive and precautionary care over curative treatments¹.

Over the past year, the Group has made significant upgrades to its processing and storage facility in Singapore, which include implementing an enhanced laboratory monitoring system to provide 24/7 real-time on-site and remote monitoring of key equipment. The Group has also increased laboratory and technical personnel, strengthened operational protocols, and established a Medical and Technical Advisory Board to provide guidance on best practices.

Reflecting these rectification efforts, Cordlife Singapore was granted approval from the Ministry of Health ("MOH") in August 2024 to resume operations in a controlled manner from 15 September 2024 to 13 January 2025, during which it could not collect, test, process, and/or store more than 30 new cord blood units per month.

Subsequent to FY2024, the Company was issued with the cord blood banking and human tissue banking licences which are effective from 14 January 2025 and are valid for a period of one (1) year.

In view of the foregoing, the Company expects an improvement in the revenue streams to be contributed by the Group's Singapore business. The Group will continue to work closely with industry experts and regulators to strengthen processes even further.

Additionally, the Group will continue to expand its product and service offerings in Asia, enhance its ecosystem with doctors and hospitals in markets where it operates, and step up marketing and education initiatives on clinical applications of stem cells for various healthcare treatments.

The Group remains cautiously optimistic that, barring unforeseen circumstances the Group's financial performance in FY2025 will improve compared to FY2024. However, the pace of recovery could be hampered by uncertainties relating to the contingent liabilities as described in Note 6 and broader economic headwinds. In response, the Group will aim to maintain a strong balance sheet to buffer against economic, market and liability-related uncertainties.

¹ <https://www.coherentmarketinsights.com/market-insight/stem-cell-banking-market-1354#:~:text=rapidly%20developing%20their%20healthcare%20industries,services%20is%20anticipated%20to%20surge>

11 Dividends
(a) Current financial period reported on

Any interim (final) ordinary dividend declared (recommended) for the current financial period reported on?

No.

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) The date the dividend is payable

Not applicable

(d) Record date

Not applicable.

12 If no dividend has been declared (recommended), a statement to that effect and provide the reasons for the decision not to declare/recommend any dividend

Amidst the uncertainty in the pace of recovery after the full resumption of operations in Singapore from 14 January 2025 and of the outcome of the ongoing investigations and Low-Risk Tanks testing, the Directors did not declare or recommend dividends for FY2024. The Directors will review the dividend payout in the following half-years after taking into consideration the Company's performance and business plans.

13 Interested person transactions

The Company has not obtained a general mandate from shareholders for interested person transactions.

During the financial year, the Company engaged Shandong Qilu Stemcell Engineering Co., Ltd. ("SQSEC") to provide guidance and insights to Cordlife's medical and technical teams and assist the Singapore team during the rectification period.

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions conducted in FY2024 (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)
Shandong Qilu Stemcell Engineering Co., Ltd.	Subsidiary of Nanjing Xinjiekou Department Store Co., Ltd, a controlling shareholder of the Company.	\$102,000

14 Disclosure on the use of placement proceeds

Capitalised terms used herein, unless otherwise defined, have the meanings as defined in the announcements on Private Placement Of An Aggregate Of Up To 26,838,000 New Ordinary Shares In The Capital Of The Company dated 2 October 2013, 11 October 2013 and 14 October 2013.

The Company issued 26,838,000 Placement Shares at an issue price of S\$1.25 per Placement Share by way of private placement (the "Private Placement") to raise aggregate gross proceeds of S\$33,547,500 on 14 October 2013.

On 15 August 2024, the Board determined that it is in the best interest of the Company to re-allocate the remaining proceeds of S\$6.3 million from the Private Placement towards meeting the Company's cash flow requirements for the Refund/Waiver of the High-Risk ("Re-Allocation").

As at 1 March 2025, the Group has utilised approximately S\$30.3 million out of S\$33.5 million of the Private Placement proceeds as follows:

Intended Use of Placement Proceeds	Revised amount allocated after Re-Allocation (S\$ m)	Estimated percentage of gross proceeds raised from the Private Placement	Amount utilised (S\$ m)	Percentage of gross proceeds raised from the Private Placement
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	17.2	51.2%	17.2	51.2%
General working capital	9.4	28.0%	9.4	28.0%
Expenses incurred in connection with the Private Placement	0.6	1.8%	0.6	1.8%
Refund/Waiver for High-Risk Tanks	6.3	19.0%	3.1	9.2%
	33.5	100.0%	30.3	90.3%

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	<u>9.4</u>

The Company will make further announcements via SGXNET as and when the balance of the Private Placement proceeds are materially disbursed in accordance with Rule 704(30) of the Listing Manual of the SGX-ST.

15 Confirmation Pursuant to Rule 720(1) of the Listing Manual

The Company confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to paragraph 8.

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

No dividend is declared or recommended by the Board for the financial years ended 31 December 2024 and 31 December 2023.

18. Persons occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make the appropriate negative statement

Name	Age	Family relationship with any director and/or substantial shareholder	position and duties, and the year the position was	Details of changes in duties and position held, if any, during the year
Yiu Pang Fai	35	Mr. Yiu Pang Fai is the brother of Mr. Yiu Ming Yiu, a Non-Independent and Non-Executive Director of the Company and the son of Mr. Yiu Chi Shing and Madam Lui Yim Sheung, who are deemed interested in the shares of the Company held by TransGlobal Real Estate Group Ltd, a controlling shareholder of the Company.	Group Chief Executive Officer	Not applicable

As announced on 12 February 2025, Mr Yiu has tendered his resignation and will relinquish all this appointments with the Company and its subsidiaries by 28 February 2025.

Save as disclosed, the Company confirms that no other person occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or chief executive officer or substantial shareholder of the Company.

By Order of the Board
CORDLIFE GROUP LIMITED

Cheok Hui Yee
Goh Xun Er
Company Secretaries

1 March 2025