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

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**ACQUISITION OF SHARES IN STEMLIFE BERHAD**

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## 1. INTRODUCTION

Cordlife Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to its announcement on 12 November 2015 (the "**First Offer Announcement**") in relation to a take-over offer by the Company to acquire all the ordinary shares of StemLife Berhad ("**StemLife**") (each, a "**StemLife Share**") not already then owned by the Company (the "**First Offer**"). StemLife is a subsidiary of the Company incorporated in Malaysia and listed on the ACE Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

At the close of the First Offer on 2 February 2016, taking into account valid acceptances to the First Offer together with StemLife Shares which the Company then held or had then previously acquired, the Company owned an aggregate of 222,472,929 StemLife Shares, representing approximately 89.88% of the issued and paid-up capital of StemLife.

The Company wishes to announce that it has today served a notice on the board of directors of StemLife of its intention to make a voluntary take-over offer to acquire all the remaining StemLife Shares not already owned by the Company, representing approximately 10.12% of the issued and paid-up capital of StemLife (the "**Offer Shares**") (the "**VGO**").

## 2. DETAILS OF THE VGO

In accordance with the Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia ("**SC**") on 15 August 2016 (the "**Rules**"), the Company has, through Maybank Investment Bank Berhad, served a notice of VGO on the board of directors of StemLife to acquire the Offer Shares at the cash offer price of RM0.54 per Offer Share (subject to the adjustments as set out in paragraph 2.1 below, where applicable). A copy of the notice of VGO dated 10 November 2016 ("**Notice**") is set out in the Schedule to this Announcement.

References to the VGO and its terms and conditions in this Announcement should be read together with, and are subject to, the Notice.

The document outlining the terms of the VGO together with an accompanying form of acceptance and transfer (the "**Offer Document**") will be despatched to shareholders of StemLife in due course.

### 2.1 Offer Price

The consideration for the Offer Shares shall be RM0.54 per Offer Share (the "**Offer Price**"), and the aggregate consideration for the VGO based on the Offer Price is approximately RM13.51 million (approximately S$4.43 million). If StemLife declares, makes or pays any dividend and/or other distribution after the service of the Notice but prior to the closing date of the VGO and the relevant holder of the Offer Shares is entitled to retain such dividend and/or distribution, the Offer Price shall be reduced by the amount equivalent to such net dividend and/or distribution per StemLife Share which such holder of the Offer Shares is entitled to.

The Offer Price represents a premium to the following market prices of StemLife Shares:

| | | Share Price (RM) | Premium (RM) | Premium % |
|---|---|---|---|---|
| (a) | Last traded price of StemLife Shares as at 9 November 2016, being the last full trading day prior to the day of service of the Notice ("**Last Trading Day**") | 0.52 | 0.02 | 3.85 |
| (b) | 5-day volume weighted average market price ("**VWAMP**") of StemLife Shares up to and including the Last Trading Day | 0.51 | 0.03 | 5.88 |
| (c) | 1-month VWAMP of StemLife Shares up to and including the Last Trading Day | 0.51 | 0.03 | 5.88 |
| (d) | 3-month VWAMP of StemLife Shares up to and including the Last Trading Day | 0.52 | 0.02 | 3.85 |
| (e) | 6-month VWAMP of StemLife Shares up to and including the Last Trading Day | 0.51 | 0.03 | 5.88 |

*(Source: Bloomberg L.P.)*

The Offer Price for the VGO will be settled fully in cash, and will be funded from the cash reserves of the Company. The Company will not be taking up additional debt or carrying out additional fund raising to finance the VGO and the VGO will not have any impact on the Company's gearing.

2.2 VGO Duration/Timetable

Under the Rules:

(a) The Offer Document will be despatched ("**Despatch Date**") within 21 days from the date of the Notice or any extended period that may be consented to by the SC.

(b) The VGO will be open for acceptances until 5 p.m. (Malaysian time) for a period of at least 21 days from the Despatch Date or such later date as may be announced unless the Company withdraws the VGO with the SC's written approval and in such event, every person is released from any obligations incurred under the VGO.

(c) If the VGO is revised after the Despatch Date, it will remain open for acceptances for at least another 14 days from the date of despatch of the written notification of the revision.

The Company does not intend to maintain the listing status of StemLife.

If the Company receives acceptances of not less than nine-tenths in the nominal value of the Offer Shares (excluding StemLife Shares already held at the date of the VGO by the Company), the Company intends to invoke the provisions of Section 222 of the Capital Markets and Services Act, 2007 of Malaysia (the "**CMSA**") to compulsorily acquire any remaining Offer Shares for which valid acceptances have not been received pursuant to the VGO.

The Company will announce updates of the material milestones of the VGO at the relevant time.

## 3. RATIONALE FOR THE VGO

The Company undertook the First Offer on 12 November 2015 following the increase in the Company's shareholding interest in StemLife from approximately 31.81% to approximately 33.03% in consequence of the acquisition of 3,000,000 StemLife Shares via direct business transaction.

In the offer document setting out the terms and condition of the First Offer, it was stated that in the event the Company receives acceptances under the First Offer resulting in the Company holding 75% or more of the listed shares of StemLife, the Company does not intend to maintain the listing status of StemLife and does not intend to address any shortfall to meet the requirement of Bursa Securities that a listed issuer on Bursa Securities must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders (the "**Public Spread Requirement**"). Under such circumstances, the Company will procure StemLife to take the necessary procedures to withdraw its listing from the Official List of Bursa Securities in accordance with Rule 16 of the ACE Market Listing Requirements of Bursa Securities ("**Listing Requirements**").

Pursuant to the First Offer which closed on 2 February 2016, the Company's shareholding interest in StemLife increased to 89.88%. Further, it was also short of the 90% shareholding interest level required to undertake the necessary procedures to withdraw StemLife's listing from the Official List of Bursa Securities in accordance with Rule 16.07 of the Listing Requirements. Bursa Securities has granted two (2) extensions of time until 15 August 2016 and 15 February 2017, respectively, for StemLife to implement the necessary procedures to withdraw its listing from the Official List of Bursa Securities. There can be no assurance that Bursa Securities will grant a further extension of time in the future.

As mentioned, the Company does not intend to maintain the listing status of StemLife and does not intend to address any shortfall to meet the Public Spread Requirement. The VGO provides an opportunity for the Company to de-list and own 100% of StemLife, which will eliminate the administrative efforts and costs to maintain the listing status of StemLife.

The VGO also provides an opportunity for the shareholders of StemLife who wish to realise their investments in StemLife at the Offer Price.

As set out in paragraph 2.1 above, the Offer Price represents a premium ranging from approximately 3.85% to 5.88% over the 5-day VWAMP, 1-month VWAMP, 3-month VWAMP and 6-month VWAMP of StemLife Shares up to and including the Last Trading Day.

## 4. OTHER FINANCIAL INFORMATION

The market value of all the Offer Shares calculated based on the VWAMP of approximately RM0.52 per StemLife Share for all the trades done on the Last Trading Day, is approximately RM13.01 million (approximately S$4.25 million).

Based on the latest announced consolidated unaudited financial statements of StemLife and its subsidiaries for the financial quarter ended 30 September 2016 ("**Q12017**"), StemLife earned RM5.93 million (approximately S$1.94 million) in revenues for Q12017 and reported RM1.12 million (approximately S$0.37 million) in net profit before income tax, minority interests and extraordinary items for Q12017, with RM25.81 million (approximately S$8.46 million) in net assets attributable to owners of StemLife as at the end of Q12017.

No separate valuation was conducted on the assets of StemLife for the purposes of the VGO.

## 5. UPDATED FINANCIAL EFFECTS

The Company had, in compliance with the requirements of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), included in the First Offer Announcement, the financial effects of the Company increasing its shareholding interest in StemLife from approximately 31.81% to 100% (the "**Relevant Stake**").

As explained in paragraph 1 above, through the VGO, the Company intends to acquire the remaining approximately 10.12% of the issued and paid-up capital of StemLife which the Company did not manage to acquire in the First Offer. As some time has passed since the First Offer Announcement, the Company wishes to announce the updated financial effects of acquiring the Relevant Stake.

The updated financial effects as presented herein:

(a) are based on the pro forma consolidated audited financial statements of the Group for the financial year ended 30 June 2016 ("**FY2016**");

(b) are purely for illustrative purposes only and do not reflect a projection of the actual future financial performance or position of the Group after the acquisition of the Relevant Stake;

(c) assume that the acquisition of the Relevant Stake is completed, in respect of the pro forma statement of profit and loss of the Group, on 1 July 2015, and in respect of the pro forma statement of financial position of the Group, on 30 June 2016;

(d) assume that the Company holds 100% of the issued and paid-up capital of StemLife as a result of the VGO; and

(e) have not taken into account the impact of purchase price accounting and any goodwill that may arise from the acquisition of the Relevant Stake.

5.1 Net Tangible Assets ("**NTA**")

On the bases and assumptions set out above, the pro forma effect of the acquisition of the Relevant Stake on the NTA per share of the Group is as follows:

| | **Before the acquisition of the Relevant Stake** | **After the acquisition of the Relevant Stake** |
|---|---|---|
| Consolidated NTA of the Group (S$'000) | 133,964 | 113,777 |
| NTA per share (Singapore cents)[1] | 51.65 | 43.87 |

**Note:**

(1) Based on 259,358,354 ordinary shares of the Company in issue, excluding 8,167,000 treasury shares as at 30 June 2016.

5.2 Earnings per Share ("**EPS**")

On the bases and assumptions set out above, the pro forma effect of the acquisition of the Relevant Stake on the EPS of the Group is as follows:

| | **Before the acquisition of the Relevant Stake** | **After the acquisition of the Relevant Stake** |
|---|---|---|
| Profit attributable to shareholders of the Company for FY2016 (S$'000) | 12,808 | 12,995 |
| EPS (Singapore cents)[1] | 4.94 | 5.01 |

**Note:**

(1) Based on 259,326,854 weighted average number of ordinary shares of the Company in issue for FY2016.

## 6. UPDATED RELATIVE FIGURES UNDER CHAPTER 10 OF THE LISTING MANUAL

The updated relative figures for the acquisition of the Relevant Stake under Rule 1006 of the Listing Manual computed below are based on the pro forma consolidated audited financial statements of the Group for FY2016.

| Listing Rule | Bases | Acquisition of the Relevant Stake | Group (S$) | Relative Figures |
|---|---|---|---|---|
| 1006(a) | The net asset value of the assets to be disposed of, compared with the Group's net asset value | Not Applicable | | |
| 1006(b) | The net profit attributable to the Relevant Stake, compared with the Group's net profit | 166,000 | 13,863,000[1] | 1.19% |
| 1006(c) | The aggregate value of the consideration for the Relevant Stake, compared with the Group's market capitalisation | 25,630,000[2] | 293,853,000[3] | 8.72% |
| 1006(d) | The number of equity securities issued by the Company as consideration for the Relevant Stake, compared with the number of equity securities of the Company previously in issue | Not Applicable | | |
| 1006(e) | The aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets | Not Applicable | | |

**Notes:**

(1) Based on the pro forma latest announced consolidated audited financial statements of the Group for FY2016.

(2) Based on the proposed consideration of RM0.54 each for the Offer Shares, amounting to approximately RM13.51 million (approximately S$4.43 million), and a total cash consideration of approximately RM64.65 million (approximately S$21.20 million) for StemLife Shares acquired from the date of the Acquisition (as defined in the First Offer Announcement) to the close of the First Offer.

(3) Based on the volume weighted average price of S$1.133 per ordinary share of the Company as at 10 November 2016 for 259,358,354 ordinary shares of the Company, excluding 8,167,000 treasury shares.

Based on the above, the acquisition of the Relevant Stake constitutes a "discloseable transaction" under Chapter 10 of the Listing Manual as none of the relative figures under Rule 1006 exceed 20%. Accordingly, approval of the shareholders of the Company at an extraordinary general meeting is not required.

## 7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Dr Ho Choon Hou, who is a director of the Company, is also a director of StemLife.

Save as disclosed in this paragraph 7, the Company is not aware of any of its directors and controlling shareholders having any direct and indirect interest in the VGO.

No person is proposed to be appointed as a director of the Company in connection with the VGO. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

By Order of the Board
**CORDLIFE GROUP LIMITED**

Dr. Wong Chiang Yin
Executive Director and Group Chief Executive Officer
10 November 2016

*Note: Unless otherwise stated, the exchange rate used in this Announcement is based on RM3.05: S$1.00.*

**THE SCHEDULE**

10 November 2016

Board of Directors
**StemLife Berhad**
Lot 6.05, Level 6, KPMG Tower
8 First Avenue, Bandar Utama
47800, Petaling Jaya, Selangor
Malaysia

**Maybank Investment Bank Berhad (15938-H)**
(A Participating Organisation of Bursa Malaysia Securities Berhad)
32nd Floor, Menara Maybank,
100 Jalan Tun Perak,
50050 Kuala Lumpur, Malaysia

P.O. Box 11057
50734 Kuala Lumpur, Malaysia

Telephone +603 2059 1888
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Dear Sirs,

**STEMLIFE BERHAD ("STEMLIFE")**

**NOTICE OF UNCONDITIONAL TAKE-OVER OFFER ("NOTICE")**

## 1. INTRODUCTION

1.1 On behalf of Cordlife Group Limited ("**CGL**" or "**Offeror**"), we, Maybank Investment Bank Berhad ("**Maybank IB**") wish to notify you of the Offeror's intention to undertake a take-over offer to acquire all the remaining ordinary shares of RM0.10 each in StemLife ("**StemLife Shares**") not already owned by the Offeror ("**Offer Shares**") for a cash offer price of RM0.54 per StemLife Share ("**Offer Price**") ("**Offer**").

1.2 As at the date of this Notice, CGL directly holds 222,472,929 StemLife Shares, representing approximately 89.88% of the issued and paid-up share capital of StemLife. As such, the Offer Shares shall comprise of 25,027,071 StemLife Shares, representing approximately 10.12% of the issued and paid-up share capital of StemLife.

1.3 There is no ultimate offeror for the Offer. The Offeror does not consider any person to be acting in concert with it for purposes of the Offer in accordance with Section 216 of the Capital Markets Services Act, 2007 ("**CMSA**").

## 2. THE OFFER

In accordance with Paragraph 9.10(1)(b)(i) of the Rules on Take-Overs, Mergers and Compulsory Acquisitions ("**Rules**"), on behalf of the Offeror, Maybank IB hereby serves this Notice on the Board of Directors of StemLife to acquire the Offer Shares at the Offer Price, subject to the adjustments as set out in Section 3.1 below, if applicable.

The Offer is being made to each holder of the Offer Shares ("**Holder**") for all his Offer Shares subject to the terms and condition of the Offer.

To accept the Offer, Holders will have to refer to the procedures for acceptances which will be detailed in the document outlining the terms and condition of the Offer ("**Offer Document**") together with the form of acceptance and transfer ("**Form of Acceptance and Transfer**") to be despatched to them in due course.

## 3. TERMS AND CONDITION OF THE OFFER

The terms and condition of the Offer, unless otherwise directed or permitted to be varied by the Securities Commission Malaysia ("**SC**"), include the following:

### 3.1 Consideration for the Offer

The consideration for the Offer is RM0.54 per Offer Share and shall be satisfied in cash.

Notwithstanding this, if StemLife declares, makes or pays any dividend and/or other distribution on or after the date of this Notice but prior to the Closing Date (as defined in Section 3.5(a) of this Notice) and the Holder is entitled to retain such dividend and/or distribution, the Offer Price shall be reduced by the amount equivalent to the net dividend and/or distribution per StemLife Share which such Holder is entitled to.

The Offeror is not aware of any dividend and/or other distribution having been declared, made or paid by StemLife as at the date of the Notice.

Holders may accept the Offer in respect of all or any part of their Offer Shares. The Offeror will not pay fractions of a sen to the Holders who accept the Offer ("**Accepting Holders**"). Entitlement to the cash payment will be rounded down to the nearest whole sen.

The Offer Price was arrived at after taking into consideration, among others, the historical market prices of StemLife Shares.

The Offer Price represents a premium to the following last traded price and volume weighted average market price ("**VWAMP**") of StemLife Shares:

| | | Share price | Premium | |
|---|---|---|---|---|
| | | (RM) | (RM) | % |
| (i) | Last traded price of StemLife Shares as at 9 November 2016, being the last full trading day prior to the day of service of this Notice ("**Last Trading Day**") | 0.52 | 0.02 | 3.85 |
| (ii) | 5-day VWAMP of StemLife Shares up to and including the Last Trading Day | 0.51 | 0.03 | 5.88 |
| (iii) | 1-month VWAMP of StemLife Shares up to and including the Last Trading Day | 0.51 | 0.03 | 5.88 |
| (iv) | 3-month VWAMP of StemLife Shares up to and including the Last Trading Day | 0.52 | 0.02 | 3.85 |
| (v) | 6-month VWAMP of StemLife Shares up to and including the Last Trading Day | 0.51 | 0.03 | 5.88 |

*(Source: Bloomberg)*

**3.2 Condition of the Offer**

The Offer is not conditional upon any minimum level of acceptances of the Offer Shares as the Offeror already holds more than 50.0% of the voting shares in StemLife.

**3.3 Despatch of the Offer Document**

Unless otherwise directed or permitted by the SC to defer in doing so, the Offer will be made by the despatch of the Offer Document on a date falling within twenty-one (21) days from the date of this Notice ("**Despatch Date**"). An application for an extension of time will be made to the SC if the despatch of the Offer Document is expected to be deferred beyond the requisite twenty-one (21) days.

Subject to Section 3.10 of this Notice, the Offer Document will be despatched to the Board of Directors of StemLife and Holders whose names appear on the Record of Depositors of StemLife as at the latest practicable date prior to the despatch of the Offer Document.

**3.4 Warranty**

The Offer Shares are to be acquired on the basis of an acceptance of the Offer by a Holder made in accordance with the provisions of the Offer Document. Such acceptance will be deemed to constitute an irrevocable and unconditional warranty by the Accepting Holder that the Offer Shares, to which such acceptance relates, are sold:

(a) free from all moratoriums, claims, charges, liens, pledges, encumbrances, options, rights of pre-emption, third party rights and equities from the date of valid acceptances; and

(b) with all rights, benefits and entitlements attached thereto, including the right to all dividends and/or distributions declared, paid or made on or after the date of this Notice, subject to Section 3.1 of this Notice.

**3.5 Duration of the Offer**

(a) The Offer shall remain open for acceptances until 5.00 p.m. (Malaysian time) for a period of at least twenty-one (21) days from the Despatch Date or such later date(s) as Maybank IB may announce on behalf of the Offeror ("**Closing Date**"), unless the Offeror withdraws the Offer with the prior written consent of the SC and in such event, every person shall be released from any obligations incurred under the Offer.

(b) Where a competing take-over offer is made at any time between the Despatch Date and the Closing Date, the Offer Document shall be deemed to have been despatched on the date the competing take-over offer document was despatched.

(c) If the Offer is revised after the Despatch Date, it will remain open for acceptance for a period of at least another fourteen (14) days from the date of despatch of the written notification of the revision to the Holders. Where any of the terms of the Offer are revised, the benefits of the revised Offer will be announced and made available via written notification to the Holders, including those who have previously accepted the Offer.

(d) The Offer shall not be revised after the forty-sixth (46th) day from the Despatch Date or the date the competing take-over offer document was despatched, if any.

(e) Any extension of the date and time for acceptance of the Offer by the Offeror will be announced by Maybank IB, on behalf of the Offeror, at least two (2) days before the Closing Date. Such announcement will state the next closing date of the Offer. Notices of such extension will be despatched to the Holders accordingly.

(f) As the Offer is not conditional upon any minimum level of acceptances, the Closing Date shall not be later than the sixtieth (60th) day from the Despatch Date.

**3.6 Rights of withdrawal by an Accepting Holder**

(a) All acceptances of the Offer by a Holder **SHALL BE IRREVOCABLE** as the Offer is not conditional upon any minimum level of acceptances. However, an Accepting Holder is entitled to withdraw his/her acceptance immediately if the Offeror fails to comply with any of the requirements set out in Section 3.9(a) of this Notice by the close of trading at Bursa Malaysia Securities Berhad ("**Bursa Securities**") on the market day following the day on which the Offer is closed, revised or extended ("**Relevant Day**").

(b) Notwithstanding the above, the SC may terminate the above right of withdrawal if the Offeror has complied with the requirements set out in Section 3.9(a) of this Notice within eight (8) days from the Relevant Day provided that the expiry of the eight (8) day period from the Relevant Day shall not fall after the sixtieth (60th) day from the Despatch Date.

Notwithstanding the foregoing, the rights of an Accepting Holder who has already withdrawn his/her acceptance shall not be prejudiced by the termination of such right of withdrawal by the SC.

**3.7 Withdrawal of the Offer by the Offeror**

The Offeror shall not withdraw the Offer without the prior written consent of the SC.

**3.8 Method of Settlement**

If the Offeror deems the acceptance to be complete and valid in all respects in accordance with the terms and condition set out in the Offer Document, settlement of the consideration for the Offer Shares will be effected via remittance in the form of cheque(s), banker's draft(s) or cashier's order(s) which will be despatched by ordinary mail to the Accepting Holders (or their designated agents, as they may direct) at the Accepting Holders' registered Malaysian address last maintained with Bursa Malaysia Depository Sdn Bhd ("**Bursa Depository**") in respect of valid acceptances, at their own risk, within ten (10) days from the date of valid acceptances.

Save for the Offeror's right to reduce the Offer Price as set out in Section 3.1 of this Notice and except with the consent of the SC, the Offeror will settle the consideration in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counter claim or other analogous rights to which the Offeror may otherwise be entitled against the Accepting Holder. This, however, is without prejudice to the Offeror's right to make any claim against the Accepting Holder after such full settlement in respect of a breach of the warranty set out in Section 3.4 of this Notice.

**3.9 Announcement of Acceptances**

(a) The Offeror will inform the SC in writing and Bursa Securities and simultaneously announce by way of press notice before 9.00 a.m. (Malaysian time) on the Relevant Day:

(i) the fact of the Offer, that is whether the Offer is closed, revised or extended; and

(ii) the total number of Offer Shares:

(aa) for which acceptances of the Offer have been received;

(bb) held by the Offeror at the Despatch Date;

(cc) acquired or agreed to be acquired by the Offeror during the offer period but after the Despatch Date;

and must specify the percentage of each class of relevant securities represented by these numbers.

(b) In computing the acceptances of the Offer Shares for announcement purposes, the Offeror may include or exclude acceptances which are not in all respects in order or which are subject to verification.

(c) References to the making of an announcement or the giving of notice by the Offeror shall include the following:

(i) release of an announcement by Maybank IB or the Offeror's advertising agent(s) to the press; or

(ii) the delivery of or transmission by facsimile or Bursa Securities' Listing Information Network (also known as Bursa LINK) of an announcement to Bursa Securities.

(d) An announcement made otherwise than to Bursa Securities shall be notified simultaneously to Bursa Securities, if applicable.

**3.10 General**

(a) All communications, notices, documents and payments to be delivered or sent to the Holders (or their designated agents, as they may direct) will be despatched by ordinary mail to their registered Malaysian address last maintained with Bursa Depository at their own risk. Foreign shareholders with no registered Malaysian address maintained with Bursa Depository who wish to receive communications, notices and documents in relation to the Offer should ensure that they have their foreign mailing addresses changed to a registered Malaysian address. In any event, the Offer Document shall be made available on the website of Bursa Malaysia Berhad at www.bursamalaysia.com upon issuance.

Unless the contrary is proven, delivery of the communication, notice, document or payment shall be presumed to be effected by properly addressing, prepaying and posting by ordinary mail the communication, notice, document or payment and shall be presumed to have been effected at the time when the document would have been delivered in the ordinary course of the mail.

(b) The Offer and all acceptances received under the Offer will be construed under and governed by Malaysian laws. The courts of Malaysia will have exclusive jurisdiction in respect of any proceedings brought in relation to the Offer.

(c) The acceptance of a Holder shall not exceed his total holding of the Offer Shares, failing which the Offeror has the right to treat such acceptances as invalid. Nevertheless, the Offeror also reserves the right to treat any acceptance of a Holder exceeding his total holding of the Offer Shares as valid for and to the extent of his total holding of the Offer Shares.

(d) The Form of Acceptance and Transfer which will accompany the Offer Document will contain the following:

(i) provisions for the acceptance of the Offer and the transfer of the Offer Shares to the Offeror and/or its appointed nominee(s);

(ii) instructions to complete the Form of Acceptance and Transfer; and

(iii) other matters incidental to the acceptance of the Offer and the transfer of the Offer Shares to the Offeror and/or its appointed nominee(s).

No acknowledgement of the receipt of the Form of Acceptance and Transfer will be issued.

(e) All costs and expenses of or incidental to the preparation and despatch of the Offer Document (other than professional fees and other costs relating to the Offer incurred by StemLife) will be borne by the Offeror. Malaysian stamp duty and Malaysian transfer fees, if any, resulting from the acceptance of the Offer will also be borne by the Offeror. Accepting Holders will, however, bear all costs and expenses incidental to their acceptance of the Offer other than the aforesaid costs, expenses, stamp duty and transfer fees to be borne by the Offeror. For the avoidance of doubt, the payment of any transfer fees, taxes, duties, costs, expenses or other requisite payments due in a jurisdiction outside Malaysia or payment of any levy for the repatriation of capital or income tax shall not be borne by the Offeror.

(f) Accidental omission to despatch the Offer Document and the Form of Acceptance and Transfer to any Holder shall not invalidate the Offer in any way.

## 4. LISTING STATUS OF STEMLIFE AND COMPULSORY ACQUISITION

### 4.1 Listing status

Rule 8.02(1) of the ACE Market Listing Requirements of Bursa Securities ("**Listing Requirements**") states that a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders ("**Public Spread Requirement**"). Bursa Securities may accept a percentage lower than 25% of the total number of listed shares (excluding treasury shares) if it is satisfied that such lower percentage is sufficient for a liquid market of such shares.

A listed issuer which fails to maintain the Public Spread Requirement may request for an extension of time to rectify the situation in the manner as may be prescribed by Bursa Securities. Where no extension of time is granted by Bursa Securities, Bursa Securities may take or impose any type of action or penalty pursuant to Rule 16.19 of the Listing Requirements for a breach of Rule 8.02(1) of the Listing Requirements and may, at its discretion, suspend trading in the securities of the listed issuer pursuant to Rule 16.02(1) of the Listing Requirements. Notwithstanding this, the non-compliance of the Public Spread Requirement would not automatically result in the delisting of StemLife from the Official List of Bursa Securities.

Pursuant to the previous take-over offer by the Offeror on StemLife Shares in 2015 which closed on 2 February 2016, the shareholding of the Offeror in StemLife increased to 89.88% and as such, StemLife does not comply with the Public Spread Requirement. Bursa Securities had granted StemLife until 15 February 2017 to comply with the Public Spread Requirement.

Pursuant to Rule 9.19(48) of the Listing Requirements, in relation to a take-over offer for the acquisition of the listed shares of a listed issuer pursuant to the Rules, upon 90% or more of the listed shares (excluding treasury shares) of the said listed issuer being held by a shareholder either individually or jointly with associates of the shareholder, an immediate announcement must be made by the listed issuer. Upon such immediate announcement, Bursa Securities shall, in the case where the offeror does not intend to maintain the listing status, suspend the trading in the listed issuer's securities immediately upon the expiry of five (5) market days from the Closing Date in accordance with Rule 16.02 of the Listing Requirements.

**The Offeror does not intend to maintain the listing status of StemLife.**

In the event the Offeror receives valid acceptances resulting in the Offeror holding in aggregate 90% or more of the issued and paid-up share capital of StemLife (excluding treasury shares), an immediate announcement will be made by StemLife. Upon such announcement, Bursa Securities shall, in the case where the Offeror does not intend to maintain the listing status, suspend the trading in StemLife Shares immediately upon the expiry of five (5) market days from the Closing Date. Thereafter, the Offeror will procure StemLife to take the requisite steps to withdraw its listing status from the Official List of Bursa Securities in accordance with Rule 16.07 of the Listing Requirements.

However, in the event the Offeror receives valid acceptances resulting in the Offeror holding in aggregate less than 90% of the issued and paid-up share capital of StemLife, the Offeror may procure StemLife to take the requisite steps to withdraw its listing status from the Official List of Bursa Securities subject to compliance with Rule 16.06 of the Listing Requirements. Under such circumstances, if the de-listing of StemLife Shares from the Official List of Bursa Securities is successful, the StemLife Shares will no longer be traded on the ACE Market of Bursa Securities.

**4.2 Compulsory acquisition and rights of minority shareholders**

Section 222(1) of the CMSA provides that, subject to Section 224 of the CMSA, where an offeror:

(a) has made a take-over offer for all the shares or all the shares in any particular class in an offeree; and

(b) has received acceptances of not less than nine-tenths (9/10) in the nominal value of the offer shares,

the Offeror may, within four (4) months of the date of the take-over offer, acquire the remaining shares or remaining shares in any particular class in the offeree, by issuing a notice in the form or manner specified by the SC to such effect, to all dissenting shareholders provided that the notice:

(a) is issued within two (2) months from the date of achieving the conditions under Sections 221(1)(a) and 221(1)(b) of the CMSA; and

(b) is accompanied by a copy of a statutory declaration by the offeror that the conditions for the giving of the notice are satisfied.

Section 222(1A) of the CMSA provides that for the purpose of Section 222(1)(b) of the CMSA, the acceptances shall not include shares already held at the date of the take-over by the offeror or persons acting in concert (if any).

If the Offer has been accepted by the Holders of not less than nine-tenths (9/10) in the nominal value of the Offer Shares, **the Offeror intends to invoke the provisions of Section 222 of the CMSA** to compulsorily acquire any outstanding Offer Shares for which valid acceptances have not been received, and necessary steps will thereafter be taken to de-list StemLife from the Official List of Bursa Securities. Under such circumstance, all the Holders of these Offer Shares will be paid in cash for the Offer Shares compulsorily acquired. The consideration for the Offer Shares under compulsory acquisition will, subject to Section 224(1) of the CMSA, be equivalent to the Offer Price and on the same terms as set out in the Offer Document.

Notwithstanding the above, if the Offeror receives acceptances from the Holders resulting in the Offeror holding not less than nine-tenths (9/10) in the value of all shares in StemLife on or before the Closing Date, a Holder who has not accepted the Offer ("**Dissenting Shareholder**") may exercise his or its rights under Section 223 of the CMSA by serving a notice on the Offeror to require the Offeror to acquire his or its StemLife Shares on the same terms as set out in the Offer Document or such other terms as may be agreed between the Offeror and such Dissenting Shareholder.

If a Dissenting Shareholder invokes the provisions of Section 223 of the CMSA, the Offeror will acquire such Offer Shares in accordance with the provisions of the CMSA, subject to Section 224 of the CMSA. In accordance with Section 224(3) of the CMSA, when a Dissenting Shareholder exercises his or its rights under Section 223(1) of the CMSA, the court may, on an application made by such Dissenting Shareholder or by the Offeror, order that the terms on which the Offeror shall acquire such Offer Shares shall be as the court thinks fit.

Section 223(2) of the CMSA requires the Offeror to give the Dissenting Shareholders a notice in the manner prescribed under the Rules of the rights exercisable by the Dissenting Shareholders under Section 223(1) of the CMSA ("**Notice to Dissenting Shareholders**"), within one (1) month of the time the Offeror has acquired not less than nine-tenths (9/10) in the value of all shares in StemLife or of that class in StemLife.

A Notice to Dissenting Shareholders under Section 223(2) of the CMSA may specify the period for the exercise of the rights of Dissenting Shareholders and in any event, such period shall not be less than three (3) months after the Closing Date.

## 5. INFORMATION ON THE OFFEROR

CGL and its subsidiaries (collectively, "**CGL Group**") is a consumer healthcare company catering to the mother and child segment. CGL was incorporated in May 2001 and was successfully listed on the Mainboard of the Singapore Exchange Trading Limited in 2012. The CGL Group is one of the pioneers in the cord blood banking industry in Asia.

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

As at the date of this Notice, the issued and paid-up share capital of CGL is Singapore Dollar 86,844,219 comprising 259,358,354 ordinary shares (excluding 8,167,000 treasury shares). The directors of the Offeror as at the date of this Notice are Dr. Ho Choon Hou, Dr. Wong Chiang Yin, Ho Sheng, Dr. Goh Jin Hian, Joseph Wong Wai Leung, Chen Bing Chuen Albert, Wong Christine Bei, Michael Steven Weiss and Wang Yi.

The substantial shareholders of the Offeror as at the date of this Notice are as follows:

| | Direct | | Indirect | |
|---|---|---|---|---|
| **Name** | **No. of ordinary shares in CGL** | **%(1)** | **No. of ordinary shares in CGL** | **%** |
| China Stem Cells (East) Company Limited | 25,516,666 | 9.84 | - | - |
| China Stem Cells Holdings Limited | - | - | 25,516,666(2) | 9.84 |
| China Cord Blood Services Corporation | - | - | 25,516,666(3) | 9.84 |
| China Cord Blood Corporation | - | - | 25,516,666(4) | 9.84 |
| Golden Meditech Stem Cells Company Limited | - | - | 25,516,666(5) | 9.84 |
| Golden Meditech Holdings Limited | - | - | 25,516,666(6) | 9.84 |
| FIL Limited | - | - | 17,904,300(7) | 6.90 |
| Robust Plan Limited | 15,920,000 | 6.14 | - | - |
| Shanghai Dunheng Capital Management Co., Ltd | - | - | 15,920,000(8) | 6.14 |
| Jiaxing Huiling No.3 Investment Partnership (Limited Partnership) | - | - | 15,920,000(9) | 6.14 |
| Minsheng (Shanghai) Asset Management Co., Ltd. | - | - | 15,920,000(10) | 6.14 |
| China Minsheng Investment Corp., Ltd | - | - | 15,920,000(11) | 6.14 |
| Jiaxing Huiling Capital Management Co., Ltd | - | - | 15,920,000(12) | 6.14 |
| CMI Capital Co., Ltd | - | - | 15,920,000(13) | 6.14 |
| Vcanland Holding Group Company Limited | - | - | 18,133,000(14) | 6.99 |
| Li Defu | - | - | 18,133,000(15) | 6.99 |
| Kunlum Investment Holding Limited | 55,509,400 | 21.40 | - | - |
| LH Capital I Limited | - | - | 55,509,400(16) | 21.40 |
| LH Partner Assets Limited | - | - | 55,509,400(17) | 21.40 |
| Shanghai Yuanzhan Haolin Investment L.P. | - | - | 55,509,400(18) | 21.40 |
| Lighthouse Capital Management, LLC | - | - | 55,509,400(19) | 21.40 |
| Hu Minglie | - | - | 55,509,400(20) | 21.40 |
| Yu Yuesu | - | - | 55,509,400(21) | 21.40 |
| Li Zhe | - | - | 55,509,400(22) | 21.40 |
| Huangpu Investment Holding Limited | - | - | 55,509,400(23) | 21.40 |
| China Huarong International Holdings Limited | - | - | 55,509,400(24) | 21.40 |
| Huarong Real Estate Co., Ltd. | - | - | 55,509,400(25) | 21.40 |
| China Huarong Asset Management Co., Ltd. | - | - | 55,509,400(26) | 21.40 |
| Nanjing Xinjiekou Department Store Co. Ltd | 51,870,000 | 20.00 | - | - |

***Notes:***

(1) *As a percentage of the issued and paid-up share capital of CGL (excluding the 8,167,000 CGL shares held as treasury shares) of 259,358,354 ordinary shares.*

(2) *Deemed interested by virtue of China Stem Cells Holdings Limited ("**CSCHL**") being the sole shareholder of China Stem Cells (East) Company Limited ("**CSCECL**") under Section 4 of the Securities and Futures Act of Singapore ("**SFA**").*

(3) *Deemed interested by virtue of China Cord Blood Services Corporation ("**CCBSC**") being the sole shareholder of CSCHL under Section 4 of the SFA.*

(4) *Deemed interested by virtue of China Cord Blood Corporation ("**CCBC**") being the sole shareholder of CCBSC under Section 4 of the SFA.*

(5) *Deemed interested by virtue of Golden Meditech Stem Cells Company Limited ("**GMSCCL**") holding approximately 42.03% equity interest in CCBC under Section 4 of the SFA.*

(6) *Deemed interested by virtue of Golden Meditech Holdings Limited being the sole shareholder of GMSCCL under Section 4 of the SFA.*

(7) *Based on Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by CGL on 20 August 2015, FIL Limited is a privately-owned company incorporated under the laws of Bermuda. Pandanus Partners L.P. is deemed interested in the shares held by FIL Limited.*

(8) *Deemed interested by virtue of Shanghai Dunheng Capital Management Co., Ltd ("**SDCMCL**") being the sole shareholder of Robust Plan Limited ("**RPL**") under Section 4 of the SFA.*

(9) *Deemed interested by virtue of Jiaxing Huiling No. 3 Investment Partnership (Limited Partnership) ("**JX No.3**") being the sole shareholder of SDCMCL under Section 4 of the SFA.*

(10) *Deemed interested by virtue of Minsheng (Shanghai) Asset Management Co., Ltd. ("**MSAMCL**") holding 99.95% equity interest in JX No.3 under Section 4 of the SFA.*

(11) *Deemed interested by virtue of China Minsheng Investment Corp., Ltd ("**CMICL**") being the sole shareholder of MSAMCL under Section 4 of the SFA.*

(12) *Deemed interested by virtue of Jiaxing Huiling Capital Management Co., Ltd ("**JHCMCL**") holding 0.05% equity interest in JX No.3 under Section 4 of the SFA.*

(13) *Deemed interested by virtue of CMI Capital Co., Ltd being the sole shareholder of JHCMCL under Section 4 of the SFA.*

(14) *Based on Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) received by CGL on 24 December 2015, Vcanland Holding Group Company Limited ("**VHGCL**") is deemed interested in the shares held by RPL pursuant to the sale and purchase agreement dated 23 December 2015 entered into with JX No.3 and Jiaxing Huiling Investment Management Co., Ltd for the acquisition of all the shares in the capital of SDCMCL. The completion under the sale and purchase agreement is subject to the satisfaction of several conditions precedents.*

(15) *Deemed interested by virtue of Li Defu being the shareholder of VHGCL under Section 4 of the SFA.*

(16) *Deemed interested by virtue of LH Capital I Limited ("**LHCIL**") being the sole shareholder of Kunlum Investment Holding Limited ("**KIHL**") under Section 4 of the SFA.*

(17) *Deemed interested by virtue of LH Partner Assets Limited ("**LHPAL**") holding 95% equity interest in LHCIL under Section 4 of the SFA.*

(18) *Deemed interested by virtue of Shanghai Yuanzhan Haolin Investment L.P. ("**SYHILP**") being the sole shareholder of LHPAL under Section 4 of the SFA.*

***Notes (cont'd):***

(19) *Deemed interested by virtue of Lighthouse Capital Management, LLC ("**LCM**") being the general partner of and controls SYHILP.*

(20) *Deemed interested by virtue of Hu Minglie holding 56% equity interest in LCM under Section 4 of the SFA.*

(21) *Deemed interested by virtue of Yu Yuesu holding 24% equity interest in LCM under Section 4 of the SFA.*

(22) *Deemed interested by virtue of Li Zhe holding 20% equity interest in LCM under Section 4 of the SFA.*

(23) *Deemed interested pursuant to share charge granted by KIHL to Huangpu Investment Holding Limited ("**HIHL**") in respect of the shares acquired or to be acquired by KIHL and a call option over all of the issued ordinary shares in KIHL.*

(24) *Deemed interested by virtue of China Huarong International Holdings Limited ("**CHIHL**") being the sole shareholder of HIHL under Section 4 of the SFA.*

(25) *Deemed interested by virtue of Huarong Real Estate Co., Ltd. ("**HRECL**") holding 88.10% equity interest in CHIHL under Section 4 of the SFA.*

(26) *Deemed interested by virtue of China Huarong Asset Management Co., Ltd. being the sole shareholder of HRECL under Section 4 of the SFA.*

## 6. FINANCIAL RESOURCES OF THE OFFEROR

The Offeror has confirmed that it has sufficient financial resources to satisfy full acceptance of the Offer.

Maybank IB, being the Adviser to the Offeror for the Offer, confirms that the Offeror has sufficient financial resources to satisfy full acceptance of the Offer.

## 7. DISCLOSURE OF INTERESTS IN STEMLIFE

In accordance with Paragraphs 9.10(3)(d) and 9.10(3)(e) of the Rules, the Offeror hereby discloses the following:

(i) as at the date of this Notice, the Offeror holds 222,472,929 StemLife Shares, representing approximately 89.88% of the issued and paid-up share capital of StemLife;

(ii) as at the date of this Notice, the Offeror has not received any irrevocable undertaking from any Holder to accept the Offer;

(iii) as at the date of this Notice, the Offeror has not entered into or been granted any option to acquire any Offer Shares; and

(iv) as at the date of this Notice, there is no existing or proposed agreement, arrangement or understanding relating to the Offer Shares between the Offeror and any Holder.

## 8. OFFEROR'S RESPONSIBILITY STATEMENT

The Board of Directors of Offeror has seen this Notice and has approved the issuance of this Notice. The Board of Directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this Notice and confirm that, after having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Notice has been arrived at after due and careful consideration and there are no other facts not contained in this Notice, the omission of which would make any statement in this Notice misleading.

## 9. PUBLIC RELEASE

In accordance with the provisions of the Rules, copies of this Notice will be released to the press and forwarded to the SC and Bursa Securities for public release.

Further details of the Offer will be set out in the Offer Document, which will be despatched to the Holders in due course.

We would be grateful if you could acknowledge receipt by signing and returning to us the duplicate of this Notice.

Yours faithfully
For and on behalf of
**MAYBANK INVESTMENT BANK BERHAD**

**HIDAYAH HASSAN**
Director
Co-Head, Corporate Finance

**SUREN RAJ NADARAJAH**
Director
Corporate Finance

**To: MAYBANK INVESTMENT BANK BERHAD**

We, StemLife Berhad, hereby acknowledge receipt of the Notice of Unconditional Take-Over Offer dated 10 November 2016.

| | |
|---|---|
| **Authorised Signatory** | **Name** |
| CEO & Exec Director | 10 Nov 2016 |
| **Designation** | **Date** |

STEMLIFE BERHAD 566770-D