cordlife

CELEBRATING 21 YEARS WITH YOU

GROWING FROM STRENGTH TO STRENGTH

ANNUAL REPORT 2021

OUR VISION

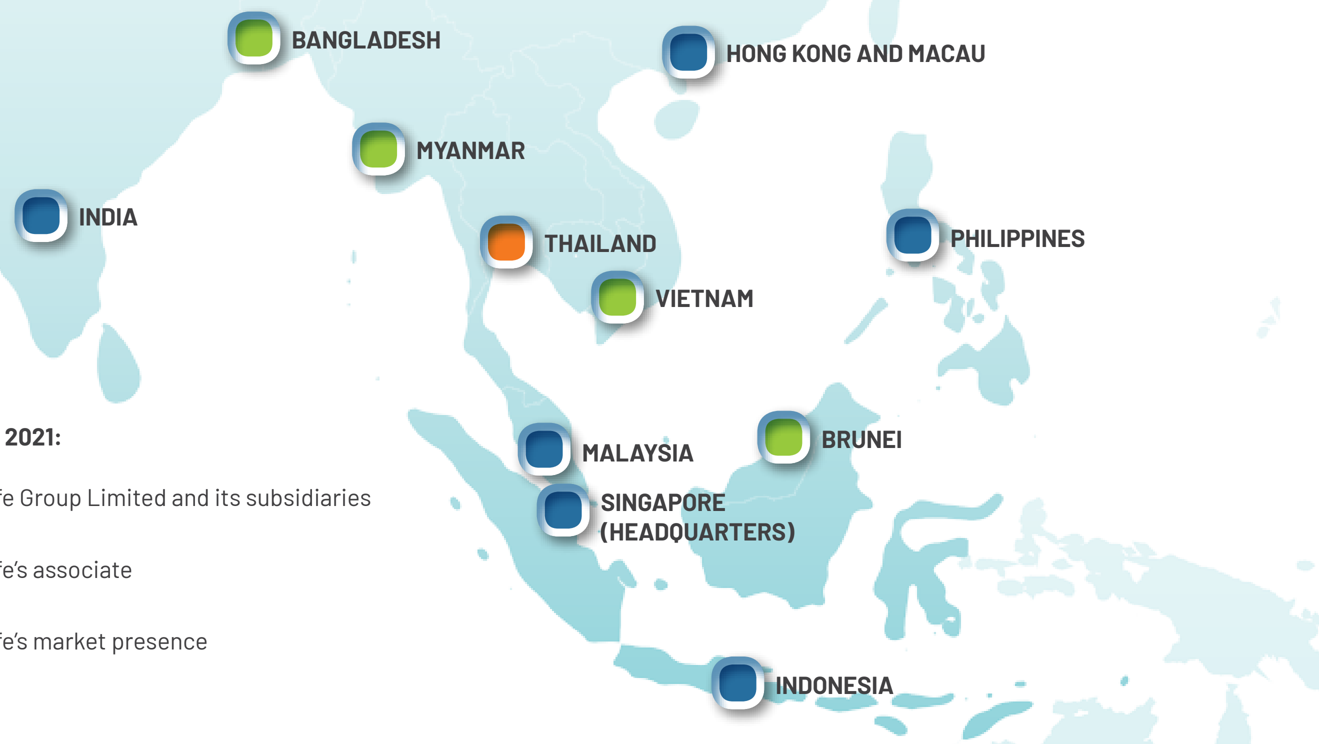
We help people live healthier, happier and longer.

OUR MISSION

We provide reliable healthcare solutions through innovation, technological advancement and commitment to quality.

CONTENTS

OUR COMPANY



Our Reach in 2021:

- Cordlife Group Limited and its subsidiaries
- Cordlife's associate
- Cordlife's market presence

FACTS AND FIGURES

Founded in Singapore **2001**

21 years of experience

Trusted by **600,000 parents** in Asia

Singapore Exchange Mainboard listed company

7 full-fledged facilities in 6 countries

7 AABB accredited facilities

2 FACT accredited facilities

3 CAP accredited facilities

Serving 600,000 parents in Asia and still growing

Cordlife Group Limited ("Cordlife", together with its subsidiaries, the "Group"), founded in 2001, is a leading company dedicated to safeguarding the well-being of mother and child. Listed on the Mainboard of the Singapore Exchange since 2012, the Group is a pioneer in private cord blood banking in Asia.

Cordlife operates Asia's largest network of cord blood banks. With full stem cell banking facilities in six key markets, Cordlife is an industry leader in Singapore, Hong Kong, Indonesia and the Philippines, and one of the top three market leaders in India and Malaysia. Through its majority-owned subsidiary in Malaysia, Stemlife Berhad, Cordlife has an indirect stake in Thailand's largest private cord blood bank, Thai Stemlife.

In addition to cord blood, cord lining and cord tissue banking, Cordlife offers families a comprehensive suite of diagnostics services, including non-invasive prenatal testing, paediatric vision screening and newborn metabolic screening.

Two of Cordlife's primary focus areas are providing reliable quality and being customer-centric.

Two of Cordlife's primary focus areas are providing reliable quality and being customer-centric. All of the Group's facilities are accredited by the Association for the Advancement of Blood & Biotherapies ("AABB"), an organisation dedicated to its mission of improving lives by making transfusion medicine and biotherapies safe, available and effective worldwide. Furthermore, Cordlife Singapore and Healthbaby Hong Kong are the only two full-fledged private cord blood banks in Asia and five worldwide to be accredited by both AABB and the Foundation for the Accreditation of Cellular Therapy ("FACT"), another world-class accreditation body for cord blood banks worldwide.

In the area of clinical diagnostics, Cordlife India, Cordlife Hong Kong and Healthbaby Hong Kong are all accredited by the College of American Pathologists ("CAP"). This makes Healthbaby Hong Kong the only private cord blood bank in the world to be accredited by three international standard-setting bodies, and Cordlife India one of the only two medical laboratories in West Bengal to be holding accreditations from the National Accreditation Board for Testing and Calibration Laboratories ("NABL") and CAP. These quality achievements reinforce the Group's commitment to providing reliable healthcare solutions through innovation and technological advancement.

ACCREDITATIONS, CERTIFICATIONS AND LICENCES

Cordlife Singapore	AABB, FACT, GDPMDS (SS620:2016), MOH
Cordlife Hong Kong	AABB, CAP
Healthbaby Hong Kong	AABB, FACT, CAP
Cordlife India	AABB, ISO9001:2015, CAP, NABL, WHO-GMP, CE, DCGI
Cordlife Philippines	AABB, ISO9001:2015, DOH
Cordlife Indonesia	AABB, ISO9001:2015, MOH
Stemlife Malaysia	AABB, MS ISO15189, MOH

For more details on the above accreditations, certifications and licences, please visit this link: ***https://www.cordlife.com/accreditations***

CHAIRMAN'S **MESSAGE**

"THROUGHOUT THE PANDEMIC, THE GROUP HAS DEMONSTRATED STRONG BUSINESS RESILIENCE AND THE ABILITY TO TRANSFORM IN A CHANGING ENVIRONMENT, DRAWING ON OUR EXTENSIVE EXPERIENCE AND EXPERTISE."

DEAR SHAREHOLDERS,

On behalf of the Board of Directors of Cordlife Group Limited, I am pleased to share our annual report for the financial year ended 31 December 2021 ("FY2021" or "Annual Report 2021").

Since our inception in 2001, we are committed to helping people live healthier, happier and longer, and this will continue to be our driving force. We have weathered the storm caused by COVID-19 as a company, by adapting to the challenging operating climate and remaining resilient in order to provide the best services to our clients.

As the pioneer of private cord blood banking in Asia, with the largest network of stem cell banking facilities in six key markets - Singapore, Hong Kong, Indonesia, India, Malaysia, and the Philippines, we are constantly expanding new revenue streams, such as our diagnostic and digital healthcare business segments, while improving our core operations. We remain committed to quality and customer satisfaction, and we believe that providing a holistic suite of services will continue to be a key driver of our future success.

FINANCIAL PERFORMANCE

FY2021 was yet another challenging year for businesses due to the COVID-19 pandemic. The emergence of new COVID variants hampered the recovery of the various markets in which we operate in as economies reopened unevenly and intermittent lockdown restrictions were implemented. Furthermore, recessionary impact from the pandemic led to tightened consumer spending, affecting client sign-ups.

Revenue for the Group fell by 3.9% to S$56.7 million in FY2021, compared to S$59.0 million in the same period ended 31 December 2020 ("FY2020"). The drop was primarily due to a decrease in the number of new samples processed and stored across all of the Group's operating markets as a result of the ongoing COVID-19 pandemic. The decline in banking revenue was offset by an increase in diagnostic revenue of 33.3%. Despite a challenging year and a decrease in government grants received for COVID-19 from S$2.1 million in FY2020 to S$0.3 million in FY2021, we ended the financial year with a net profit of S$6.1 million, 6.3% lower than the net profit of S$6.6 million in FY2020.

To thank you for your support, we propose to pay a final dividend of 0.9 Singapore cents per share in FY2021, representing a payout ratio of 37.4% of net profit after tax.

INCREASING CUSTOMER LIFETIME VALUE

With our 21 years of experience and expertise, we have gained more knowledge and a better understanding of the complexities and challenges of a variety of life-threatening diseases. We are constantly working to develop safer and more innovative healthcare solutions in order to protect and improve the well-being of our clients and their families.

In line with our vision to help people live healthier, happier and longer, we continued to strengthen our diagnostic and digital businesses, as well as our core competencies in the banking of biological materials. Throughout the year, we introduced new services in some markets, such as lenticule banking and community banking. We have also introduced a number of new diagnostic services, such as carrier screening and endometrial receptivity analysis, to complement our existing offerings, which include non-invasive prenatal testing and preimplantation genetic screening, both of which are marketed through our existing network of doctors serving the mother and child market. These services are showing great potential and growth in various markets, contributing to a higher percentage of revenue. Consistent with our plan to increase customer lifetime value, we will continue to introduce new products and services that address our clients' and their families' healthcare needs throughout their lives.

We are also striving to improve our Moms Up mobile app, which aims to provide relevant information and resources to Asian women who are expecting a baby or planning to have a baby, as well as women with young children. We hope to become their go-to app by adding more resources to help families prepare for their newborns and young children. We intend to use this platform to raise brand awareness among potential clients and educate users about our products and services. We can also use this platform to improve and expand our engagement with existing clients in order to better understand them and their concerns.

GROWING OUR MARKET PRESENCE

Cordlife is constantly monitoring the market for suitable expansion opportunities to accelerate our company's growth. We are always on the lookout for potential businesses with strong synergies that would allow us to expand our presence in Asia, gain a competitive advantage, achieve economies of scale or broaden the scope of our business.

We have continued to fortify partnerships with medical organisations, one of which is SingHealth Duke-NUS Academic Medical Centre. This collaboration marks the first-in-human clinical trial of a home-grown umbilical cord blood ("UCB") cell therapy for patients with blood cancers or blood-related conditions in Singapore. The clinical trial involves the production of C7, a laboratory-synthesised compound that will aid in the expansion of the number of blood-forming cells from stored UCB. This is considered a revolutionary move for the healthcare industry as it will allow medical professionals to use stem cell therapy to treat a wider range of medical conditions.

ADAPTING TO AN EVOLVING BUSINESS ENVIRONMENT

Throughout the pandemic, the Group has demonstrated strong business resilience and the ability to transform in a changing environment, drawing on our extensive experience and expertise. As part of our ongoing digital transformation journey, we have further developed and improved our existing digital initiatives. In addition to increasing efficiency through business process automation, one of the main goals of the transformation process is to empower our employees with the tools they need to become more value-adding contributors.

Although our business activities in the markets have remained substantially operational due to their classification as essential services, social distancing measures and closed borders have limited our physical promotional activities. We overcame the restrictions by expanding our digital capabilities and improving our online platform in order to better serve existing clients and attract new ones. In addition, we have increased our digital marketing efforts in each of our operating markets in order to capture business opportunities through online channels.

As the pandemic and new COVID-19 variants continue to threaten economic recovery, governments around the world have learnt to better manage the situation and are working to adopt an endemic living approach. We anticipate that this approach will help stabilise the situation and aid in global economic recovery. We will gradually resume our offline marketing initiatives to supplement our digital initiatives to grow the Group's business as the situation normalises and improves.

ACKNOWLEDGMENTS

On behalf of my fellow board members, I would like to welcome Mr Cheong Tuck Yan Titus Jim, who was appointed as Independent Director in December 2021, as well as Ms Chen Xiaoling, Mr Yiu Ming Yiu and Mr Chow Wai Leong, who were appointed as Non-Independent Non-Executive Directors in the same month. They bring a wealth of experience to our board, as well as knowledge and expertise to the Group.

I would also like to thank Mr Fong Chi Wah, Ms Wang Lin, and Mr Chang Chien, who have resigned as Non-Independent Non-Executive Directors, for their contributions to the Board during their tenure. I wish them the best in their future endeavours.

On a personal note, I would like to thank my fellow board directors for entrusting me with the chairmanship of Cordlife, as well as Dr Ho Choon Hou for serving as Acting Chairman for the past few months.

Finally, I would like to express our heartfelt appreciation and gratitude to all of our shareholders, business partners, clients, and employees for your unwavering support during this challenging time. We will strive to achieve better results and propel the Group forward.

MR JOSEPH WONG WAI LEUNG
Chairman and Independent Director

GROUP CEO'S **MESSAGE**

"AS THE ECONOMY SLOWLY RECOVERS AND RETURNS TO NORMALCY, THE GROUP WILL CONTINUE TO IMPLEMENT OUR GROWTH STRATEGIES AND RAMP UP OPERATIONS AT THE OPPORTUNE TIME. WE WILL CONTINUE TO CLOSELY MONITOR THE MARKET FOR SUITABLE OPPORTUNITIES AND TARGETS THAT HAVE STRONG SYNERGIES WITH OURS TO GROW THE BUSINESS WHILE REMAINING FISCALLY PRUDENT."

DEAR SHAREHOLDERS,

Since our establishment in 2001, we have remained committed to serving our clients, and we take pride in providing quality and innovative healthcare services. As the Group celebrates its 21st anniversary in 2022, we are witnessing tremendous advances in stem cell research, and we are proud to be at the forefront of this medical advancement. I am very grateful to be working with my team of dedicated management and staff who have always done their utmost to keep the Group's position as the premier healthcare provider in Asia.

BUSINESS REVIEW

FY2021 has been yet another challenging year for the Group. The COVID-19 pandemic continues to influence macroeconomic conditions across industries as countries around the world grapple with how to respond to new virus variants. This has impacted new client signups for our banking services over the year. Nevertheless, the Group remained agile and has adapted accordingly by venturing into new business avenues and increasing cost efficiency in our service delivery.

One of the key consequences of the pandemic is the decline in global fertility rates. Couples have postponed their plans to start a family due to the uncertainties that lie ahead as a result of the pandemic.[1] However, we are optimistic that the situation will improve as authorities continue to improve their management strategies and shift towards an endemic living approach.

Advances in stem cell research over the years have led to the development of cellular therapies for a wider range of medical conditions. In this regard, the Group has been working closely with our network of healthcare organisations and doctors in the various markets. In 2021, we have partnered with SingHealth Duke-NUS Academic Medical Centre on a first-of-its-kind clinical trial for umbilical cord blood therapy, as well as Dharmais Cancer Hospital to offer stem cell cryopreservation services for leukaemia patients receiving cellular therapy. This collaboration is a big step forward for patients suffering from blood-related conditions, as they can potentially have more treatment options.

As part of our goal of becoming a comprehensive healthcare provider, we are actively working with doctors and hospitals in various markets to create an ecosystem to encourage the use of stem cells. The expansion of our network and partnerships will support this goal, by raising the awareness of stem cells as an important part of healthcare, thereby expanding demand for our services.

[1] *Nikkei Asia: Singapore and rest of aging Asia scurry to avoid COVID baby bust (https://asia.nikkei.com/Spotlight/Coronavirus/Singapore-and-rest-of-aging-Asia-scurry-to-avoid-COVID-baby-bust)*

Our ongoing engagement with our network of healthcare professionals as well as our existing clients and their extended families paid off as we expanded our service offerings, particularly in the diagnostic business segment, which grew by 33.3% year on year. As affluence has shifted consumer demand to premium products, we are seeing a shift in the mindset of families who are more proactive and willing to invest in healthcare as they seek for more comprehensive protection.

The Group recently launched OptiQ, our lenticule banking service in Singapore and Hong Kong. With the prevalence of myopia cases increasing in children, particularly in Hong Kong during the pandemic, we are optimistic about the market potential in this space.[2]

MAINTAINING SUPERIOR STANDARDS FOR PATIENT SAFETY

Our clients' safety and well-being have always been our top priority, and we take pride in delivering world-class quality and reliability in our products and services. We constantly review our protocols to ensure that they comply with the most recent regulations and standards. We voluntarily submit to rigorous inspections and assessments by multiple standards organisations to ensure that we maintain the highest standards of safety and quality. We believe that this will increase our clients' trust in our services, and give healthcare professionals all over the world the confidence in using any biological materials handled by us.

All of our facilities are AABB accredited, and several are also accredited by other leading standards organisations such as FACT, CAP and International Organisation for Standardisation ("ISO"), to name a few. These accreditations attest to the Group's strong medical competency and technical capabilities, as well as its dedication to quality in order to provide safe patient and donor care.

EXTRACTING THE VALUE OF ECONOMIES OF SCALE AND SCOPE

During the Group's formative years, we outsourced portions of certain business operations, such as testing, to focus more on developing core competencies and lowering capital investment costs. As the Group matures, we adopted a hybrid approach that combines insourcing and offshoring to capitalise on cost differences. We accomplished this by bringing previously outsourced business processes in-house and relocating them to our developing markets. This strategy not only allows us to take advantage of cost differentials between economies, but it also allows us to benefit from economies of scale. To uphold our commitment to quality, we ensure that the market assigned the responsibility has the necessary accreditations, certifications, and quality processes in place. We were able to take this approach due to our presence in several Asian markets, both developed and developing.

[2] South China Morning Post - Coronavirus pandemic contributing to 'myopia boom' among Hong Kong children, study finds (https://www.scmp.com/news/hong-kong/health-environment/article/3146928/coronavirus-pandemic-contributing-myopia-boom?module=perpetual_scroll&pgtype=article&campaign=3146928)

GROUP CEO'S **MESSAGE**

To further capitalise on economies of scale, we have consolidated some of our purchases as a group, allowing us to continue to obtain high-quality materials at reduced costs. As we continue to expand and grow, we will look to leverage the Group's competencies and optimise economies of scale across the Group.

During the year, we have also introduced a number of new diagnostic services and will continue to do so. Our goal is to expand the services we can distribute through our existing network of doctors serving the mother and child market as well as our existing client base to achieve economies of scope.

GOING DIGITAL FOR OPERATIONAL EFFICIENCY

As we continue to explore new revenue channels, we have been streamlining our operational business processes by eliminating redundant processes and restructuring some costs. We are always looking for new ways to use digital technologies to better serve our clients while reducing the inefficiencies and costs associated with service delivery.

The pandemic has accelerated consumer adoption of digital solutions as a way of life, allowing us to gain a foothold in this space. As the need for convenience fuels the need for a high degree of digital connectivity and solutions, we have redesigned our brand engagement strategy to provide our consumers with more digital choices and touchpoints. We have made progress in expanding our online presence by successfully integrating our services online, such as allowing expectant parents to enrol in our banking services remotely. As the number of prospects requesting online consultations continues to rise, we will capitalise on this trend by looking for new ways to improve client engagement.

MOVING FORWARD

Going forward, we plan to continue broadening our footprint and business scope to further strengthen our position as the leading provider of healthcare solutions in Asia. While the pandemic continues to pose uncertainty to the global business environment, the Group has been closely monitoring the market and identifying suitable opportunities to strengthen our market position and expand beyond the current markets.

As the consumer market increasingly embraces digital technologies, the Group began to venture into the digital healthcare sector. We will continue to position the Moms Up mobile application as the go-to resource for expectant mothers, mothers with young children, and women trying to conceive. Moms Up is poised to become yet another important channel through which we can reach out to new prospects and engage with existing clients.

In tandem with the easing of COVID-19 restrictions, we have also begun to resume our regular conventions and physical events in some countries. For example, during the year, our teams in Hong Kong began to participate in baby expos, and we also set up a Knowledge Lounge in the Mummy's Market premise in Singapore. As we slowly transition into living with endemic COVID-19, the resumption of regular physical events will complement our digital initiatives and help us reach out to even more existing and potential clients.

Despite the emergence of new COVID-19 variants, the global pandemic situation is expected to stabilise with improved management strategies and increased vaccination rates. However, we are mindful of the global economic implications of the Russia-Ukraine conflict, which affects commodity prices and disrupts supply chains. During this period of uncertainty, the Group remained focused and resilient while adapting to the evolving business landscape. As the economy slowly recovers and returns to normalcy, the Group will continue to implement our growth strategies and ramp up operations at the opportune time. We will continue to closely monitor the market for suitable opportunities and targets that have strong synergies with ours to grow the business while remaining fiscally prudent.

APPRECIATION

On behalf of the Board of Directors, I would like to express our heartfelt appreciation and gratitude to our clients and business partners for their unwavering support, as well as our management team and staff for their hard work and dedication during these trying times. Last but not least, I would like to extend my sincere appreciation to our shareholders for their trust in the Group throughout this journey as we strive to continue growing from strength to strength together.

MS TAN POH LAN
Executive Director and Group Chief Executive Officer

OUR GUIDING PRINCIPLES AND VALUES

These are our guiding principles that underpin how we will continue to achieve business growth and success in our key markets.

Helping people live healthier, happier and longer

The cornerstone of our success has been, and will always be, passion. Passion drives everything we do. We believe what we do can truly help save lives. One of the most satisfying moments was when we released our first cord blood unit for a transplant in Singapore in 2002. Since then, we have released many stem cell units for medical use. Each successful release is a momentous experience, which we celebrate with the family. While we initially exist to provide cord blood banking services to enable stem cell transplants and regenerative medicine, we have since evolved beyond cord blood banking, with the ultimate aim of helping people live healthier, happier and longer.

We are Cordlife

Our people are our greatest asset. We recognise and nurture our top performers, and reward them appropriately. We also focused on developing key managerial competencies in areas such as quality, clinical advancements, succession planning, strategy formulation and execution. We believe that delivering holistic and innovative healthcare solutions to families begins with fostering a progressive and meaningful work culture for our people.

INTEGRITY

Doing what is right for our clients is at the heart of all of our actions and decisions. We believe so strongly in this that we always demand integrity in the people we work with.

DRIVE FOR EXCELLENCE

We value people who have an innate drive for excellence in everything they do. This means doing things correctly the first time and on time every time.

ACCOUNTABILITY

We are accountable to all our clients who have placed their trust in us, and to each other as a part of the Cordlife family. We take responsibility for our work and, to the greatest extent possible, correct any mistakes in a timely manner.

TEAMWORK

We are stronger when we work together across disciplines and boundaries. Together, we will cooperate, communicate and collaborate so that as a team, we can go above and beyond our clients' needs.

INITIATIVE

We will take the lead in getting the job done. We pledge to be agile, and to make decisions with our clients in mind. We strive to innovate and generate new ideas in order to achieve long-term growth.

OUR MILESTONES
AND ACHIEVEMENTS

CELEBRATING 21 YEARS OF QUALITY CORD BLOOD BANKING AND MORE...

We are focused on helping people live healthier, happier and longer by providing reliable healthcare solutions through innovation, technological advancement and commitment to quality. Here are some of the initiatives we have undertaken during the year.

GROUP

Feb
Cordlife embarked on a digital transformation journey to better impact, externally for clients and internally for employees. Our ambition is to become a more insightful and dynamic organisation to deepen relationships and help more clients connect to holistic care.

SINGAPORE

Mar
Launched OptiQ, a first-of-its-kind lenticule banking service.

May
Partnered with SingHealth Duke-NUS Academic Medical Centre to advance stem cell technology to a first-in-man clinical trial in Singapore.

Aug
Launched Moms Up, a one-stop solution app that provides localised advice on conceiving, pregnancy, and post-partum support for women in Singapore.

Oct
Cordlife Singapore attained AABB accreditation for the eighth time.

Nov
Celebrated the season of giving with fundraising efforts and complimentary Eyescreen™ tests for over 80 children from Canossaville Children and Community Services.

MALAYSIA

Feb
Stemlife Malaysia received The BrandLaureate World's e-Branding Award – Best Brand of the Year 2020 in Innovation Stem Cell Solutions, from the World Brands Foundation.

Mar
Launched Bebegene, a newborn genetic screening service.

HONG KONG

Mar
Launched Cordlife Carrier Screening.

May
Launched MIRA, a miRNA-based receptivity analysis testing to help couples undergoing IVF in determining the best time for embryo transfer to increase their chance of pregnancy.

Jul
Launched OptiQ.

Aug
Launched Cordlife Alliance, a community banking programme that allows Cordlife's clients to help another Cordlife family in need of a cord blood unit.

Nov
Launched Cordlife Hereditary Cancer Screening, Cordlife Hereditary Cardiac Disease Screening and Cordlife Hereditary Neurological Disease Screening.

Dec
Cordlife Hong Kong achieved CAP accreditation for its diagnostic laboratory for the third time.

OUR MILESTONES AND ACHIEVEMENTS

INDIA

Feb
Cordlife India attained NABL accreditation for the first time.

Apr
Cordlife India attained AABB accreditation for the fifth time.

Jul
Launched in-house diagnostic services.

Aug
Cordlife India attained CAP accreditation for the third time.

Nov
Cordlife India certified by SGS for meeting requirements of WHO-GMP for the eighth time.

Dec
Cordlife India achieved ISO 9001:2015 certification.

INDONESIA

Jan
Launched MIRA.

May
Partnered with POTADS (Community of Parents with Down Syndrome Children) in Indonesia to host a talent show to let 200 children with Down Syndrome showcase their talents.

Partnered with Dharmais Cancer Hospital in Indonesia to commemorate World Thalassemia Day through a blood donation drive.

Sep
Held a series of awareness activities with Indonesia Care for Cancer Kids Foundation (YKAKI) to commemorate Blood Cancer Awareness month.

Oct
Cordlife Indonesia attained AABB accreditation for the second time.

Dec
Launched Cordlife Alliance.

Extended stem cell cryopreservation service to leukaemia patients from Dharmais Cancer Hospital.

PHILIPPINES

Apr
Cordlife Philippines received ISO 9001:2015 certification for the tenth time.

Jul
Cordlife Philippines attained AABB accreditation for the third time.

Nov
Celebrated 5th World Cord Blood Day with Mile5tones to discuss the milestones in cord blood transplantation.

Dec
Launched Cordlife Alliance.

OUR SERVICES
AT A GLANCE

BANKING

CORD BLOOD
Collection at birth, processing, testing and cryopreservation of cord blood.

CORD LINING
Collection at birth, processing, testing and cryopreservation of the lining of the umbilical cord, which contains two cell types.

Cordlife holds an exclusive licence from CellResearch Corporation.

CORD LINING MESENCHYMAL STEM CELLS
Collection at birth, processing, harvesting, testing and cryopreservation of Mesenchymal Stem Cells (MSC) from the umbilical cord lining.

Cordlife holds an exclusive licence from CellResearch Corporation.

CORNEAL LENTICULE
Collected after the patient undergoes a refractive eye surgery using lenticule extraction method, processing, testing, and cryopreservation of corneal lenticules.

CORD LINING EPITHELIAL STEM CELLS
Collection at birth, processing, harvesting, testing and cryopreservation of Epithelial Stem Cells (CLEpSCs) from the umbilical cord lining.

Cordlife holds an exclusive licence from CellResearch Corporation.

CORD TISSUE
Collection at birth, processing, testing and cryopreservation of umbilical cord tissue, in particular Wharton's Jelly, which contains one type of stem cells.

CORD TISSUE MESENCHYMAL STEM CELLS
Collection at birth, processing, harvesting, testing and cryopreservation of MSC from the umbilical cord tissue.

Cordlife owns a proprietary technology to extract MSCs from cord tissue.

OUR SERVICES AT A GLANCE

DIAGNOSTIC

PREIMPLANTATION GENETIC SCREENING
A screening test performed to identify chromosomally normal embryos to help patients increase their chances of conceiving a healthy baby.

ENDOMETRIAL RECEPTIVITY TEST
A microRNA-based endometrial receptivity analysis to determine the optimal time for embryo implantation to improve the success rate of IVF treatment.

NON-INVASIVE PRENATAL TESTING
A screening test using whole-genome sequencing to analyse cell-free fetal DNA present in maternal blood as early as 10 weeks of pregnancy to detect the risk of chromosomal abnormalities.

NEWBORN METABOLIC SCREENING
A non-invasive, early detection test specially designed to screen inherited metabolic disorders in newborns.

NEWBORN GENETIC SCREENING
A non-invasive screening for chromosomal abnormalities and gene variants connected to more than 120 genetic disorders in babies using cord blood.

PAEDIATRIC VISION SCREENING
A non-invasive screening test for early detection of potential vision problems in children as young as 6 months old.

PAEDIATRIC ALLERGEN TEST
A test designed to detect up to 104 allergens in children.

GENETIC TALENT TEST
A non-invasive genetic test that scientifically assesses a child's certain innate abilities and personality traits to help parents understand their child's genetic potential.

This is not an exhaustive list of diagnostic services offered by the Group.

DIGITAL HEALTHCARE

MOMS UP
A mobile app offering pregnancy as well as parenting resources for moms and moms-to-be in Asia.

OTHERS

LIFE SPROUTS
A concept unit established to explore new ways to meet the health, wellness and lifestyle needs of our existing clients and prospects, as well as to increase our client engagement by delivery value at every milestone of their life journey.

FINANCIAL AND OPERATIONS REVIEW

REVENUE

Despite the emergence of new COVID-19 variants, as well as movement restrictions and safe distancing measures imposed in the Group's operating markets, our core services were classified as essential and continued to remain operational. The Group also responded to the challenges by streamlining its business processes to engage with potential clients more effectively. However, the pandemic continues to affect the demand for the Group's banking services, due to tighter consumer spending and limited physical promotional activities as a result of social distancing measures. In FY2021, revenue decreased by 3.9% or S$2.3 million from S$59.0 million in FY2020 to S$56.7 million.

The number of new cord blood, cord lining and cord tissue samples processed and stored fell by 6.3% from 20,600 in FY2020 to 19,300 in FY2021. The decrease in revenue due to the decline in new samples processed and stored was partly mitigated by the conversion of more clients to higher value plans in the Philippines market. As a result, the Group's banking revenue dropped by 5.7% to S$53.1 million in FY2021, compared to S$56.3 million in FY2020.

As part of the plan to diversify revenue streams, the Group has further expanded its diagnostic service offerings as the business landscape and consumer demands continue to evolve, with revenue for the segment increasing by 33.3% or S$0.9 million between FY2020 and FY2021. This was primarily due to an increase in revenue from non-invasive prenatal testing.

OTHER OPERATING INCOME

Other operating income fell by S$2.1 million, from S$2.9 million in FY2020 to S$0.8 million in FY2021, due to lower government grants received in Singapore, Hong Kong and Malaysia for the COVID-19 pandemic.

PROFITABILITY AND MARGINS

Although gross profit fell from S$40.1 million in FY2020 to S$39.5 million in FY2021, gross profit margin increased by 1.7% from 68.0% in FY2020 to 69.7% in FY2021. The increase in gross profit margin is partly due to a higher proportion of clients in the Philippines opting for higher value plans and lower cost of sales, contributed by increased cost efficiency in our service delivery, lower depreciation expenses and staff attrition in certain countries. The increase in gross profit margin was partially offset by an increase in contribution from diagnostic services, which generally have a lower gross profit margin.

Despite the decrease in gross profit and government grants, the Group managed to reduce operating expenses during the year, as a result of its efforts to streamline and increase cost efficiencies amidst the challenging business climate. Selling and marketing expenses and administrative expenses for FY2021 decreased by S$0.9 million and S$1.0 million respectively compared to FY2020. As a result of the foregoing, excluding non-operating expenses and items, pre-tax operating profit for FY2021 was S$6.4 million, a decrease of 8.9% from FY2020.

The Group's net profit attributable to shareholders was S$6.1 million, a 6.3% decrease from S$6.6 million in FY2020.

FINANCIAL POSITION AND CASH FLOWS

The Group's balance sheet remained strong, with cash and cash equivalents, pledged and unpledged fixed deposits, short-term and long-term investments totalling S$79.0 million as at 31 December 2021, up from S$75.2 million as at 31 December 2020. The increase was mainly due to cash generated from operating activities of S$9.5 million and proceeds from the sale of investment properties of approximately S$1.3 million, which were partially offset by the repayment of interest-bearing borrowings of S$4.0 million as well as dividend payment of S$2.3 million.

Net cash generated from operating activities comprised mainly operating cash flows before movements in working capital of S$9.6 million and net interest received of S$1.5 million offset by net working capital outflow of S$0.7 million and income tax paid of S$0.9 million.

KEY CORPORATE DEVELOPMENTS

Over the past year, the Group has continued to work towards securing its position as a leading healthcare provider by differentiating itself through the provision of high-quality, dependable services. We accomplish this by voluntarily participating in external audits and inspections conducted by international standards organisations in order to ensure that all of our protocols and policies are in line with world-class standards.

During the year, our facilities in India, the Philippines, Singapore and Indonesia have been re-accredited by AABB, and Cordlife India and Cordlife Hong Kong were also re-accredited by CAP for their diagnostic capabilities. Cordlife India also received its first accreditation from NABL and was also certified by SGS for meeting the requirements of WHO-GMP for the eighth time in 2021. This achievement makes Cordlife India one of the only two NABL and CAP accredited medical laboratories in West Bengal. Both Cordlife Philippines and Cordlife India also attained their ISO 9001:2015 certification during the year.

As the operator of Asia's largest network of cord blood banks, we are constantly looking for new ways to use this network to advance cellular therapy. Our most recent collaboration is with the SingHealth Duke-NUS Academic Medical Centre to test a novel technology that expands the number of blood-forming stem cells from stored umbilical cord blood in a first-in-human study in Singapore. This technology has the potential to broaden treatment options for patients with blood cancers or blood-related diseases. Furthermore, we are working with Dharmais Cancer Hospital in Indonesia to help leukaemia patients store their stem cells for cellular therapy. These collaborations demonstrate the Group's role in advancing medical treatment solutions, as well as the trust placed in us by leading healthcare institutions. We will continue to pursue more collaborations with leading healthcare institutions to bring even more ground-breaking healthcare solutions to market and to our clients.

By leveraging our expertise in cryopreservation, we have expanded our banking service offerings to include OptiQ, a lenticule banking service, which was launched in Singapore and Hong Kong. Patients with myopia and astigmatism who are undergoing refractive eye surgery using lenticule extraction methods (e.g., SMILE) can use OptiQ to cryopreserve their lenticules. Although lenticule reimplantation is not yet accepted as the standard of care in clinical practice, preliminary research suggests it may help correct presbyopia, hyperopia, and other eye conditions. The OptiQ technology was invented by Singapore Eye Research Institute and patented by Singapore Health Services Pte Ltd. Cordlife is the exclusive licence holder of this patent and the first and only company in Asia to offer this new banking service.

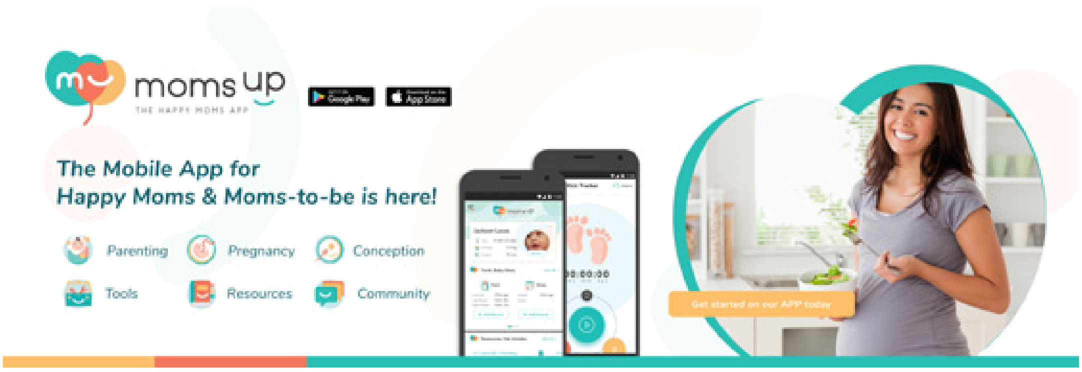
As part of the Group's efforts to increase banking penetration rates in the countries where we operate, we recently launched Cordlife Alliance, an opt-in community banking programme in Hong Kong, the Philippines and Indonesia to give expectant families more reasons to bank their baby's cord blood. Cordlife Alliance members have access to the fellow members' cord blood inventories in these three markets, increasing their chances of finding a matching sample for three generations of their family.

Throughout the year, we have also introduced a number of new diagnostic services. We launched MIRA, a miRNA-based endometrial receptivity analysis in Indonesia and Hong Kong,

to help couples undergoing IVF determine the optimal time for embryo transfer to increase their chances of pregnancy. Unlike other tests that examine messenger RNA or mRNA, miRNA or microRNA-based tests are more stable, more sensitive, more precise, and less likely to require repeat biopsies.

We also introduced Bebegene® in Malaysia and carrier screening in Hong Kong. We distribute both of these tests through our existing network of doctors serving the mother and child market, as well as our existing client base, to achieve economies of scope. Bebegene® is a genetic screening test that examines more than 250,000 chromosome regions to detect over 120 conditions that cause symptoms such as development disorders, mental retardation, internal organ disorders and physical disability. The test can also help identify gene variants associated with medical conditions such as asthma, ADHD, allergic rhinitis, atopic dermatitis, Wilson disease and hearing loss. Carrier screening is a test that determines whether a couple planning to have a child or who is currently pregnant carries a gene for certain genetic disorders.

In the area of digital healthcare, we launched our mobile app, Moms Up, in Singapore. Moms Up is now available in the Philippines, Malaysia, Indonesia and Singapore. In the near future, there are also plans to launch Moms Up in Hong Kong and India. We are constantly improving the app to make it the go-to app for expectant mothers, mothers with young children, and women trying to conceive. Our aim is also to make Moms Up a cornerstone of our engagement with existing clients, allowing us to continue nurturing our relationship with them and increase customer lifetime value.



FINANCIAL HIGHLIGHTS

REVENUE

FY2019 (restated)	S$69.8M
FY2020 (restated)	S$59.0M
FY2021	**S$56.7M**

GROSS PROFIT

FY2019 (restated)	S$47.9M
FY2020 (restated)	S$40.1M
FY2021	**S$39.5M**

GROSS PROFIT MARGIN

FY2019 (restated)	68.7%
FY2020 (restated)	68.0%
FY2021	**69.7%**

PROFIT BEFORE INCOME TAX FROM OPERATIONS

FY2019	S$7.5M
FY2020	S$7.0M
FY2021	**S$6.4M**

NET PROFIT

FY2019	S$6.5M
FY2020	S$6.6M
FY2021	**S$6.1M**

FINANCIAL HIGHLIGHTS

EARNINGS PER SHARE

FY2019	2.55 cents
FY2020	2.57 cents
FY2021	**2.40 cents**

CASH AND CASH EQUIVALENTS, SHORT-TERM AND LONG-TERM INVESTMENTS AND PLEDGED AND UNPLEDGED FIXED DEPOSITS

31 December 2019	S$54.0M
31 December 2020	S$75.2M
31 December 2021	**S$79.0M**

GEARING RATIO

FY2019	3.33%
FY2020	2.99%
FY2021	**0.00%**

NAV PER SHARE

31 December 2019	50.89 cents
31 December 2020	52.33 cents
31 December 2021	**53.54 cents**

DIVIDEND

FY2019	Final dividend of 1.0 cent
FY2020	Final dividend of 0.9 cents
FY2021	**Final dividend of 0.9 cents***

**Subject to shareholders' approval at the Annual General Meeting*

CORPORATE
SOCIAL RESPONSIBILITY

BUILDING TIES AND UPLIFTING COMMUNITIES

At Cordlife, our commitment to helping people live healthier, happier and longer extends beyond our clients and into the larger communities we serve. As members of these communities, we believe it is our duty to help those in need and to be agents of positive change.

WORLD DOWN SYNDROME DAY

Down syndrome is a genetic disorder in which a person is born with an extra chromosome. Cordlife provides non-invasive prenatal testing to expectant mothers through obstetricians in Singapore, Indonesia, India, Malaysia and the Philippines, a test that can help identify if the fetus has a risk of having Down syndrome. In honour of World Down Syndrome Day in March, Cordlife Indonesia partnered with POTADS (Community of Parents with Down Syndrome Children) to host a "Down Syndrome Got Talent Live Show" on its Instagram page. More than 200 children with Down syndrome demonstrated their talents, which included singing, playing an instrument and puppetry.

WORLD THALASSAEMIA DAY

Cordlife Indonesia and Dharmais Cancer Hospital hosted a series of awareness activities in May to commemorate World Thalassaemia Day. Thalassaemia is one of the world's most common inherited blood disorders. Patients with thalassaemia require regular blood transfusions because their bodies are not able to produce enough haemoglobin. Haemoglobin is a red blood cell protein that transports oxygen from the lungs to the tissues. If left untreated or undertreated, thalassaemia can lead to life-threatening complications. A well-established treatment for thalassaemia is the transplantation of haematopoietic stem cells, which can be found in cord blood. In support of this special month, the Cordlife Indonesia team donated blood to assist people suffering from medical conditions, such as thalassaemia.

BLOOD CANCER AWARENESS MONTH

According to the World Health Organisation, acute lymphoblastic leukaemia is the most common type of blood cancer in children, accounting for nearly 69% of all cases in Southeast Asia. The vast majority of patients with acute lymphoblastic leukaemia become anaemic and susceptible to infection. Cord blood contains haematopoietic stem cells, which can be used in the treatment of blood-related cancers, solid tumours and immunodeficiency disorders. These cells are infused intravenously into the patient's bloodstream to initiate blood and immune system regeneration. In September, Cordlife Indonesia and the Indonesia Care for Cancer Kids Foundation ("YKAKI") held a series of awareness activities to mark Blood Cancer Awareness Month. The Cordlife Indonesia team also donated gifts to children under the care of YKAKI to show their love and support.

5TH WORLD CORD BLOOD DAY

Every year on November 15th, the world celebrates World Cord Blood Day. In honour of this occasion, all the Group's companies worked together to send out messages reminding the public of the importance of cord blood. Notably, Cordlife Philippines hosted a special webinar titled "Mile5tones: How Cord Blood and Pregnancy Have Changed Lives", with the goal of educating and supporting mothers about the evolution of cord blood transplantation, and their pregnancy journey. The webinar featured talks about the importance of cord blood banking from healthcare experts in the Philippines, as well as a sharing session from real-life mothers about their experiences of childbirth and cord blood banking. Other mothers who had previously given birth and stored their child's stem cells also shared their experiences and answered questions from expectant mothers. The Group will continue to seek out new initiatives and create new resources to assist both expectant mothers and mothers during and after their pregnancy journey.

SG CARES GIVING WEEK 2021 – SIXTH ANNUAL CORDLIFE DONATION DRIVE

In December 2021, our Singapore team began a week-long effort to support "SG Cares Giving Week", a national movement that celebrates the spirit of giving and seeks to make giving a way of life. In keeping with the occasion, Cordlife Singapore kicked off the holiday season by teaming up with Canossaville Children and Community Services ("Canossaville"), a local social service agency, for the sixth annual Cordlife Donation Drive. As part of the donation drive, Cordlife provided complimentary Eyescreen™ to over 80 children at Canossaville. Cordlife Singapore also raised more than S$21,000, with all proceeds benefiting Canossaville's efforts to improve and support neurotypical children with hearing loss and multiple disabilities.

BOARD OF DIRECTORS

Mr Joseph Wong Wai Leung
Chairman and Independent Director

Mr Joseph Wong Wai Leung was appointed as an Independent Director of the Company on 23 September 2014 and was last re-elected on 12 June 2020. He was re-designated as Chairman of the Board on 1 December 2021.

Mr Wong has a wealth of experience in the financial services industry. He started his career at Big Four auditing firms, PricewaterhouseCoopers and Deloitte Touche Tohmatsu, Hong Kong ("Deloitte"). At Deloitte, he was engaged in a wide spectrum of business domains, including initial public offerings, taxation, and asset protection plans for high-net-worth individuals. Subsequently, he worked at Credit Agricole (Suisse), Hong Kong, where he advised clients on wealth management.

Mr Wong holds a Bachelor of Commerce from the University of Calgary in Alberta, Canada.

Dr Ho Choon Hou
Vice Chairman, Non-Independent Non-Executive Director

Dr Ho Choon Hou was first appointed as a Director of the Company in June 2011 and was last re-elected on 30 April 2021. He was re-designated as Non-Independent Non-Executive Director with effect from 1 December 2021. Following the re-designation, Dr Ho took on the position of Vice Chairman of the Board, in charge of the mergers and acquisitions and investment.

Dr Ho is the Managing Director of Southern Capital Group Limited, where he is responsible for the origination and execution of investments. He is also the Independent Director of Advanced Holdings Limited, Vividthree Holdings Ltd. and Mclean Berhad.

Dr Ho holds a Bachelor of Medicine and Bachelor of Surgery (Honours) from the University of Sheffield, as well as a Master of Medicine (Surgery) from the National University of Singapore and a Master of Business Administration (Honours) from the University of Chicago (Graduate School of Business).

Ms Tan Poh Lan
Executive Director and Group Chief Executive Officer

Ms Tan Poh Lan was first appointed as Group Chief Operating Officer of the Company on 12 April 2016. She was appointed as Executive Director and Group Chief Executive Officer on 28 February 2019 and was last re-elected on 12 June 2020.

Ms Tan has 30 years of extensive experience in the private and public healthcare sectors. Prior to her current portfolio, she was the Chief Executive Officer in both regional and local hospitals, namely Parkway East Hospital (formerly East Shore Hospital) and Gleneagles Hospital in Singapore, Vinmec International Hospital in Hanoi, Vietnam and Fortis Healthcare Singapore.

Ms Tan holds a Master of Business Administration from National University of Singapore and graduated with Honours in Occupational Therapy from University of Queensland, Australia.

Mr Yeo Hwee Tiong
Independent Director

Mr Yeo Hwee Tiong was appointed as an Independent Director of the Company on 22 May 2018 and was last re-elected on 30 April 2021.

Mr Yeo is currently the Senior Advisor of Clermont Holdings, Healthcare Group. He has more than 28 years in the healthcare and project management industry and has been involved in the pre-development and planning, construction, project management, hospital management and restructuring of hospitals in Singapore, Malaysia, Myanmar and Vietnam. Mr Yeo was instrumental in the restructuring and turning around three hospitals in Singapore and Malaysia. Of these, he listed two in Singapore. Mr Yeo also has experience in Vietnam, taking a greenfield hospital project from inception to completion, and into hospital management. In the project management sector, Mr Yeo has been involved at a senior level in Singapore, India, Vietnam and New Zealand where he project-managed large office complexes, air terminals, industrial park, microwave tower, medical centres and hospitals. Prior to his current portfolio, Mr Yeo held positions as the Group Chief Executive Officer with the Singapore Women's & Children's Medical Group Pte Ltd, Principal with KPMG, Deal Advisory, Healthcare (Singapore and Asia Pacific) and also the Group Chief Executive Officer with Thomson Medical Centre Ltd.

Mr Yeo obtained his Bachelor of Science (Building) from Heriot-Watt University, Edinburgh, United Kingdom. He also holds a Master of Science (Project Management) from National University of Singapore.

BOARD OF **DIRECTORS**

Mr Cheong Tuck Yan Titus Jim
Independent Director

Mr Titus Cheong was appointed as an Independent Director of the Company on 1 December 2021.

Mr Cheong is the Chief Financial Officer of Pasture Pharma Pte Ltd, a global pharmaceutical and medical supplies company based in Singapore. Prior to this, Mr Cheong served as the Board Advisor and Chief Financial Officer of the Tuck Lee family from 2017 to 2020. The family has businesses in the FMCG cold chain industry in Singapore, China and Malaysia, including manufacturing, warehousing, logistics, F&B distribution and other FMCG products. He also served as interim CFO for JCS Biotech, a hospital disinfectant company and BBD-Ozonator, a hospital waste-to-energy recycling company. He formerly served as the Director of the Programs Oversight Committee and Co-Chair of the Investment Committee at the Singapore International Foundation, where he supported healthcare programmes and managed funds and endowments ranging from US$33M to US$150M for them and for other Foundations as well. Mr Cheong is a seasoned corporate advisor with expertise in corporate turnaround, M&A, corporate finance, and business and IT strategy. He has previously held positions such as Managing Director of Renoir Consulting, Senior Vice President of Singapore Medical Group, Foundation Secretary of Putera Sampoerna Foundation in Indonesia, Regional Director of KPMG Consulting and Regional Director of Hewlett Packard.

Mr Cheong graduated from the University of Toronto, Canada with a Bachelor's degree, specialising in finance and economics. He is trained in Six Sigma project management and Design Thinking. He also earned a certificate in Social Leadership from the NVPC-run Harvard-Kennedy School.

Mr Zhai Lingyun
Non-Independent Non-Executive Director

Mr Zhai Lingyun was appointed as a Non-Independent Non-Executive Director of the company on 12 December 2019 and last re-elected on 12 June 2020.

Mr Zhai is currently the Chairman of Nanjing Xinjiekou Department Store Co., Ltd. He is also the Chairman of Dendreon Pharmaceuticals LLC, an immunotherapy company based in California US, Shandong Cord Blood Bank, a cord blood stem cell preservation company based in China, and Natali Seculife Holdings Ltd, the largest private healthcare services company in Israel.

Prior to his current portfolio, Mr Zhai was General Manager of Anhui Branch of Ping An Annuity Insurance Company of China, Ltd for six years. Subsequently, he joined Anhui Xinhua Distribution (Group) Holding Co., Ltd as Deputy General Manager. During his stint of six years overseeing and managing this traditional large-scale state-owned group in culture and media, he reformed the entire management system, revitalised its business and regained its market position.

In his last position in the Group, he served as Vice Chairman and General Manager of Anhui Xinhua Media Co., Ltd., a holding company listed on Shanghai Stock Exchange where the company achieved remarkable gains in market capitalisation under his stewardship.

Mr Zhai holds a Certificate in Economics from Anhui Investment Management Institute. He also obtained his MBA in Financial Management from University of Luton, UK. In addition, he was accredited as Senior Economist by Personnel Department of Anhui Province, China and awarded Certificate of Advanced Management Programme from China Europe International Business School (CEIBS), China.

Ms Chen Xiaoling
Non-Independent Non-Executive Director

Ms Chen Xiaoling was appointed as a Non-Independent Non-Executive Director of the Company on 1 December 2021.

Ms Chen Xiaoling has over seven years of healthcare expertise, specialising in M&A and post-merger integration, strategic planning, corporate finance and branding. She is currently the Senior Business Assistant to Chairman and Senior Director of Strategy Department in Immune-Therapy & Stem Cell Business Unit of Nanjing Xinjiekou Department Store Co., Ltd, a Shanghai Stock Exchange-listed company. Ms Chen is in charge of the Group's domestic and international healthcare business, including stem cell banking, cell immunotherapy, diagnostics, digital healthcare, hospital management as well as eldercare and healthcare at home. These companies include US-based Dendreon, Israel-based Natali, An Kang Tong, He Kang Healthcare and Shandong Cord Blood Bank. She is also a member of Board of Supervisors of Shandong Cord Blood Bank and a member of Board of Directors of Findgene.

Ms Chen has previously worked on various M&A transactions in China and abroad, including the acquisitions of House of Frasers, Hamleys and Dendreon, in which she was involved in all stages of the transactions, including due diligence, agreement negotiation as well as post-merger integration. Prior to joining Nanjing Xinjiekou Department Store Co., Ltd, Ms Chen served as the Director of International Affairs Management Centre at Sanpower Group and Project Manager at UK-based Sinobridge.

Ms Chen graduated from University of Bath with a Master's degree. She also has a Bachelor of English Literature and Culture from Southwestern University of Science and Technology.

Mr Yiu Ming Yiu
Non-Independent Non-Executive Director

Mr Yiu Ming Yiu was appointed as a Non-Independent Non-Executive Director of the Company on 1 December 2021.

Mr Yiu is the Chairman of Everest-Fortune (China) Commercial Factoring Co., Ltd, a company principally engaged in factoring business in Mainland China. He is in charge of over RMB250M in factoring contracts with clients, and he is constantly adjusting the factoring portfolio to ensure a diversified client base. Mr Yiu also identifies key and uprising markets that provide the company's factoring capital with a reasonable risk return. Mr Yiu is also the Vice Chairman of Transglobal Group (International) Limited, which specialises in real estate development, as well as the building and operation of toll road assets in Hong Kong and Mainland China.

Mr Yiu has a Master's degree in Business Administration from Peking University Guanghua School of Management, as well as a diploma in Business Information Technology from Ngee Ann Polytechnic.

BOARD OF **DIRECTORS**

Mr Chow Wai Leong
Non-Independent Non-Executive Director

Mr Chow Wai Leong was appointed as a Non-Independent Non-Executive Director of the Company on 1 December 2021.

Mr Chow is a General Manager at Honeywell's Safety and Productivity Solutions. He has been based in China since 2008 and now leads a global team to develop, manufacture and promote products and software solutions to help improve productivity, workplace safety and asset performance. Mr Chow has been working at Honeywell since 1996. He has held positions such as software and consultancy sales leader for Honeywell Process Solutions China and Business Development Director for Honeywell Process Solutions APAC focusing on the refining and petrochemical industries.

Mr Chow graduated with an honours degree from Nanyang Technological University Singapore with a major in Computer Engineering. He also holds an Executive MBA from Beijing University's Guang Hua School of Management and has completed the Global Leadership Programme from Thunderbird University, Phoenix, Arizona.

SENIOR MANAGEMENT

Mr Choo Boon Yong
Group Chief Financial Officer

Mr Choo Boon Yong joined Cordlife as Group Chief Financial Officer on 1 February 2017. He is responsible for the Group's finance as well as treasury functions and supports the Group CEO in achieving the Group's strategic vision. He also assists in the development of new businesses and in maintaining investor relations.

Mr Choo has over 26 years of experience in accounting, tax, corporate finance and business development in manufacturing and service industries.

Before joining Cordlife, Mr Choo was Group Chief Financial Officer of Seksun Group, where he led the finance teams in Singapore, Thailand and China. He was instrumental in implementing China GAAP reporting following the acquisition of Seksun Group by a China-listed company.

Between 2009 and 2014, Mr Choo was Executive Director of Power HF Group, covering the finance, accounting and legal functions as well as management of the India operations. He led the expansion of the India operations into a pan-India genset servicing company. Prior to this, he held various positions in Temasek Holdings, Ernst & Young and KPMG in Singapore, Hong Kong and China.

Mr Choo holds a Bachelor of Accountancy from Nanyang Technological University. He is also a Chartered Accountant of Singapore.

Ms Thet Hnin Yi
Group Finance Director

Ms Thet Hnin Yi is responsible for management of the Group's finance operations, including statutory filings, financial audits and finance controls.

Ms Thet joined the Group in June 2011, following the Company's demerger from Life Corporation Limited ("LCL") (previously known as Cordlife Limited). She joined LCL in December 2007 as Senior Finance Manager and was appointed as Chief Financial Officer in August 2013, where she was involved in all areas of financial and accounting functions, including financial reporting, management reporting and budgeting. She was re-designated as Group Finance Director in February 2017.

Prior to joining LCL, Ms Thet held various positions at Ernst & Young LLP from 2001 to 2007, including Audit Manager and Training Manager, where she trained audit assistants and seniors. From 1997 to 2001, she held various positions at Tan Wee Tin & Co., her last position being Audit Supervisor, where she was responsible for auditing small and medium enterprises and multinational companies.

Ms Thet holds a Master of Business Administration from the University of Manchester and a Diploma in Accountancy from Ngee Ann Polytechnic. She is also a fellow of the Association of Chartered Certified Accountants, United Kingdom, and a Chartered Accountant of Singapore.

SENIOR **MANAGEMENT**

Ms Jamie Woon Geok Peng
Group Director, Brand Development

Ms Jamie Woon oversees the Group's marketing strategies, marketing communications, and public relations activities.

From August 2016 to June 2018, Ms Woon was the Group Director, Brand Development and Innovation, and she was also responsible for the Group's new product and service development. Ms Woon was previously the Business Unit Director for Banking from July 2014 to July 2016, where she was in charge of the strategic and operational aspects of Cordlife's banking business, as well as meeting the Group's overall financial goals and ensuring adherence to quality policies and objectives. She joined Cordlife Limited (now known as LCL) in October 2006 as the Regional Marketing Manager.

Ms Woon previously worked as the Marketing Manager for Singapore and Malaysia at California Fitness, where she developed and implemented marketing strategies that resulted in a 30% year-on-year revenue increase. She also worked at the National Kidney Foundation of Singapore ("NKF") from 1998 to 2006, where she received the Employee Excellence Award, which was awarded to only five outstanding employees out of 1,000. In her last role as Head of Communications Centre at NKF, she led her team to a 64% increase in funds raised year over year. Ms Woon is also the co-founder of Spice N' Pans, Singapore's top 10 YouTube channel with over 850,000 subscribers.

Ms Woon graduated from Nanyang Technological University with a Master of Business Administration and the University of Wales with a Bachelor of Science (Marketing). She holds a Diploma in Chemical Process Technology from Singapore Polytechnic, as well as an Advanced Management Programme certificate from the University of California, Berkeley.

Ms Tan Huiying
Group Director, Quality and Operations

Ms Tan Huiying is responsible for group operations, information systems and technology, business development activities, and ensuring the Group's quality standards in service and product offerings are maintained according to applicable standards.

She was previously Business Unit Director, Diagnostics from January 2014 to June 2016. Her responsibilities included developing and implementing growth and product strategies for the Group's diagnostics business to meet financial and non-financial goals.

Ms Tan joined LCL as Business Development/Technical Executive in June 2006, where she was involved in technical and quality assurance projects, including facility design and build, as well as installation of quality management systems for ISO9001 certification. She has since taken on various regional operations, business development and management roles at Cordlife, including Director of Philippines.

Ms Tan holds a Master of Business Administration with Accountancy and Finance specialisations from Nanyang Technological University, where she was placed on the Dean's Honours List. She also holds a Bachelor of Science (Honours) in Life Sciences from the National University of Singapore.

Ms Stella Lee Mei Suan
Group Director, Organisational Development

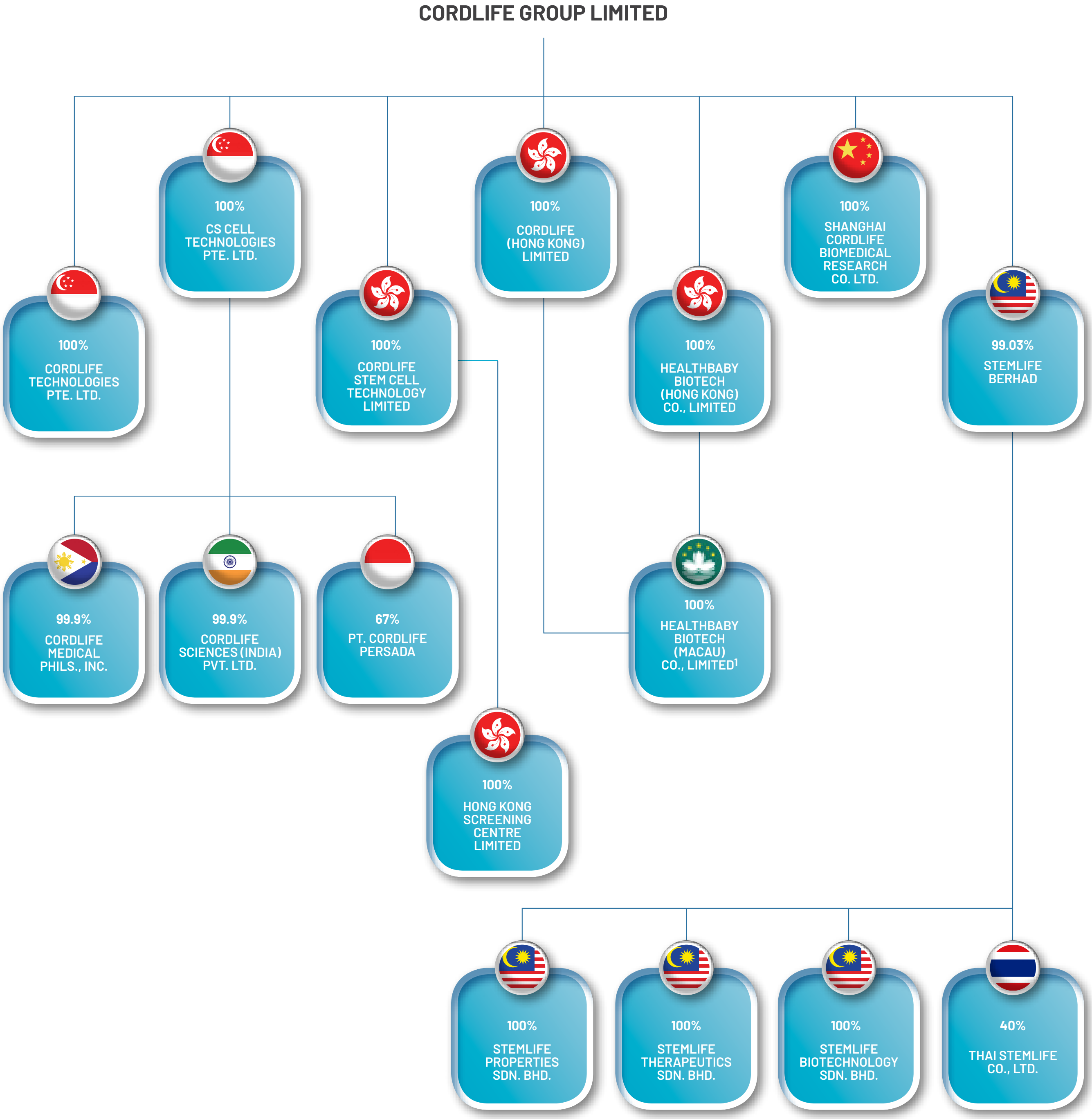
Ms Stella Lee is responsible for the Group's overall organisational development and human capital development. Her responsibilities also include structuring of the organisation matrix, building new capabilities in accordance with strategic business direction, and establishing a strong organisational culture.

Ms Lee joined our Group in June 2011 as Deputy General Manager, following the demerger of our Company from LCL. She was appointed as Deputy Director, Organisation Development in August 2013, before being promoted to Director, Organisation Development, in February 2014. Ms Lee had joined LCL in September 2004 as a Client Relations Executive. Subsequently, she rose to become Head of Business, Singapore and Head of Organisation Development (Corporate) in February 2007 and November 2009 respectively.

Prior to joining LCL, Ms Lee served as a Corporate Senior Sales Executive at R. Meyson Marketing Pte Ltd between April 2001 and May 2004. From 1995 to 1998, Ms Lee was a Sales Executive at Craftmark Marketing Pte Ltd and from 1991 to 1994, she was a Laboratory Technologist at National University of Singapore, Paediatrics Department.

Ms Lee obtained her Bachelor in Economics from Murdoch University in April 2014 and a MBA from Nanyang Technological University, Nanyang Business School in July 2016. She also graduated with a Graduate Diploma in Organisational Psychology from City University of New York and a Diploma in Biotechnology from Singapore Polytechnic in 2011 and 1991 respectively. Ms Lee is also a certified practitioner for the MBTI and Firo B instruments.

GROUP **STRUCTURE**



1 *Healthbaby Biotech (Macau) Co., Limited is 99.0% held by Healthbaby Biotech (Hong Kong) Co., Limited and 1.0% held by Cordlife (Hong Kong) Limited.*

CORPORATE **INFORMATION**

BOARD OF DIRECTORS

Mr Joseph Wong Wai Leung
Chairman and Independent Director

Dr Ho Choon Hou
Vice Chairman and Non-Independent Non-Executive Director

Ms Tan Poh Lan
Executive Director and Group Chief Executive Officer

Mr Yeo Hwee Tiong
Independent Director

Mr Cheong Tuck Yan Titus Jim
Independent Director

Mr Zhai Lingyun
Non-Independent Non-Executive Director

Ms Chen Xiaoling
Non-Independent Non-Executive Director

Mr Yiu Ming Yiu
Non-Independent Non-Executive Director

Mr Chow Wai Leong
Non-Independent Non-Executive Director

COMPANY SECRETARY

Ms Ang Siew Koon, ACIS
Ms Kuan Yoke Kay, ACIS

REGISTERED OFFICE

1 Yishun Industrial Street 1
A'Posh Bizhub, #06-01/09,
Singapore 768160
www.cordlife.com

REGISTRATION NUMBER

200102883E

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Tricor Barbinder Share Registration Services
80 Robinsons Road, #02-00
Singapore 068898

INDEPENDENT AUDITORS

KPMG LLP
Public Accountants and Chartered Accountants
16 Raffles Quay
#22-00, Hong Leong Building
Singapore 048581
Partner in-charge:
Mr Quek Shu Ping
(Appointed since financial year ended 31 December 2019)

SOLICITORS TO THE COMPANY

WongPartnership LLP
12 Marina Boulevard
Level 28, Marina Bay Financial Centre Tower 3
Singapore 018982

BANKERS

DBS Bank Ltd
United Overseas Bank Ltd
Malayan Banking Berhad

INVESTOR RELATIONS

Financial PR Pte Ltd
4 Robinson Rd
#04-01, The House of Eden
Singapore 048543
Tel: (65) 9229 4410 / (65) 9272 1071
Email: investor.relations@cordlife.com

Contact persons:
Mr Kamal Samuel / Mr Maverick Lim

CORDLIFE GROUP LIMITED (the "Company") recognises the importance of good corporate governance practice to the healthy growth of the Company and its subsidiaries (the "Group") and is committed to high standards of corporate governance within the Group to advance its mission to create value for the Group's stakeholders.

The Company has endeavoured to adhere to the principles and provisions as set out in the Code of Corporate Governance 2018 (the "Code") during the financial year ended 31 December 2021 ("FY2021"). This Corporate Governance Report (the "Report") describes the Group's corporate governance practices and sets out the manner in which the Group has applied the principles and the extent of compliance with the guidelines as set out in the Code, and where applicable, the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") (the "Listing Manual"). Where there have been deviations from the Code, appropriate explanations have been provided in this Report.

In the opinion of the Board of the Directors of the Company (each a "Director", and collectively the "Board" or "Directors"), the Company has generally complied with all of the provisions set out in the Code for FY2021.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The Board's role is to:

(a) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;

(b) establish a framework of prudent and effective controls, which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets;

(c) review management performance;

(d) identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation;

(e) set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met; and

(f) consider sustainability issues, e.g. environmental and social factors, as part of its strategy formulation process.

In fulfilling the Board's role, the Board oversees the Group's overall policies, strategies and objectives, key operational initiatives, performance and measurement, internal control and risk management, major funding and investment proposals, financial performance reviews and corporate governance practices.

The Board reserves for its own decision on matters such as, amongst others, (a) corporate restructuring; (b) mergers and acquisitions; (c) major investments and divestments; (d) material acquisition and disposal of assets; (e) major corporate policies on key areas of operations; (f) commitments to term loans and lines of credits from banks and financial institutions; (g) the annual strategic plan and budget; (h) share issuance; (i) declaration of interim dividends and proposed declaration of final dividends; (j) financial results for release to the SGX-ST; (k) interested person transactions of a material nature; and (l) appointment of Directors and change in composition of the Board Committees.

Following the amendment to Rule 705 of the Listing Manual which took effect from 7 February 2020, the Company ceased quarterly reporting and adopted the half-yearly reporting of the Company's and Group's financial statements, having considered the compliance efforts and costs in connection with quarterly reporting. To keep investors updated on the Company's quarterly performance, the Company releases business update announcements after the Board has reviewed its first and third quarter financial results.

The schedule of the Board and Board Committee meetings as well as the Annual General Meeting ("AGM") of the Company are planned well in advance. The Board will meet at least four (4) times a year as per the scheduled meeting calendar. In addition to the scheduled meetings, ad-hoc Board meetings are also convened as and when they are deemed necessary in between the scheduled meetings. The Constitution of the Company provides that the Directors may convene meetings by way of telephone conference, video conference, audio visual or similar means. When a physical Board meeting is not possible, timely communication with members of the Board is achieved through electronic means and the circulation of written resolutions for approval by the relevant members of the Board or Board Committees.

To assist in the execution of its responsibilities and enhance the effectiveness of the Board, the Board is supported by the Audit and Risk Committee ("ARC"), the Nominating Committee ("NC"), and the Remuneration Committee ("RC"). The Board Committees operate within clearly defined terms of reference and functional procedures, which are reviewed on a regular basis. Details of each Board Committee, including the composition and terms of reference, can be found subsequently in this Report.

The current members of the Board, the nature of the Directors' appointment to the Board and their membership on the Board Committees are set out below:

Name of Director	Position	ARC	RC	NC
Joseph Wong Wai Leung	Chairman and Independent Director	Chairman	Member	N.A.
Dr Ho Choon Hou	Vice Chairman and Non-Independent Non-Executive Director	Member	N.A.	N.A.
Tan Poh Lan	Executive Director and Group Chief Executive Officer	N.A.	N.A.	N.A.
Yeo Hwee Tiong	Independent Director	Member	Chairman	Chairman
Cheong Tuck Yan Titus Jim	Independent Director	Member	Member	Member
Zhai Lingyun	Non-Independent Non-Executive Director	N.A.	N.A.	Member
Chen Xiaoling	Non-Independent Non-Executive Director	N.A.	Member	N.A.
Yiu Ming Yiu	Non-Independent Non-Executive Director	Member	N.A.	N.A.
Chow Wai Leong	Non-Independent Non-Executive Director	N.A.	Member	N.A.

In FY2021, a total of six (6) Board meetings were held. The table below shows the attendance of the Directors at the last AGM in 2021 and the Board and respective Board Committee meetings in respect of FY2021[(1)]:

Name of Director	AGM	Board	ARC	RC	NC
	No. of meetings attended				
Joseph Wong Wai Leung[(2)]	1/1	6/6	4/4	N.A.	N.A.
Dr Ho Choon Hou[(3)]	1/1	6/6	4/4	1/1	3/3
Tan Poh Lan	1/1	6/6	N.A.	N.A.	N.A.
Yeo Hwee Tiong[(4)]	1/1	6/6	N.A.	1/1	3/3
Zhai Lingyun	1/1	6/6	N.A.	N.A.	3/3
Fong Chi Wah[(5)]	1/1	4/4	3/3	1/1	N.A.
Wang Lin[(6)]	1/1	4/6	N.A	N.A.	N.A.
Chang Chien[(7)]	1/1	4/4	N.A	N.A.	N.A.
Cheong Tuck Yan Titus Jim[(8)]	N.A.	N.A.	N.A.	N.A.	N.A.
Chen Xiaoling[(9)]	N.A.	N.A.	N/A	N.A.	N.A.
Yiu Ming Yiu[(10)]	N.A.	N.A.	N.A.	N.A.	N.A.
Chow Wai Leong[(11)]	N.A.	N.A.	N.A.	N.A.	N.A.

(1) Refers to meetings held/attended while each Director was in office and in the respective Board Committees, if any.

(2) Mr Joseph Wong Wai Leung was appointed as Chairman of the Board and a member of the RC with effect from 1 December 2021.

(3) Dr Ho Choon Hou was re-designated from an Independent Director ("ID(s)") to a Non-Independent Non-Executive Director ("NINED(s)") of the Company with effect from 1 December 2021. Following his re-designation, Dr Ho relinquished his position as Acting Board Chairman and took on the position of Vice Chairman of the Board in charge of mergers and acquisitions ("M&A") and investment. Concurrently, Dr Ho also ceased to be a member of the RC and NC with effect from 1 December 2021.

(4) Mr Yeo Hwee Tiong was appointed as Chairman of the RC and a member of the ARC with effect from 1 December 2021.

(5) Mr Fong Chi Wah resigned as a NINED of the Company and as a member of the ARC and RC with effect from 11 November 2021.

(6) Ms Wang Lin resigned as a NINED of the Company with effect from 1 December 2021.

(7) Mr Chang Chien resigned as a NINED of the Company with effect from 11 November 2021.

(8) Mr Cheong Tuck Yan Titus Jim was appointed as an ID of the Company, a member of the ARC, RC and NC with effect from 1 December 2021.

(9) Ms Chen Xiaoling was appointed as a NINED of the Company with effect from 1 December 2021 and a member of the RC with effect from 25 February 2022.

(10) Mr Yiu Ming Yiu was appointed as a NINED of the Company and a member of the ARC with effect from 1 December 2021.

(11) Mr Chow Wai Leong was appointed as a NINED of the Company and a member of the RC with effect from 1 December 2021.

A formal letter is provided to each Director upon his or her appointment, setting out the Director's duties and obligations. The newly appointed Directors received an orientation that includes briefings by the management of the Company (the "Management") on the Group's structure, strategic objectives, business operations and policies. They were also briefed by the Company's legal counsel on 'Director's Duties and Responsibilities' following their appointment. If the NC assesses that the new Directors require training, the Directors will also enrol for the Listed Entity Director Programme organised by the Singapore Institute of Directors. All the Directors were also given the opportunities to visit the Group's operational facilities and to interact with members of the Management team.

In FY2021, the Directors were kept abreast of the changing commercial risks faced by the Company through briefings by the Management at Board meetings. The Directors were also updated on the latest changes in the Companies Act 1967 of Singapore, listing rules of the SGX-ST, the Code and the accounting standards by the relevant professionals at the quarterly Board meetings. The Directors also attended other training courses of their choice, and if the training is relevant to the performance of their duties as a Director of the Company, expenses were borne by the Company.

Principle 2: Board Composition and Guidance

As at 31 December 2021, the Board comprised nine (9) Directors of whom one (1) was Executive Director, five (5) were NINEDs, and three (3) were IDs.

With three (3) IDs on the Board out of nine (9) Directors, the Company maintains a strong and independent element on the Board with IDs making up one-third of the Board.

The Company defines an ID as one who has no relationship with the Company, its related corporations, its 5% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interests of the Company. To be considered independent, the Director should not be someone who:

(a) has been employed by the Company or any of its related corporations for the current or any of the past three financial years;

(b) has an immediate family member who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the RC;

(c) himself/herself, or has an immediate family member, accepting any significant compensation from the Company or any of its related corporations for the provision of services, for the current or immediate past financial year, other than compensation for Board service;

(d) is a 5% shareholder or an immediate family member of a 5% shareholder of the Company;

(e) is or has been directly associated with a 5% shareholder of the Company, in the current or immediate past financial year; or

(f) himself/herself, or whose immediate family member, in the current or immediate past financial year, is or was a 5% shareholder of, or a partner in (with 5% or more stake), or an executive officer of, or a director of, any organisation to which the Company or any of its subsidiaries made, or from which the Company or any of its subsidiaries received, significant payments or material services (which may include auditing, banking, consulting and legal services), in the current or immediate past financial year. As a guide, payments aggregated over any financial year in excess of S$200,000 should be generally be deemed significant.

The NC reviewed the independence of Mr Joseph Wong Wai Leung ("Mr Joseph Wong"), Mr Yeo Hwee Tiong ("Mr Yeo"), and Mr Cheong Tuck Yan Titus Jim ("Mr Titus Cheong"). The NC noted that the three Directors have no relationship with the Company, its related corporations, its 5% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interests of the Company, and they had exercised objective judgment on corporate affairs independently from Management. Mr Yeo and Mr Titus Cheong, who is the Chairman and a member of the NC respectively, had abstained from deliberation on their own independence.

The Board concurred with the views of the NC on the independence of the three IDs. Each of the IDs had abstained from deliberating and deciding on his own independence.

The Board has three (3) Directors with medical and healthcare backgrounds which are relevant to the business of the Company. They are Dr Ho Choon Hou, Mr Yeo Hwee Tiong, and Ms Tan Poh Lan. All three of them have extensive experience in managing healthcare companies. Mr Joseph Wong brings with him accounting and corporate finance experience. Mr Zhai Lingyun and Ms Chen Xiaoling bring with them vast experience in the biomedical and pharmaceutical industry which is also relevant to the Company's business. Mr Titus Cheong, with his experience in private equity, investment and consulting, strengthens the corporate finance knowledge base on the Board. Mr Yiu Ming Yiu brings with him investment and factoring business knowledge, and Mr Chow Wai Leong offers experience in business development.

The Board is led by Mr Joseph Wong, who is also currently the ARC Chairman. He has served as an ID of the Company since 2014 and has extensive knowledge of Cordlife's business. The Board and the NC are also of the view that the current Board comprises Directors who bring a wealth of expertise and experience in areas of medical, pharmaceutical and healthcare, accounting and finance, business management, mergers and acquisitions, business development, as well as regional markets, providing Management with a diverse and objective perspective on any issues raised before the Board. The Board also has gender diversity in having two (2) female Directors on the Board. The Company does not have a written Board Diversity Policy. The composition of the Board is reviewed at least annually, or as and when appropriate by the NC to ensure that there is a mix of experience and expertise to enable the Company to benefit from a diverse perspective from directors of different background. Key information on the Directors is set out on pages 20 to 24 of this Annual Report.

The Non-Executive Directors played a crucial role in helping to develop proposals surrounding the Company's strategies by challenging the strategies proposed by Management in a constructive manner. The Non-Executive Directors also met on several occasions on an informal basis in FY2021 without the presence of Management (including the Executive Director), to discuss matters relating to the Company and Management performance.

The Company was listed on the SGX-ST on 29 March 2012 and none of the IDs had served on the Board for more than nine years as at the date of this Report.

Principle 3: Chairman and Chief Executive Officer

To ensure a clear division of responsibilities and a balance of power and authority within the Company, the role of the Chairman and the Group Chief Executive Officer ("GCEO") of the Company are undertaken separately by Mr Joseph Wong Wai Leung and Ms Tan Poh Lan respectively.

The Chairman, Mr Joseph Wong Wai Leung, is an ID. He leads the Board in adhering to and maintaining a high standard of corporate governance with the full support of the Directors and Management. He approves the agendas for the Board meetings and exercises control over, amongst others, the quality, quantity, accuracy and timeliness of information flow between the Board and Management of the Company. He facilitates timely communication between the Board and Management, between the Company and its shareholders and amongst the Board members *inter se*, with a view to encouraging constructive relations and dialogue amongst them. At the AGM and other shareholder meetings, the Chairman ensures constructive dialogue between shareholders, the other Directors and Management.

Ms Tan Poh Lan is the Executive Director ("ED") and GCEO of the Company. She manages the businesses of the Group and implements the decisions made by the Board. The GCEO is responsible for the day-to-day operations of the Group, the formulation of the Group's strategic directions and expansion plans and managing the Group's overall business development strategies.

The performance and appointment of the Chairman and the GCEO are reviewed periodically by the NC and the remuneration packages of the Chairman and the GCEO are reviewed periodically by the RC. With the segregation of duties between the Chairman and the GCEO, the Board believes that there are adequate safeguards in place to prevent an uneven concentration of power and authority in a single individual.

Principle 4: Board Membership

The NC is established to ensure that there is a formal and transparent process for all Board appointments and re-appointments. It is regulated by a set of written terms of reference endorsed by the Board and comprises a majority of IDs, including its Chairman:

Yeo Hwee Tiong (ID)	- Chairman
Cheong Tuck Yan Titus Jim (ID)	- Member (Appointed on 1 December 2021)
Zhai Lingyun (NINED)	- Member
Dr Ho Choon Hou (NINED)	- Member (Resigned on 1 December 2021)

The functions of the NC include, amongst others:

1. reviewing and recommending (i) the Board succession plans of the Directors and the nomination for the re-election of Directors, including the Independent Directors, having regard to each Director's contribution and performance, taking into consideration each Director's contribution and performance at Board meetings, including attendance and participation; (ii) the development of a process for evaluation of the performance of the Board, the Board Committees and individual Directors; and (iii) the review of training and professional development programmes for the Board;

2. ensuring that all Directors submit themselves for re-election at regular intervals;

3. determining annually, and as and when circumstances require, whether or not a Director is independent in accordance with Principle 2 of the Code and any other salient factors;

4. deciding whether or not a Director is able to and has been adequately carrying out his or her duties as a Director of the Company; and

5. reviewing and approving any nominations for the appointment to the Board including the disclosure of the search and nomination process.

The NC has in place a process for selection and appointment of new directors. The need for the appointment of new directors is identified in areas where additional expertise and skills will add to the effectiveness and diversity of attributes of the current Board. The NC then identifies potential candidates by engaging professional firms and soliciting recommendations from Directors, Management and shareholders. The NC assesses the suitability of the potential candidates by evaluating the candidates' skills and knowledge. The required level of commitment and other information about the Company and the Board are communicated to the candidates to allow candidates to make an informed decision. The NC will then recommend its selected candidate to the Board for approval of the appointment.

The Directors do not currently have a fixed term of office. Pursuant to Articles 94 and 95 of the Company's Constitution, every Director is required to retire from office every three years. One-third of the Directors who have served the longest since their most recent election (or, if their number is not a multiple of three, the number nearest to but not less than one-third) must retire from office. In accordance with Article 100 of the Company's Constitution, the Directors who were newly appointed by the Board since the last AGM will have to retire at the forthcoming AGM. The retiring Directors are eligible to offer themselves for re-election.

The following Directors were appointed subsequent to the Company's last AGM held on 30 April 2021. Pursuant to Article 100 of the Company's Constitution, they will have to vacate their office at the close of the forthcoming AGM. Being eligible, they had offered themselves for re-election.

a. Mr Cheong Tuck Yan Titus Jim;

b. Ms Chen Xiaoling;

c. Mr Yiu Ming Yiu; and

d. Mr Chow Wai Leong.

In accordance with Article 94 of the Company's Constitution, Mr Joseph Wong Wai Leung and Ms Tan Poh Lan shall retire by rotation at the Company's forthcoming AGM. Being eligible, both had offered themselves for re-election.

In this regard, the NC, having considered the attendance and participation of the Directors at the Board and Board Committee meetings, in particular, their contribution to the business and operations of the Company, has recommended the re-election of all those Directors who expressed their wish to be re-elected at the forthcoming AGM. The Board has concurred with the NC's recommendation.

Each member of the NC/Board had abstained from voting on any resolutions and making any recommendations and/or participating in any deliberations of the NC/Board in respect of their re-election as Director.

The NC has not fixed a maximum number of listed company board representations that the Directors can hold as the NC is of the opinion that the Directors are able to manage their commitment to their respective board representations, and each Director's performance is also evaluated based on the time and commitment given to the Board. The NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Group, notwithstanding that some of the Directors have multiple board representations.

The Board would generally avoid approving the appointment of alternate directors. Alternate Directors, if any, would only be appointed for limited periods in exceptional cases, such as when a Director has a medical emergency. No Alternate Director has been appointed to the Board since the Company was listed on the SGX-ST on 29 March 2012.

The profile of the Directors, detailing their qualifications, directorships in other listed companies, their appointment to the Board of the Company and the date of their last re-election can be found on pages 20 to 24 of this Annual Report.

Principle 5: Board Performance

The Board acknowledges the importance of a formal assessment of Board performance. It has adopted a formal system of evaluating Board performance with the use of evaluation forms to assess the effectiveness of the Board and Board Committees and the contribution by each Director. All Directors are required to complete the evaluation questionnaire annually.

The evaluation of the Board's performance as a whole deals with matters on Board composition, information flow to the Board, Board procedures and Board accountability. Factors such as the structure, size and processes of the Board and the Board's access to information, management and the effectiveness of the Board's oversight of the Company's performance are applied to evaluate the performance of the Board as a whole. The evaluation of the performance of an individual Director deals with matters on an individual Director's attendance at meetings, observance of the individual Director's duties towards the Company and the individual Director's know-how and interaction with fellow Directors.

As part of the evaluation process, each Director completes an evaluation form, which is then returned to the Company Secretary on a private and confidential basis for the compilation of average scores. The compiled results are then tabulated and tabled at the NC meeting for NC's review. The Chairman of the NC will then present the findings and recommendations of the NC to the Board.

The evaluation of Board performance is conducted annually to identify areas of improvement and as a form of good Board management practice. The last performance evaluation was carried out in February 2022 and the results have been presented to the NC on 25 February 2022 for review. The Company did not engage any external consultant or facilitator to assist with the performance evaluation of the Board, Board Committees and individual Directors for FY2021.

The NC is also satisfied that sufficient time and attention has been given by the Directors to the affairs of the Company, notwithstanding that some of the directors have multiple board representations. Based on the internal and external assessments, the NC is satisfied that the Board has been effective as a whole and that each and every Director has contributed to the effective functioning of the Board and the Board Committees.

Access to Information

Board members are provided with complete, adequate and timely information prior to Board meetings to allow Directors sufficient time to review Board papers. As and when there are important matters that require the Board's attention and decision, the information will be furnished to the Directors as soon as practicable. All Directors have independent access to the Group's senior management and the Company Secretary. All Directors receive complete and adequate information prior to Board meetings and on an ongoing basis. The information provided includes, amongst others, background or explanatory information relating to matters to be brought before the Board, copies of disclosure documents, budgets, forecasts, key agreements and monthly internal financial statements.

The Company Secretary and/or her assistant attend all Board and Board Committees meetings and provide corporate secretarial support to the Board, ensure adherence to Board procedures and compliance with the relevant rules and regulations of the Constitution of the Company, the Companies Act 1967 of Singapore, the Listing Manual and all other relevant rules and regulations which are applicable to the Company. Any decision to appoint or remove the Company Secretary can only be taken by the Board as a whole.

If the Directors need independent professional advice to fulfil their duties, such advice will be obtained from the professional entity approved by the Board and the cost of such professional advice will be borne by the Company.

REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

Remuneration Committee

The RC comprises a majority of IDs, including its Chairman and is regulated by a set of written terms of reference endorsed by the Board:-

Yeo Hwee Tiong (ID)	- Chairman (Appointed on 1 December 2021)
Dr Ho Choon Hou (NINED)	- Chairman (Resigned on 1 December 2021)
Joseph Wong Wai Leung (ID)	- Member (Appointed on 1 December 2021)
Cheong Tuck Yan Titus Jim (ID)	- Member (Appointed on 1 December 2021)
Chen Xiaoling (NINED)	- Member (Appointed on 25 February 2022)
Chow Wai Leong (NINED)	- Member (Appointed on 1 December 2021)
Fong Chi Wah (NINED)	- Member (Resigned on 11 November 2021)

The functions of the RC include, amongst others:

1. reviewing the remuneration framework (including Directors' fees) for the Board and the key management personnel within the Group;

2. reviewing and approving the policy for determining the remuneration of executives of the Group, including that of the Executive Director, GCEO and other key management executives;

3. ensuring a formal and transparent procedure for developing policy on executive remuneration;

4. reviewing the ongoing appropriateness and relevance of the executive remuneration policy and other executive benefit programmes;

5. considering and reviewing the remuneration package and service contract terms for each of the Directors and key management personnel (including salaries, allowances, bonuses, payments, options, benefits in kind, retirement rights, severance packages and service contracts) having regard to the executive remuneration policy for each of the companies within the Group;

6. considering and approving termination payments, retirement payments, gratuities, ex-gratia payments, severance payments and other similar payments in the event of termination or retirement of the Executive Directors and key management personnel; and

7. determining, reviewing and approving the design of all option plans, stock plans and/or other equity based plans that the Group proposes to implement, to determine, on an annual basis, whether any awards will be made under the rules of such plans, to review and approve each award as well as the total proposed awards under each plan in accordance with the rules governing each plan and to review, approve and keep under review performance indicators and/or the fulfillment of performance indicators in accordance with the rules set out under such plans.

Principle 7: Level and Mix of Remuneration

As noted above, one of the responsibilities of the RC is to review the remuneration framework of the Board and key management personnel in the Group, and to consider and review the remuneration package and/or service contract terms for each of the Directors and key management personnel.

Remuneration of the Executive Directors and key management personnel

In setting the remuneration package of the Executive Directors, the Company makes a comparative study of the packages of executive directors in comparable industries and takes into account the performance of the Company and that of the Executive Directors.

The compensation structure is designed to ensure that the level and mix of remuneration are competitive, relevant and appropriate in finding a balance between current and long-term compensation. The Company has in place the following incentive plan in FY2021:

Share Grant Plan

At an Extraordinary General Meeting held on 18 October 2013, the shareholders of the Company approved the Cordlife Share Grant Plan (the “Plan” or the “SGP”) for the award of rights (the “Awards”) to participants of the Plan to receive fully-paid ordinary shares, free of charge, upon the participant achieving the prescribed performance targets and upon expiry of the prescribed vesting period. The RC of the Company has been designated as the Committee responsible for the administration of the SGP.

The Plan is a performance incentive scheme, which forms an integral part of the Group’s incentive compensation programme. Persons eligible to participate in the Plan (the “Participants”) comprise key senior management and employees of the Company and Non-Executive Directors at the absolute discretion of the Committee. The Plan is established with the objective of motivating the Participants to strive towards performance excellence, long term prosperity of the Group, and promoting their organisational commitment, dedication and loyalty towards the Group. In addition, the Plan will make employee remuneration sufficiently competitive to recruit new employees and retain existing employees whose contributions are important to the long term growth and profitability of the Group.

The categories of awards under the Plan in FY2021 are as follows:

Performance Share Award

The FY2021 contingent awards under the Performance Share Award were granted conditional on meeting performance targets set based on the following Group corporate objectives measured over a performance period of one financial year:

- Group’s Financial Key Performance Indicators (“KPI(s)”) including Group Revenue, Gross Profit Margin, Profit before Tax and Return on Invested Capital: and

- Non-financial KPIs including, but are not limited to, quality standards, customer service standards, people objectives and 360 feedback.

Financial and non-financial KPIs have a weightage of 80% and 20% respectively towards the final performance achievement computation.

Pursuant to the SGP, the RC has decided to grant contingent awards on an annual basis, conditional on meeting targets set for the performance period. The shares will only be released to the recipient at the end of the performance qualifying period. The actual number of performance shares to be released to the recipient will depend on the achievement of the set targets over the performance period. A minimum threshold performance is required for any share to be released and the actual number of performance shares to be released is capped at 100% of the conditional award. Only 50% of the final number of shares will vest upon the end of the performance period, with balance of the award vesting one year later.

Restricted Share Award

The FY2021 contingent share awards under the Restricted Share Award were granted to employees of the Group conditional upon the satisfaction of the following performance targets set at the start of a two-year performance period based on medium-term Group and Company objectives of retaining high potential talents (“HiPo”):

- Sustained Performance Level (“PL”) rating 1 or 2 (out of 5); and
- Continues to remain in HiPo talent pool.

The shares will only be released to the recipient at the end of the performance qualifying period. The actual number of performance shares to be released to the recipient will depend on the achievement of the set targets over the performance period. A minimum threshold performance is required for any share to be released and the actual number of performance shares to be released is capped at 100% of the conditional award. Only 50% of the final number of shares will vest upon the end of the performance period, with balance of the award vesting at the end of the third year.

No contingent shares were granted in FY2021 to employees of the Company under the Restricted Share Award.

Remuneration of Non-Executive Directors and Independent Directors

The IDs and Non-Executive Directors do not have service agreements with the Company. They are paid a basic, fixed Director’s fee, which is determined by the Board, apposite to the level of their contributions and taking into account factors such as the time spent and the effort and the individual responsibilities of each Independent or Non-Executive Director. Such fees are subject to the approval of the shareholders at each AGM.

Each member of the RC shall abstain from voting on any resolution and making any recommendation and/or participating in any deliberation in respect of his or her own remuneration.

Mr Zhai Lingyun, Ms Chen Xiaoling, Mr Yiu Ming Yiu and Mr Chow Wai Leong, who were nominated to the Board by the substantial shareholders, have agreed to waive their Directors’ fees. No Directors’ fees had been paid/would be paid to any of the NINEDs nominated to the Board by the substantial shareholders in FY2021 and for the financial year ending 31 December 2022.

Except for the SGP, the Board has not introduced any contractual provisions to allow the Company to reclaim incentive components from its Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Board believes that there are ample statutory and regulatory penalties to address such circumstances.

Principle 8: Disclosure on Remuneration

A breakdown showing the level and mix of each individual Director’s remuneration for FY2021 is disclosed in the table below:

Director		Salary (%)	Bonus (%)	Other short-term benefits (%)	Allowances (%)	Fees (%)	Total (%)
S$500,000 to S$750,000							
Tan Poh Lan	ED and GCEO	68	28	–	4	–	100

Directors		Salary (S$)	Bonus (S$)	Other short-term benefits (S$)	Allowances (S$)	Fees (S$)	Total (S$)
Joseph Wong Wai Leung[1]	Chairman, ID	–	–	–	–	83,000	83,000
Dr Ho Choon Hou[2]	Vice-Chairman, NINED	–	–	–	–	118,000	118,000
Yeo Hwee Tiong	ID	–	–	–	–	83,000	83,000
Cheong Tuck Yan Titus Jim[3]	ID	–	–	–	–	6,917	6,917
Zhai Lingyun[4]	NINED	–	–	–	–	–	–
Chen Xiaoling[5]	NINED	–	–	–	–	–	–
Yiu Ming Yiu[5]	NINED	–	–	–	–	–	–
Chow Wai Leong[5]	NINED	–	–	–	–	–	–
Fong Chi Wah[6]	NINED	–	–	–	–	–	–
Wang Lin[7]	NINED	–	–	–	–	–	–
Chang Chien[6]	NINED	–	–	–	–	–	–

(1) Mr Joseph Wong Wai Leung was appointed as Chairman of the Board on 1 December 2021.

(2) Dr Ho Choon Hou was re-designated from an ID to a NINED of the Company with effect from 1 December 2021. Following his re-designation, Dr Ho relinquished his position as Acting Board Chairman and took on the position of Vice Chairman of the Board in charge of M&A and investment.

(3) Mr Cheong Tuck Yan Titus Jim was appointed as an ID of the Company on 1 December 2021.

(4) Mr Zhai Lingyun has agreed to waive his Director's fees for FY2021.

(5) Ms Chen Xiaoling, Mr Yiu Ming Yiu and Mr Chow Wai Leong were appointed as NINEDs of the Company on 1 December 2021 and have agreed to waive their Directors' fees for FY2021.

(6) Mr Fong Chi Wah and Mr Chang Chien resigned as Directors of the Company on 11 November 2021 and have agreed to waive their Director's fees for FY2021.

(7) Ms Wang Lin resigned as Director of the Company on 1 December 2021 and has agreed to waive her Director's fees for FY2021.

The remuneration of the ED and GCEO of the Company is disclosed in bands of S$250,000 to protect the Company's need for the retention of talents who have in-depth knowledge of the Company's business and operations.

The remuneration of the top five (5) key management personnel (excluding the ED and GCEO) is disclosed in the table below:

Key Management Personnel		Salary (%)	Bonus (%)	Allowances (%)	Fees (%)	Total (%)
S$250,000 to S$500,000						
Choo Boon Yong	Group Chief Financial Officer	74	22	4	–	100
Thet Hnin Yi	Group Finance Director	69	27	4	–	100
S$250,000 and below						
Jamie Woon Geok Peng	Group Director – Brand Development	73	21	6	–	100
Stella Lee Mei Suan	Group Director – Organisational Development	73	22	5	–	100
Tan Huiying	Group Director – Quality and Operations	71	23	6	–	100

For FY2021, the aggregate total remuneration paid to the top five (5) key management personnel, (excluding the ED and GCEO) amounted to S$1,443,000 (FY2020: S$1,374,000).

For FY2021, there were no termination, retirement and post-employment benefits granted to the Directors (including the ED and GCEO) and top five (5) key management personnel other than the standard contractual notice period termination payment in lieu of service in respect of management employees.

There are no employees of the Company who are immediate family members of a Director (including the ED and GCEO).

ACCOUNTABILITY AND AUDIT

Accountability

In presenting the quarterly, half-yearly and annual financial statements and announcements of financial results to shareholders, the Board aims to provide shareholders with a balanced and understandable assessment of the Company and the Group's performance, position and prospects.

In this regard, Management provides all Directors with detailed management accounts of the Company and the Group's performance, financial position and prospects on a timely basis.

Principle 9: Risk Management and Internal Controls

The Board was assisted by the ARC in the area of risk governance and in ensuring that Management implements and maintains a sound system of risk management and internal controls.

The ARC was responsible for making the necessary recommendations to the Board such that an opinion regarding the adequacy and effectiveness of the risk management and internal control systems of the Company can be made by the Board in the Annual Report of the Company according to requirements in the Listing Manual and Code.

For FY2021, the Board has received written assurance:-

(a) from the GCEO and Group Chief Financial Officer ("GCFO") that, as at FY2021, the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and

(b) from the GCEO, GCFO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Group's risk management and internal control systems in addressing key financial, operational, compliance, and information technology risks.

The Company maintains a system of internal controls for all companies within the Group, but recognises that no internal control system will preclude all errors and irregularities. The system is designed to manage rather than to eliminate the risk of failure to achieve business objectives. The controls are to provide reasonable, but not absolute assurance to safeguard shareholders' investments and the Group's assets.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, reviews performed by Management, various Board Committees and the Board, and the written assurances from the GCEO and GCFO, the ARC and the Board are of the opinion that the Group's internal controls addressing key financial, operational, compliance, and information technology controls, as well as risk management systems were adequate and effective for the financial year ended 31 December 2021.

Principle 10: Audit and Risk Committee

The ARC, regulated by a set of written terms of reference, comprises five (5) Directors, all of whom are Non-Executive and the majority of whom, including the Chairman of the ARC, are independent:-

Joseph Wong Wai Leung (Chairman of the Board and ID)	- Chairman
Dr Ho Choon Hou (NINED)	- Member
Yeo Hwee Tiong (ID)	- Member (Appointed on 1 December 2021)
Cheong Tuck Yan Titus Jim (ID)	- Member (Appointed on 1 December 2021)
Yiu Ming Yiu (NINED)	- Member (Appointed on 1 December 2021)
Fong Chi Wah (NINED)	- Member (Resigned on 11 November 2021)

The functions of the ARC include, amongst others:

i. reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements and any formal announcements relating to financial performance;

ii. reviewing the scope and results of the audit and its cost effectiveness, and the independence and objectivity of the external auditors;

iii. reviewing, with the external auditors of the Company, the audit plan, the scope of work of the external auditors, the evaluation by the external auditors of the system of internal accounting controls, the external auditor's letter to Management and the Management's response, and the results of the audits conducted by the internal and external auditors;

iv. reviewing the quarterly, half-yearly and annual financial statements and announcements of financial results before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Listing Manual and any other statutory/regulatory requirements;

v. reviewing the effectiveness and adequacies of the Group's internal controls and procedures, including accounting and financial controls and procedures and ensure co-ordination between the external auditors and the Management, reviewing the assistance given by the Management to the auditors, and discussing problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of Management where necessary);

vi. reviewing any interested person transactions to ensure that procedures are followed in accordance with the internal control measures which the Group has adopted;

vii. reviewing and discussing with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and the Management's response thereto;

viii. commissioning of an audit of the internal control and accounting systems of the Group until such time the ARC is satisfied that the Group's internal controls are robust and effective enough to mitigate the Group's internal control weaknesses (if any);

ix. making recommendations to the Board on the appointment or re-appointment of the external auditors and matters relating to resignation or dismissal of the auditors, and approving the remuneration and terms of engagement of the external auditors;

x. reviewing and approving transactions falling within the scope of Chapter 9 and Chapter 10 of the Listing Manual (if any);

xi. reviewing any potential conflicts of interest;

xii. reviewing the adequacy of potential business risk management processes;

xiii. reviewing, monitoring and making recommendations to the Board on the Group's risk of being subject to, or violating, any sanctions-related law or regulation, and ensuring timely and accurate disclosures to SGX-ST and other relevant authorities. If required, to assess whether there is a need for the Group to obtain independent legal advice or appoint a compliance adviser in relation to the sanctions-related risks applicable to the Group, and the continuous monitoring of the validity of the information provided to shareholders and SGX-ST[1].

xiv. reviewing and approving all hedging policies and instruments (if any) to be implemented by the Group;

xv. undertaking such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the ARC;

[1] The functions of ARC has been updated with sanctions-related law or regulations and risks as required by SGX-ST with reference to the media release by the Singapore Exchange, dated and effective from 7 March 2022, https://www.sgx.com/media-centre/20220307-regulators-column-what-sgx-expects-issuers-respect-sanctions-related-risks

xvi. reviewing and establishing procedures for receipt, retention and treatment of whistleblowing report(s) received by the Group, which may relate to criminal offences involving the Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group; and

xvii. generally to undertake such other functions and duties as may be required by any applicable laws, regulations, statutes and the Listing Manual, and by such amendments made thereto from time to time.

Apart from the duties listed above, the ARC is also authorised by the Board to investigate into any matter within its terms of reference or, where appropriate, review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rules or regulations which has or is likely to have a material impact on the Group's operating results and/or financial position.

Each member of the ARC shall abstain from reviewing any particular transaction or voting on such resolution in respect of which he or she is or may be interested in.

The Board is of the view that all the members of the ARC are appropriately qualified to discharge their responsibilities. The ARC held four (4) meetings in FY2021. These meetings were attended by the GCEO, the GCFO, the Group Finance Director and the Group Assistant Finance Director of the Company at the invitation of the ARC. The Group's external auditors were also present at two (2) of these meetings. The ARC has also held a private session with the external auditor and internal auditor, without the presence of the Executive Director and Management. The last private session with the internal and external auditors was held on 28 January 2022 and 25 February 2022 respectively.

The ARC has met with the Group's external auditor, Messrs KMPG LLP ("KPMG"), to discuss the results of KPMG's audit of the Group for FY2021 and the evaluation of the Group's system of internal controls. The ARC has also reviewed the Group's full-year results announcement, the financial statements of the Company and the consolidated financial statements of the Group for FY2021 prior to its recommendation to the Board for approval.

The total amount of audit fees paid to KMPG during FY2021 is S$532,000 out of which S$492,000 was for audit services and S$40,000 was for non-audit services. Non-audit fees accounted for 7.5% of total audit fees in FY2021. The ARC, having reviewed the fees paid to KMPG for non-audit services, is satisfied with the independence and objectivity of KPMG as external auditor of the Group for FY2021.

To keep abreast of changes to the accounting standards and issues which have a direct impact on the Company's financial statements, the ARC members received updates from the external auditor at the quarterly ARC meetings and made efforts to attend courses and seminars relevant to their performance as members of the ARC, and where appropriate, at the expense of the Company.

Internal Audit

The Board recognises the importance of the internal audit function which, being independent of Management, is one of the principal means by which the ARC is able to carry out its responsibilities effectively. For FY2021, TRS Forensics Pte Ltd ("TRS") was the internal auditor of the Group. TRS primarily reported to the Chairman of the ARC and had unfettered access to all of the Group's documents, records, properties and personnel. The representatives from TRS who were in-charge of the internal audit of the Company were invited to the ARC Meeting to present their Internal Audit Report.

The ARC reviews the internal auditor on an annual basis, and is satisfied, based on the last review, that the internal audit function is effective, adequately resourced, and independent of the activities in audits, with persons with the relevant qualifications and experience and has the appropriate standing within the Company. The internal auditor carries out its functions according to the International Standards for the Professional Practice of Internal Auditing.

The ARC will continue to assist the Board to review the effectiveness of the internal audit function annually with a view to improving and enhancing the Company's internal controls and risk management system.

The Company also has in place a whistleblowing policy. This policy provides well-defined and accessible channels in the Group through which employees may raise concerns about improper conduct within the Group. If an employee, who is acting in good faith, raises a genuine concern under the whistleblowing policy, their identity and interests will be protected and all information received will be treated with strict confidentiality. They will also not be at risk of suffering from retribution, harassment or victimisation as a result. There are arrangements in place for the independent investigation of such matters for appropriate follow-up actions to be taken. The Company has included whistleblowing as a standard agenda item for the quarterly ARC and Board meetings for the ARC and the Board to receive and discuss any whistleblowing reports or incidents.

COMMUNICATION WITH SHAREHOLDERS

Principle 11: Shareholder Rights and Conduct of General Meetings

The Company treats all shareholders fairly and equitably, and recognises, protects and facilitates the exercise of shareholder's rights. It aims to keep all shareholders and other stakeholders informed of its corporate activities, including changes which are likely to materially affect the price or value of its shares, on a timely and consistent manner.

Shareholders are also given the opportunity to participate effectively in and vote at general meetings of the Company, where relevant rules, including voting procedures are clearly communicated to the attendees. Shareholders are given sufficient notice to attend general meetings, at least not less than the notice period stipulated by the Companies Act 1967 of Singapore and the Constitution of the Company. Corporations which provide nominee or custodial services are allowed to appoint more than two proxies, and other shareholders are allowed to appoint not more than two proxies to attend and participate at the Company's general meetings.

Conduct of Shareholders Meetings

The AGM is the principal forum for dialogue and interaction with all shareholders. The Board welcomes shareholders to voice their views and ask the Board questions regarding the Company and the Group at the AGM. A shareholder who is entitled to attend and vote at the AGM may either vote in person or vote by proxy by sending in the instrument of proxy at least forty-eight hours before the time of the general meeting.

The chairmen of the Board Committees and key management personnel are invited to attend the AGM of the Company and are present and available to address questions at general meetings. In addition, the external auditors of the Company are also present to address shareholders' queries about the conduct of the audit and the preparation and content of the auditors' report.

Each item of special business included in the notice of the meeting will be accompanied by an explanation of the effects of a proposed resolution. Unless the resolutions proposed at a meeting are interdependent and linked so as to form one significant proposal, separate resolutions shall be proposed for substantially separate issues at the meeting.

All the resolutions put to the vote at the forthcoming AGM would be voted on by poll and an announcement of the detailed results showing the number of votes cast for and against each resolution and the respective percentages will be released to the public via SGXNet.

The Company will also prepare minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and responses from the Board and Management, and will make such minutes or notes available to shareholders by posting it on the Company's website (**https://cordlife.listedcompany.com**) as soon as practicable.

In FY2021, the AGM was held via electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Order"). The Minutes of the AGM was made available to shareholders on the SGXNet and the Company's corporate website within 1 month from the date of the AGM.

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Engagement with Stakeholders

The Company strives for timeliness and transparency in its disclosures to the shareholders and the public and is also committed to gathering the views of its shareholders and to address their concerns, where possible. In addition to the regular dissemination of information through SGXNet on a timely basis, the Company also responds to enquiries from investors, analysts, fund managers and the press. The Company currently does not have an investor relations policy but the Company has engaged an external investor relations firm to advise and assist the Company on matters relating to investor relations.

The GCEO and/or GCFO meet with investors, fund managers and analysts and attend relevant investor roadshows regularly to gather feedback and understand their views on the Company.

The Company does not practise selective disclosure as all price-sensitive information is always released timely to all shareholders through SGXNet. In the event of any inadvertent disclosure made to a selected group, the Company makes the same disclosure publicly to all others as soon as practicable via SGXNet and through any other practicable means including the use of the Company's corporate website.

The Company does not have a dividend payment policy. In determining whether or not to pay an interim dividend or to recommend the payment of a final dividend, the Board will consider, amongst other things, the Company's expansion plans, existing projects and cash flow projections.

The Company's website acts as one of the main sources of information for its stakeholders, especially for its clients. In addition to business-related engagements on the Company's website, to reach out to shareholders beyond general meetings, the Company maintains a dedicated Investor Relations website at **https://cordlife.listedcompany.com**. Shareholders are able to retrieve corporate and financial information, regulatory filings, view the Company's IPO Prospectus, share information, AGM/EGM-related materials, corporate videos, news, and press releases.

ADDITIONAL INFORMATION

DEALINGS IN SECURITIES
[**Listing Manual, Rule 1207(19)**]

In line with Rule 1207(19) of the Listing Manual as well as insider trading laws in Singapore, the Company has in place a policy prohibiting share dealings by Directors and employees of the Company for one month before the release of the Company's half-year and full-year financial results. For good governance, the Company also imposes the same policy for the Directors and employees for the two weeks before the announcement of the Company's first and third quarter business updates.

The Directors and employees are also expected to observe insider trading laws at all times, even when dealing in securities outside of the prohibited periods. In addition, the Directors, Management and officers of the Group are discouraged from dealing in the Company's securities on short-term considerations.

INTERESTED PERSON TRANSACTIONS
[**Listing Manual, Rule 907**]

There were no interested person transactions in FY2021 above S$100,000.

MATERIAL CONTRACTS
[**Listing Manual, Rule 1207(8)**]

There were no material contracts of the Company or its subsidiaries involving the interest of the Chairman, the GCEO, the Directors or controlling shareholders subsisting at the end of the financial year.

AUDITING FIRMS
[**Listing Manual, Rule 1207(6)(c)**]

The Group has complied with Rule 712 and Rule 715 in relation to auditing firms.

SUSTAINABILITY REPORTING

The Company considers relevant environmental, social, and governance ("ESG") risks and opportunities to strengthen our business sustainability. The Company will publish its Sustainability Report ("Sustainability Report") before 31 May 2022. The Report will share its management, performance and targets in relation to its material ESG factors. This Sustainability Report will be aligned to SGX-ST's Listing Rules – Sustainability Reporting Guide, and will be publicly accessible through the Company's website as well as on SGXNet. It should be read in conjunction with the Annual Report presented here.

USE OF PLACEMENT PROCEEDS
[**Listing Manual, Rule 1207(20)**]

As at 25 February 2022, the Group has utilised approximately S$26.9 million out of the approximately S$33.5 million raised from the Private Placement as follows:

Intended Use of Placement Proceeds	Estimated amount (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	23.5	70.1%	16.9	50.3%
General working capital	8.6	25.7%	9.4	28.0%
Expenses incurred in connection with the Private Placement	1.4	4.2%	0.6	1.8%
	33.5	100.0%	26.9	80.1%

Note:

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

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

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

FINANCIAL CONTENTS

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2021.

In our opinion:

(a) the financial statements set out on pages 47 to 118 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are as follows:

Mr Joseph Wong Wai Leung	
Dr Ho Choon Hou	
Ms Tan Poh Lan	
Mr Yeo Hwee Tiong	
Mr Cheong Tuck Yan Titus Jim	(appointed on 1 December 2021)
Mr Zhai Lingyun	
Ms Chen Xiaoling	(appointed on 1 December 2021)
Mr Yiu Ming Yiu	(appointed on 1 December 2021)
Mr Chow Wai Leong	(appointed on 1 December 2021)

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 (the "Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children below the age of 18) in shares, debentures and share options in the Company and in related corporations are as follows:

	Direct interest		Deemed interest	
Name of directors and company in which interests are held	**Holdings at beginning of the year**	**Holdings at end of the year**	**Holdings at beginning of the year**	**Holdings at end of the year**
Cordlife Group Limited				
Ordinary shares				
Dr Ho Choon Hou	792,061	792,061	–	–
Ms Tan Poh Lan	534,480	791,780	–	–
Share grants under Cordlife Share Grant Plan				
Ms Tan Poh Lan	876,600	120,200	–	–

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2022.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures or share options of the Company, or of its related corporations, either at the beginning of the financial year, or at the date of appointment if later, or at the end of the financial year.

Except as disclosed in this statement, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objectives is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Share grant plans

At an Extraordinary General Meeting held on 18 October 2013, the shareholders of the Company approved the Cordlife Share Grant Plan (the "Plan") for the award of rights (the "Awards") to participants of the Plan to receive ordinary shares of the Company. Persons eligible to participate in the Plan comprise key senior management and employees of the Company and Non-Executive Directors at the absolute discretion of the Remuneration Committee (the "RC").

The performance targets to be set under the Plan are intended to be based on longer-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The vesting period of the Awards ranges from 1 to 3 years. The final number of shares awarded will depend on the achievement of pre-determined performance conditions at the end of the vesting period. No shares will be released if the threshold targets are not met at the end of the vesting period. On the other hand, if superior targets are met, more shares than the initial award could be delivered up to a maximum of 200% of the initial award.

Details of the Plan are disclosed in Note 29 of the financial statements.

The RC administering the Plan comprises five Directors, Mr Yeo Hwee Tiong, Mr Joseph Wong Wai Leung, Mr Cheong Tuck Yan Titus Jim, Ms Chen Xiaoling and Mr Chow Wai Leong.

Details of the Awards of the Company pursuant to the Plan are as follows:

	Balance as at 1 January 2021	Grants during the financial year	Vested during the financial year	Cancelled during the financial year	Balance as at 31 December 2021
Grant date					
Performance Share Award					
12 December 2019	381,650	–	(381,650)	–	–
25 August 2020	2,955,900	–	(337,050)	(2,281,800)	337,050
	3,337,550	–	(718,700)	(2,281,800)	337,050

Since the commencement of the Plan till the end of the financial year:

- No participant has received 5% or more of the total Awards available under the Plan.
- No options have been granted to Directors and employees of the holding company and its subsidiaries.
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation have been granted.
- No options have been granted at a discount.

Audit and risk committee

The audit and risk committee (the "ARC") carried out its functions in accordance with section 201B (5) of the Act, including the following:

- Reviews the audit plans of the internal and external auditors of the Company, and reviews the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Company's management to the external and internal auditors;

- Reviews the quarterly, half-yearly and annual financial statements and the auditor's report on the annual financial statements of the Company before their submission to the Board of Directors;
- Reviews effectiveness of the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditors;
- Meets with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARC;
- Reviews legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- Reviews the cost effectiveness and the independence and objectivity of the external auditor;
- Reviews the nature and extent of non-audit services provided by the external auditor;
- Recommends to the Board of Directors the external auditor to be nominated, approves the compensation of the external auditor, and reviews the scope and results of the audit;
- Reports actions and minutes of the ARC to the Board of Directors with such recommendations as the ARC considers appropriate; and
- Reviews interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual.

The ARC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor. The ARC has also conducted a review of interested person transactions.

The ARC convened four meetings during the year with all members present. The ARC has also met with internal and external auditors, without the presence of the Company's management, at least once a year.

Further details regarding the ARC are disclosed in the Corporate Governance Report.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Mr Joseph Wong Wai Leung
Director

Ms Tan Poh Lan
Director

4 April 2022

INDEPENDENT
AUDITORS' REPORT

Members of the Company
Cordlife Group Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Cordlife Group Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2021, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended on that date, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 47 to 118.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS (I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the '*Auditors' responsibilities for the audit of the financial statements'* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><td colspan="2">Revenue recognition amounting to $56,669,000
(Refer to Note 4 to the financial statements)</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>The Group enters into long-term cord blood, cord lining and cord tissue banking service contracts with tenure ranging from 18 to 75 years.

For each contract, the Group has identified several performance obligations. Revenue is allocated to each performance obligation based on the expected costs plus an appropriate margin.

Significant management judgements have been applied in the inputs to the cost model in deriving the expected total costs to be incurred; and to determine the margin for each performance obligations.</td><td>We considered the terms of the key contracts and the appropriateness of the revenue recognition policies.

We tested the effectiveness of key controls over revenue recognition and reconciliation.

Our substantive procedures included the following:

● Assessed the reasonableness of management's estimation of the total cost of the contracts, including retrospective review of estimates made in prior period.

● Assessed the reasonableness of the margin used in allocating revenue to each performance obligation.

● Recomputed the amount of revenue to be recognised for the year for selected samples.

We noted that management's identification of performance obligations and allocation of revenue to each performance obligation were reasonable.</td></tr>
</table>

<table>
<tr><td colspan="2">Impairment assessment of goodwill amounting to $27,618,000
(Refer to Note 13 to the financial statements)</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>The Group has recognised a significant amount of goodwill, arising from the Group's acquisition of Stemlife Berhad and its subsidiaries, and Healthbaby Biotech (Hong Kong) Co., Limited and its subsidiary. These entities have been identified as separate cash generating units (CGUs).

Management has assessed the recoverable amounts of the CGUs calculated based on their value-in-use, using discounted cash flow forecasts in which the management made judgements over certain key inputs in relation to cash flows and discount rates.

The Group did not recognise impairment loss on goodwill during the year.</td><td>Our review of the impairment assessment by management included the following:

● Assessed the appropriateness of the determination of CGUs.

● Assessed the appropriateness and reasonableness of the methodology used to estimate the recoverable amount, and key assumptions including cash flows and discount rates used by management.

Based on the procedures performed, we are satisfied that the value-in-use amounts are in excess of the carrying amounts, and no impairment is required.

We also noted that the Group's disclosures in the financial statements were appropriate.</td></tr>
</table>

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Quek Shu Ping.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
4 April 2022

CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME

Year ended 31 December 2021

	Note	2021 $'000	2020 $'000 (Restated)
Revenue	4	56,669	58,987
Cost of sales		(17,186)	(18,881)
Gross profit		39,483	40,106
Other operating income	5	826	2,907
Selling and marketing expenses		(17,537)	(18,432)
Administrative expenses		(18,454)	(19,463)
Finance income	6	2,267	2,228
Finance costs	6	(200)	(341)
Profit before income tax from operations		6,385	7,005
Fair value gain/(loss) on investment properties	12	179	(194)
Reversal of impairment loss on investment in associate	10	–	386
Share of profit of associate	10	432	367
Gain/(loss) on financial asset at fair value through profit or loss		13	(13)
Profit before income tax		7,009	7,551
Tax expense	8	(874)	(1,001)
Profit for the year	7	6,135	6,550
Other comprehensive loss:			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation		(607)	(179)
Total comprehensive income for the year		5,528	6,371
Profit for the year attributable to:			
Owners of the Company		6,135	6,547
Non-controlling interests		–	3
		6,135	6,550
Total comprehensive income for the year attributable to:			
Owners of the Company		5,528	6,368
Non-controlling interests		–	3
		5,528	6,371
Earnings per share (cents per share):			
Basic	9	2.40	2.57
Diluted	9	2.39	2.55

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2021

	Note	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
Non-current assets					
Property, plant and equipment	11	16,403	16,425	6,558	6,910
Investment properties	12	3,513	7,531	1,848	2,305
Intangible assets	13	31,539	31,972	730	616
Deferred tax assets	23	672	1,139	–	–
Investment in subsidiaries	28	–	–	62,620	62,620
Investment in associate	10	1,106	769	–	–
Long-term investments	14	4,357	–	4,357	–
Contract assets	4	66,573	68,247	42,211	44,098
Other receivables	16	–	1	–	1
Fixed deposits	19	9,731	3,244	–	–
		133,894	129,328	118,324	116,550
Current assets					
Inventories	17	1,428	1,659	283	381
Prepayments		2,162	2,584	1,046	778
Trade receivables	15	23,961	23,391	10,842	9,726
Other receivables	16	5,460	3,115	696	525
Tax recoverable		1,921	1,181	–	–
Amounts owing by subsidiaries	18	–	–	23,381	21,883
Short-term investments	14	15,411	19,821	–	4,491
Fixed deposits	19	33,760	16,113	8,268	–
Pledged fixed deposits	19	257	10,086	–	–
Cash and cash equivalents	20	15,458	25,938	3,438	11,509
		99,818	103,888	47,954	49,293
Total assets		233,712	233,216	166,278	165,843

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2021

	Note	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
Current liabilities					
Trade and other payables	21	11,423	14,251	4,431	4,204
Amounts owing to subsidiaries	18	–	–	15,378	10,407
Interest-bearing borrowings	22	–	310	–	310
Lease liabilities		2,124	1,580	174	298
Contract liabilities	4	9,026	7,792	4,019	3,876
Tax payable		1,666	2,471	–	–
		24,239	26,404	24,002	19,095
Net current assets		75,579	77,484	23,952	30,198
Non-current liabilities					
Other payables	21	662	543	–	–
Amounts owing to subsidiaries	18	–	–	13,395	13,268
Interest-bearing borrowings	22	–	3,678	–	3,678
Lease liabilities		843	2,085	139	313
Contract liabilities	4	67,108	62,659	15,668	15,310
Deferred tax liabilities	23	4,171	4,625	15	15
		72,784	73,590	29,217	32,584
Total liabilities		97,023	99,994	53,219	51,679
Net assets		136,689	133,222	113,059	114,164
Equity attributable to owners of the Company					
Share capital	24	95,163	95,646	95,163	95,646
Treasury shares	24	(13,290)	(14,073)	(13,290)	(14,073)
Accumulated profits		69,407	65,570	30,233	31,632
Other reserves	25	(14,851)	(14,047)	953	959
		136,429	133,096	113,059	114,164
Non-controlling interests		260	126	–	–
Total equity		136,689	133,222	113,059	114,164
Total equity and liabilities		233,712	233,216	166,278	165,843

The accompanying notes form an integral part of these financial statements.

	Note	Share capital $'000	Treasury shares $'000	Accumulated profits $'000	Share-based compensation reserve $'000	Capital reserve $'000	Merger reserve $'000	Acquisition reserve $'000	Foreign currency translation reserve $'000	Non-controlling interests $'000	Total equity $'000
Group											
At 1 January 2020		95,994	(14,700)	61,563	697	568	534	(11,740)	(3,767)	123	129,272
Total comprehensive income/(loss) for the year											
Profit for the year		–	–	6,547	–	–	–	–	–	3	6,550
Other comprehensive loss											
Foreign currency translation		–	–	–	–	–	–	–	(179)	–	(179)
Total comprehensive income/(loss) for the year		–	–	6,547	–	–	–	–	(179)	3	6,371
Transactions with owners, recognised directly in equity											
Contributions by and distributions to owners											
Grant of share awards to employees		–	–	–	119	–	–	–	–	–	119
Reissuance of treasury shares pursuant to equity compensation plan	24	(348)	627	–	(279)	–	–	–	–	–	–
Dividends	34	–	–	(2,540)	–	–	–	–	–	–	(2,540)
Total contributions by and distributions to owners		(348)	627	(2,540)	(160)	–	–	–	–	–	(2,421)
At 31 December 2020		95,646	(14,073)	65,570	537	568	534	(11,740)	(3,946)	126	133,222

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY

Year ended 31 December 2021

	Note	Share capital $'000	Treasury shares $'000	Accumulated profits $'000	Share-based compensation reserve $'000	Capital reserve $'000	Merger reserve $'000	Acquisition reserve $'000	Foreign currency translation reserve $'000	Non-controlling interests $'000	Total equity $'000
Group											
At 1 January 2021		95,646	(14,073)	65,570	537	568	534	(11,740)	(3,946)	126	133,222
Total comprehensive income/(loss) for the year											
Profit for the year		–	–	6,135	–	–	–	–	–	–	6,135
Other comprehensive loss											
Foreign currency translation		–	–	–	–	–	–	–	(607)	–	(607)
Total comprehensive income/(loss) for the year		–	–	6,135	–	–	–	–	(607)	–	5,528
Transactions with owners, recognised directly in equity											
Contributions by and distributions to owners											
Grant of share awards to employees		–	–	–	294	–	–	–	–	–	294
Reissuance of treasury shares pursuant to equity compensation plan	24	(483)	783	–	(300)	–	–	–	–	–	–
Dividends	34	–	–	(2,298)	–	–	–	–	–	–	(2,298)
Total contributions by and distributions to owners		(483)	783	(2,298)	(6)	–	–	–	–	–	(2,004)
Changes in ownership interests in subsidiary											
Acquisition of non-controlling interests in subsidiary	28	–	–	–	–	–	–	(191)	–	134	(57)
Total changes in ownership interest in subsidiary		–	–	–	–	–	–	(191)	–	134	(57)
At 31 December 2021		95,163	(13,290)	69,407	531	568	534	(11,931)	(4,553)	260	136,689

The accompanying notes form an integral part of these financial statements.

STATEMENT OF
CHANGES IN EQUITY

Year ended 31 December 2021

	Note	Share capital $'000	Treasury shares $'000	Accumulated profits $'000	Capital reserve $'000	Share-based compensation reserve $'000	Total equity $'000
Company							
At 1 January 2020		95,994	(14,700)	30,653	422	697	113,066
Total comprehensive income for the year							
Profit for the year		–	–	3,519	–	–	3,519
Total comprehensive income for the year		–	–	3,519	–	–	3,519
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Grant of share awards to employees		–	–	–	–	119	119
Reissuance of treasury shares pursuant to equity compensation plan	24	(348)	627	–	–	(279)	–
Dividends	34	–	–	(2,540)	–	–	(2,540)
Total contributions by and distributions to owners		(348)	627	(2,540)	–	(160)	(2,421)
At 31 December 2020		95,646	(14,073)	31,632	422	537	114,164
At 1 January 2021		95,646	(14,073)	31,632	422	537	114,164
Total comprehensive income for the year							
Profit for the year		–	–	899	–	–	899
Total comprehensive income for the year		–	–	899	–	–	899
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners							
Grant of share awards to employees		–	–	–	–	294	294
Reissuance of treasury shares pursuant to equity compensation plan	24	(483)	783	–	–	(300)	–
Dividends	34	–	–	(2,298)	–	–	(2,298)
Total contributions by and distributions to owners		(483)	783	(2,298)	–	(6)	(2,004)
At 31 December 2021		95,163	(13,290)	30,233	422	531	113,059

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the financial year ended 31 December 2021

	Note	2021 $'000	2020 $'000 (Restated)
Cash flows from operating activities			
Profit before income tax		7,009	7,551
Adjustments for:			
Depreciation of property, plant and equipment	11	2,636	2,913
Amortisation of intangible assets	13	936	1,230
Impairment loss on trade and non-trade receivables and bad debt written off, net	7	1,560	1,817
Gain on disposal of property, plant and equipment and investment properties, net		(24)	(12)
Interest income	6	(2,267)	(2,228)
Interest expense	6	200	341
Share-based compensation expense		294	119
Fair value (gain)/loss on investment properties	12	(179)	194
Investment loss/(income)	5	282	(141)
(Gain)/loss on financial asset at fair value through profit or loss		(13)	13
Reversal of impairment loss on investment in associate	10	–	(386)
Share of profit of associate	10	(432)	(367)
Unrealised exchange (gain)/loss		(373)	361
		9,629	11,405
Changes in:			
Trade receivables		(2,355)	(879)
Contract assets		1,438	1,498
Other receivables and prepayments		(103)	(6)
Inventories		231	(316)
Trade and other payables		(3,101)	(1,966)
Lease liabilities		(2,413)	(1,254)
Contract liabilities		5,569	6,351
Cash generated from operations		8,895	14,833
Interest received		1,493	2,025
Interest paid		(35)	(152)
Income tax paid		(852)	(806)
Net cash from operating activities		9,501	15,900

The accompanying notes form an integral part of these financial statements.

for the financial year ended 31 December 2021

	Note	2021 $'000	2020 $'000 (Restated)
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,195)	(1,143)
Purchase of intangible assets		(375)	(232)
Proceeds from sale of investment properties		1,300	–
Proceeds from disposal of fixed assets		65	3
Dividend received		84	131
Redemption/(placement) of short-term investments		257	(431)
Redemption of long-term investments		–	5,145
Transfer to fixed deposits, net		(24,044)	(4,805)
Net cash used in investing activities		(23,908)	(1,332)
Cash flows from financing activities			
Transfer from pledged fixed deposits		9,708	–
Acquisition of non-controlling interest in subsidiary	28	(57)	–
Repayment of interest-bearing borrowings	22	(3,988)	(310)
Dividends paid	34	(2,298)	(2,540)
Cash flows from/(used in) financing activities		3,365	(2,850)
Net (decrease)/increase in cash and cash equivalents		(11,042)	11,718
Cash and cash equivalents at beginning of the year		25,938	14,784
Effects of exchange rate changes on the balance of cash and cash equivalents		562	(564)
Cash and cash equivalents at end of the year		15,458	25,938

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 4 April 2022.

1 Domicile and activities

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").

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 disclosed in Note 28 to the financial statements.

The financial statements of the Group comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in equity-accounted investees.

2 Basis of preparation

2.1 Statement of compliance

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

2.2 Basis of measurement

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

2.3 Functional and presentation currency

These 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.

2.4 Use of estimates and judgements

The preparation of the 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.

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 financial statements is included in the following note:

- Note 4 – revenue recognition: whether revenue from rendering of cord blood, cord lining and cord tissue banking services is recognised over time or point in time.

2 Basis of preparation (cont'd)

2.4 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 financial year are included in the following notes:

- Note 12 – fair value of investment properties: determination of fair value of investment properties based on the valuation technique and significant unobservable inputs;
- Note 13 – impairment of non-financial assets: key assumptions used in discounted cash flow projections for the recoverable amounts; and
- Note 31(i) – measurement of expected credit losses allowance for trade and other receivables and contract assets: key assumptions in determining the weighted-average loss rate.

2.5 New standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2021:

- *COVID-19-Related Rent Concessions (Amendments to SFRS(I) 16)*
- *Interest Rate Benchmark Reform - Phase 2 (Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16*

The application of these amendments to the standards and interpretations does not have a material effect on the financial statements.

3 Significant accounting policies

The significant accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.5, which addresses changes in accounting policies.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see note ii). In determining whether a particular set of activities acquired includes, at a minimum, an input and substantive process and whether the acquired set as the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

3 Significant accounting policies (cont'd)

3.1 Basis of consolidation (cont'd)

(i) Business combinations (cont'd)

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by SFRS(I).

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. Adjustments to NCI arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(iii) Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any NCI and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost.

(iv) Investments in associate

An associate is an entity over which the Group has significant influence, but not control or joint control, over the financial and operating policies of the entity. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Investment in associate is accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ("OCI") of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in the equity-accounted associate, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

3 Significant accounting policies (cont'd)

3.1 Basis of consolidation (cont'd)

(v) Transaction eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vi) Subsidiaries and associates in the separate financial statements

Investments in subsidiaries and associates are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations, excluding goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI, and presented in the foreign currency translation reserve ("translation reserve") in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. 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. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI, and are presented in the translation reserve in equity.

3 Significant accounting policies (cont'd)

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;

3 Significant accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Financial assets at FVTPL (cont'd)

Financial assets: Business model assessment (cont'd)

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

3 Significant accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in 'other operating income' in the statement of comprehensive income.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. These financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. These financial liabilities comprised interest-bearing borrowings and trade and other payables.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
  - substantially all of the risks and rewards of ownership of the financial asset are transferred;
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

3 Significant accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(vi) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

3.4 Property, plant and equipment

All items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

Furniture and fittings	–	3 to 5 years
Laboratory equipment	–	5 to 10 years
Office equipment	–	3 to 10 years
Motor vehicles	–	3 to 5 years
Leasehold improvement	–	3 to 7 years
Buildings	–	50 to 60 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

The gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

3 Significant accounting policies (cont'd)

3.5 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

3.6 Intangible assets

(i) Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see Note 3.1(i).

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

(ii) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

(iii) Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than club membership and goodwill, from the date that they are available for use. The estimated useful lives for the current and comparative years are as follows:

Customer contracts	–	12 to 20 years
Computer software	–	3 to 5 years
Brand	–	15 years
Licences and trademarks	–	3 to 10 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3 Significant accounting policies (cont'd)

3.7 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses, except for right-of-use assets that meet the definition of investment property are carried at fair value in accordance with Note 3.5.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

3 Significant accounting policies (cont'd)

3.7 Leases (cont'd)

(i) As a lessee (cont'd)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in SFRS(I) 9 to the net investment in the lease (see Note 3.9(i)). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'other income'. Rental income from sub-leased property is also recognised as 'other income'.

3 Significant accounting policies (cont'd)

3.8 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on a weighted-average cost basis. Inventories mainly consist of materials used in the provision of cord blood, cord lining and cord tissue banking services.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

3.9 Impairment

(i) Non-derivative financial assets and contract assets

Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECL") on financial assets measured at amortised cost.

Loss allowances of the Group are measured on either of the following basis:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or

- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial assets. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

- the financial asset is more than 90 days past due.

3 Significant accounting policies (cont'd)

3.9 Impairment (cont'd)

(i) Non-derivative financial assets and contract assets (cont'd)

General approach (cont'd)

The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

3 Significant accounting policies (cont'd)

3.9 Impairment (cont'd)

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value-in-use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.10 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the reporting date.

3 Significant accounting policies (cont'd)

3.10 Employee benefits (cont'd)

Employee equity compensation plans

Employees (including senior executives) of the Group receive remuneration in the form of share awards as consideration for services rendered.

The grant date fair value of equity-settled share-based payment awards granted to employee is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market condition or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. In the case where the award does not vest as the result of a failure to meet a non-vesting condition that is within the control of the Group or the employee, it is accounted for as a cancellation. In such case, the amount of the compensation cost that otherwise would be recognised over the remainder of the vesting period is recognised immediately in profit or loss upon cancellation.

3.11 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.12 Revenue

Revenue from cord blood, cord lining and cord tissue banking services is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative standalone selling prices of the promised services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the POs if it relates specifically to those POs.

Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

3 Significant accounting policies (cont'd)

3.13 Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. These grants are then recognised in profit or loss as 'other income'. Grants that compensate the Group for expenses incurred are recognised in profit or loss as 'other income' on a systematic basis in the same periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

3.14 Finance income and finance costs

Finance income comprises interest income on funds invested (including financial assets at FVTPL).

Finance costs comprise interest expense on borrowings that are recognised in profit or loss.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.15 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

3 Significant accounting policies (cont'd)

3.15 Tax (cont'd)

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Other taxes

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax ("GST") except:

(a) where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(b) receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

3.16 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

3 Significant accounting policies (cont'd)

3.17 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the GCEO (the chief operating decision maker) to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the GCEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3.18 New standards and interpretations not yet adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following amendments to SFRS(I) are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

- *SFRS(I) 17 Insurance Contracts and amendments to SFRS(I) 17 Insurance Contracts*
- *Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to SFRS(I) 16)*
- *Reference to the Conceptual Framework (Amendments to SFRS(I) 3)*
- *Property, plant and equipment - Proceeds before Intended Use (Amendments to SFRS(I) 1-16)*
- *Onerous Contracts - Cost of Fulfilling a Contract (Amendments to SFRS(I) 37)*
- *Classification of Liabilities as Current or Non-current (Amendments to SFRS(I) 1-1)*
- *Annual Improvements to SFRS(I)s 2018-2020*
- *Disclosure of Accounting Policies (Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2)*
- *Definition of Accounting Estimates (Amendments to SFRS(I) 1-8)*
- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to SFRS(I) 1-12)*

4 Revenue

	Group	
	2021	**2020**
	$'000	**$'000**
		(Restated)
Rendering of cord blood, cord lining and cord tissue banking services	44,777	47,842
Finance income on contract assets	8,188	8,371
Rendering of other services	3,704	2,774
	56,669	58,987

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.

4 Revenue (cont'd)

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	Cryopreservation 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

Contract balances

		Group		Company	
	Note	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Trade receivables	15	23,961	23,391	10,842	9,726
Contract assets		66,573	68,247	42,211	44,098
Contract liabilities – current		9,026	7,792	4,019	3,876
Contract liabilities – non-current		67,108	62,659	15,668	15,310

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on rendering of cord blood, cord lining and cord tissue banking services. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

The contract liabilities primarily relate to advance consideration received from customers for the rendering of cord blood, cord lining and cord tissue banking services.

4 Revenue (cont'd)

Contract balances (cont'd)

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

	Contract assets		Contract liabilities	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	–	–	7,792	5,924
Increases due to cash received, excluding amounts recognised as revenue during the year	–	–	(5,569)	(6,351)
Increase due to revenue recognition and invoicing	1,701	1,833	–	–
Impairment loss on contract assets	(263)	(335)	–	–

Significant judgements are used to estimate these total contract costs to complete. In making these estimates, management has relied on past experience and evidence. The estimated total contract costs is reviewed every reporting period and adjusted where necessary, with the corresponding effect of change being recognised prospectively from the date of change.

Transaction price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date.

	2022-2026	2027-2031	2032-2036	2037-2041	>2042	Total
	$'000	$'000	$'000	$'000	$'000	$'000
2021						
Rendering of cord blood, cord lining and cord tissue banking services: storage revenue	47,855	39,120	23,389	8,610	7,616	126,590

	2021-2025	2026-2030	2031-2035	2036-2040	>2041	Total
	$'000	$'000	$'000	$'000	$'000	$'000
2020						
Rendering of cord blood, cord lining and cord tissue banking services: storage revenue	47,975	40,485	24,485	8,526	5,713	127,184

The Group applies the practical expedient in paragraph 121 of SFRS(I) 15 and does not disclose information about its remaining performance obligations if:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or
- the Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, then it recognises revenue in that amount.

5 Other operating income

	Group 2021 $'000	Group 2020 $'000
Rental income	111	96
Gain on disposal of property, plant and equipment and investment properties, net	24	5
Fair value (loss)/gain on short-term investments	(282)	141
Grant income*	507	2,260
Others	466	405
	826	2,907

* In FY2021, the Group recognised grant income of $325,000 (2020: $2,097,000) relating to government financial support schemes provided during the COVID-19 pandemic.

6 Finance income and finance costs

	Group 2021 $'000	Group 2020 $'000
Interest income from fixed deposits	1,440	1,348
Interest income from short-term and long-term investments	827	880
Finance income	2,267	2,228
Interest expense on interest-bearing borrowings	(35)	(147)
Interest expense on lease liabilities	(165)	(194)
Finance costs	(200)	(341)
Net finance income	2,067	1,887

7 Profit for the year

The following items have been included in arriving at profit for the year:

	Note	Group 2021 $'000	Group 2020 $'000
Employee benefits expense	29	21,433	22,404
Audit fees paid to auditors of the Company		492	451
Non-audit fees paid to auditors of the Company		40	45
Depreciation of property, plant and equipment	11	2,636	2,913
Amortisation of intangible assets	13	936	1,230
Impairment loss on trade receivables, net	31(i)	1,515	1,562
Impairment loss on non-trade receivables	16	–	255
Bad debts written off		45	–

8 Tax expense

	Group 2021 $'000	Group 2020 $'000
Current tax expense		
Current year	1,475	2,677
Over-provision in respect of previous years	(240)	(27)
	1,235	2,650
Deferred tax expense		
Movement of temporary differences	(361)	(1,649)
	874	1,001
Reconciliation of effective tax rate		
Profit before income tax	7,009	7,551
Tax using the Singapore tax rate of 17% (2020: 17%)	1,192	1,284
Effect of tax rates in foreign jurisdictions	135	97
Deferred tax assets not recognised	40	143
Non-deductible expenses	520	549
Tax-exempt income	(345)	(587)
Recognition of tax effect of previously unrecognised tax losses	(427)	(414)
Effect of partial tax exemption	(17)	(17)
Over-provision in respect of previous years	(240)	(27)
Others	16	(27)
	874	1,001

9 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted-average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing profit attributable to owners of the Company by the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

The following reflects the profit and share data used in the computation of basic and diluted earnings per share:

	Group 2021 $'000	Group 2020 $'000
Profit for the financial year attributable to owners of the Company	6,135	6,547
	'000	**'000**
Weighted-average number of ordinary shares for basic earnings per share computation	255,095	254,311
Effects of dilution – share grants	1,137	2,059
Weighted-average number of ordinary shares for diluted earnings per share computation	256,232	256,370

10 Investment in associate

	Group	
	2021	2020
	$'000	$'000
Shares, at cost	316	316
Share of post-acquisition results of associate	654	306
Other comprehensive income	136	147
	1,106	769

Details of the associated company is as follows:

Name of company	Principal place of business/country of incorporation	Principal activity	Proportion of ownership interest	
			2021	2020
			%	%
Held by Stemlife Berhad				
Thai Stemlife Co., Ltd[1]	Thailand	Cord blood banking services	39.61	39.61

[1] Audited by KPMG Phoomchai Audit Ltd

Investment in associate comprises of a 39.61% stake in Thai Stemlife Co., Ltd ("TSL") through Stemlife Berhad.

10 Investment in associate (cont'd)

The summarised financial information of the associated company is as follows:-

	Group	
	2021	2020
	$'000	$'000
Revenue		
- for the financial year	4,536	4,090
- previously not equity-accounted for	–	14,161
Total revenue	4,536	18,251
Net profit		
- for the financial year	1,080	513
- previously not equity-accounted for	–	407
Other comprehensive (loss)/income		
- for the financial year	–	(28)
- previously not equity-accounted for	–	396
Total comprehensive income attributable to associate's shareholders	1,080	1,288
Non-current assets	1,581	1,446
Current assets	3,766	3,325
Non-current liabilities	(1,732)	(148)
Current liabilities	(850)	(2,701)
Net assets	2,765	1,922
Carrying amount of interest in associate at beginning of the year	769	–
Reversal of impairment of investment in associate	–	386
Group's share of:		
- profit for the year	432	205
- profit previously not equity-accounted for	–	162
Other comprehensive (loss)/income	(11)	147
Dividend received during the year	(84)	(131)
Carrying amount of interest in associate at end of the year	1,106	769

11 Property, plant and equipment

	Furniture and fittings $'000	Laboratory equipment $'000	Office equipment $'000	Motor vehicles $'000	Leasehold improvement $'000	Buildings $'000	Construction-in-progress $'000	Total $'000
Group								
Cost								
At 1 January 2020	1,178	10,154	3,604	197	4,949	15,297	198	35,577
Additions	48	192	584	60	23	2,241	428	3,576
Disposals	(2)	(100)	(367)	(51)	–	(100)	–	(620)
Transfer from construction-in-progress	–	351	43	–	–	17	(411)	–
Exchange rate adjustments	(16)	(57)	(51)	(1)	(49)	(164)	(9)	(347)
At 31 December 2020	1,208	10,540	3,813	205	4,923	17,291	206	38,186
At 1 January 2021	1,208	10,540	3,813	205	4,923	17,291	206	38,186
Additions	85	439	340	–	50	1,307	478	2,699
Disposals	(10)	(6)	(432)	–	–	(136)	(1)	(585)
Transfer from construction-in-progress	–	151	89	–	–	–	(240)	–
Exchange rate adjustments	7	17	(4)	–	28	(3)	53	98
At 31 December 2021	1,290	11,141	3,806	205	5,001	18,459	496	40,398
Accumulated depreciation								
At 1 January 2020	1,047	8,201	2,804	130	4,577	2,724	–	19,483
Depreciation charge for the year	172	674	395	41	107	1,524	–	2,913
Disposals	(1)	(100)	(170)	(51)	–	(100)	–	(422)
Exchange rate adjustments	(14)	(89)	(42)	1	(43)	(26)	–	(213)
At 31 December 2020	1,204	8,686	2,987	121	4,641	4,122	–	21,761
At 1 January 2021	1,204	8,686	2,987	121	4,641	4,122	–	21,761
Depreciation charge for the year	30	445	424	38	101	1,598	–	2,636
Disposals	(10)	(6)	(430)	–	–	–	–	(446)
Exchange rate adjustments	7	16	(3)	(1)	27	(2)	–	44
At 31 December 2021	1,231	9,141	2,978	158	4,769	5,718	–	23,995
Carrying amounts								
At 1 January 2020	131	1,953	800	67	372	12,573	198	16,094
At 31 December 2020	4	1,854	826	84	282	13,169	206	16,425
At 31 December 2021	59	2,000	828	47	232	12,741	496	16,403

11 Property, plant and equipment (cont'd)

Company	Furniture and fittings $'000	Laboratory equipment $'000	Office equipment $'000	Leasehold improvement $'000	Buildings $'000	Construction-in-progress $'000	Total $'000
Cost							
At 1 January 2020	438	1,986	1,318	841	7,238	–	11,821
Additions	8	29	402	18	73	–	530
Disposals	(1)	–	(292)	–	(87)	–	(380)
At 31 December 2020	445	2,015	1,428	859	7,224	–	11,971
At 1 January 2021	445	2,015	1,428	859	7,224	–	11,971
Additions	–	174	80	2	–	39	295
Derecognition of rights-of-use asset	–	–	–	–	(74)	–	(74)
At 31 December 2021	445	2,189	1,508	861	7,150	39	12,192
Accumulated depreciation							
At 1 January 2020	412	1,692	912	753	805	–	4,574
Depreciation charge for the year	12	108	161	38	352	–	671
Disposals	–	–	(97)	–	(87)	–	(184)
At 31 December 2020	424	1,800	976	791	1,070	–	5,061
At 1 January 2021	424	1,800	976	791	1,070	–	5,061
Depreciation charge for the year	10	70	175	24	294	–	573
At 31 December 2021	434	1,870	1,151	815	1,364	–	5,634
Carrying amounts							
At 1 January 2020	26	294	406	88	6,433	–	7,247
At 31 December 2020	21	215	452	68	6,154	–	6,910
At 31 December 2021	11	319	357	46	5,786	39	6,558

The Group's and the Company's leasehold building with a carrying amount of $Nil (2020: $6,154,000) were mortgaged to secure the Group's and the Company's interest-bearing borrowings (Note 22).

Property, plant and equipment includes right-of-use assets of $3,747,000 (2020: $3,856,000) (Note 27).

12 Investment properties

	Note	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
Statements of financial position:					
At 1 January		7,531	7,730	2,305	2,325
Disposal		(4,131)	–	(560)	–
Change in fair value		179	(194)	103	(20)
Exchange rate adjustments		(66)	(5)	–	–
At 31 December		3,513	7,531	1,848	2,305
Statement of comprehensive income:					
Rental income from investment properties:					
Minimum lease payments		111	96	84	91
Direct operating expenses arising from:					
Rental generating properties		29	31	19	30
Non-rental generating properties		18	29	–	–

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop its investment properties or for repairs, maintenance or enhancements.

Changes in fair values are recognised as gain or loss in profit or loss.

Investment properties amounting to $Nil (2020: $2,305,000) were mortgaged to secure the Group's and the Company's interest-bearing borrowings (Note 22).

The investment properties held by the Group and the Company as at 31 December 2021 are as follows:

Description and location	Tenure	Lease term
Group		
3 office units, A'Posh Bizhub 1 Yishun Industrial Street 1, Singapore	Leasehold	60 years
Unit 6.06, Wisma Perintis, Jalan Dungun, Damansara Heights, 50490 Kuala Lumpur	Freehold	Freehold
B-1-8, Greentown Square, Jalan Dato Seri Ahmad Said, 30450 Ipoh, Perak	Leasehold	99 years
No. 220, Jalan Burma, 10350 Penang	Freehold	Freehold
B-2-8, Greentown Square, Jalan Dato Seri Ahmad Said, 30450 Ipoh, Perak	Leasehold	99 years
B-3-8, Greentown Square, Jalan Dato Seri Ahmad Said, 30450 Ipoh, Perak	Leasehold	99 years
Company		
3 office units, A'Posh Bizhub 1 Yishun Industrial Street 1, Singapore	Leasehold	60 years

12 Investment properties (cont'd)

(i) Fair value hierarchy

Investment properties are stated at fair value, which has been determined based on valuations performed as at the reporting date. 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. The fair value measurement for all investment properties has been categorised as a Level 3 fair value.

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Fair value of investment property (based on valuation report)	3,513	7,531	1,848	2,305
Add: Carrying amount of lease liabilities	–	–	–	–
Carrying amount of investment property	3,513	7,531	1,848	2,305

(ii) Valuation technique and significant unobservable inputs

The following table shows the Group's valuation technique used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs
Direct comparison method	*Not applicable*

13 Intangible assets

	Customer contracts	Brand	Goodwill	Computer software	Licence	Trademark	Work-in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group								
Cost								
At 1 January 2020	2,794	3,898	27,735	3,785	860	97	896	40,065
Additions	–	–	–	114	–	–	118	232
Disposals	–	–	–	–	–	–	(103)	(103)
Transfer from WIP	–	–	–	135	–	–	(132)	3
Exchange rate adjustments	(1)	(28)	(323)	(26)	–	–	–	(378)
At 31 December 2020	2,793	3,870	27,412	4,008	860	97	779	39,819
At 1 January 2021	2,793	3,870	27,412	4,008	860	97	779	39,819
Additions	–	–	–	104	–	20	251	375
Transfer from WIP	–	–	–	334	–	–	(334)	–
Exchange rate adjustments	(14)	3	206	2	–	–	(79)	118
At 31 December 2021	2,779	3,873	27,618	4,448	860	117	617	40,312

13 Intangible assets (cont'd)

	Customer contracts $'000	Brand $'000	Goodwill $'000	Computer software $'000	Licence $'000	Trademark $'000	Work-in-progress $'000	Total $'000
Group								
Accumulated amortisation								
At 1 January 2020	1,508	1,383	–	2,854	860	50	–	6,655
Amortisation for the year	218	386	–	616	–	10	–	1,230
Exchange rate adjustments	(1)	(18)	–	(19)	–	–	–	(38)
At 31 December 2020	1,725	1,751	–	3,451	860	60	–	7,847
At 1 January 2021	1,725	1,751	–	3,451	860	60	–	7,847
Amortisation for the year	217	335	–	373	–	11	–	936
Exchange rate adjustments	(10)	(2)	–	2	–	–	–	(10)
At 31 December 2021	1,932	2,084	–	3,826	860	71	–	8,773
Carrying amounts								
At 1 January 2020	1,286	2,515	27,735	931	–	47	896	33,410
At 31 December 2020	1,068	2,119	27,412	557	–	37	779	31,972
At 31 December 2021	847	1,789	27,618	622	–	46	617	31,539

Customer contracts

Customer contracts relate to the existing cord blood, cord lining banking and cord tissue service contracts of the subsidiaries acquired, with useful lives ranging from 12 to 20 years.

Brand

Brand relates to the "Stemlife" and "Healthbaby" brand name possessed by the acquired subsidiary, Stemlife Berhad and Healthbaby Biotech (Hong Kong) Co., Limited, with an amortisation period of 15 years.

Amortisation expense

The amortisation of the intangible assets has been recognised in the "Administrative expenses" line item in the consolidated statement of comprehensive income.

Impairment testing for CGUs containing goodwill

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

	Group 2021 $'000	Group 2020 $'000
Business operations in Malaysia – Stemlife Berhad	7,466	7,580
Business operations in Hong Kong – Healthbaby and Cordlife Hong Kong	20,152	19,832
	27,618	27,412

13 Intangible assets (cont'd)

Impairment testing for CGUs containing goodwill (cont'd)

Stemlife Berhad

The recoverable amount has been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The key assumptions used in the estimation of the recoverable amount are set out below.

	2021	2020
Discount rate	12.5%	12.5%
Terminal growth rate	1.0%	1.0%
Revenue growth rates (average of next five years)	10.9%	9.4%

The calculations of value-in-use for the CGU are most sensitive to the following assumptions:

Revenue growth was projected taking into account the market share assumptions. These assumptions are important because, as well as using market data for the growth rate (as noted above), management assesses how the CGU's position, relative to its competitors, might change over the budget period. Management expects the Group's share of the market to grow over the budget period.

The terminal growth rate is based on management's estimate of long-term compound annual growth rate in budgeted profit, which management believed was consistent with the assumption that a market participant would make.

The discount rate represents the current market assessment of the risks specific to the CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and the CGU and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. The CGU's specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Healthbaby and Cordlife Hong Kong

The recoverable amount has been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The key assumptions used in the estimation of the recoverable amount are set out below.

	2021	2020
Discount rate	9.0%	9.0%
Terminal growth rate	1.0%	1.0%
Revenue growth rates (average of next five years)	6.2%	8.1%

The calculations of value-in-use for the CGU are most sensitive to the following assumptions:

Revenue growth was projected taking into account the market share assumptions. These assumptions are important because, as well as using market data for the growth rate (as noted above), management assesses how the CGU's position, relative to its competitors, might change over the budget period. Management expects the Group's share of the market to grow over the budget period.

The terminal growth rate is based on management's estimate of long-term compound annual growth rate in budgeted profit, which management believed was consistent with the assumption that a market participant would make.

13 Intangible assets (cont'd)

Impairment testing for CGUs containing goodwill (cont'd)

The discount rate represents the current market assessment of the risks specific to the CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and the CGU and derived from its WACC. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. The CGU's specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

During the financial year, no impairment loss was recognised (2020: $Nil).

Company	Computer software $'000	Trademark $'000	Work-in-progress $'000	Total $'000
Cost				
At 1 January 2020	2,224	97	405	2,726
Additions	56	–	118	174
Disposals	–	–	(103)	(103)
Transfer from WIP	132	–	(132)	–
At 31 December 2020	2,412	97	288	2,797
At 1 January 2021	2,412	97	288	2,797
Additions	–	20	251	271
Transfer from WIP	22	–	(22)	–
At 31 December 2021	2,434	117	517	3,068
Accumulated amortisation				
At 1 January 2020	1,753	54	–	1,807
Amortisation for the year	364	10	–	374
At 31 December 2020	2,117	64	–	2,181
At 1 January 2021	2,117	64	–	2,181
Amortisation for the year	146	11	–	157
At 31 December 2021	2,263	75	–	2,338
Carrying amounts				
At 1 January 2020	471	43	405	919
At 31 December 2020	295	33	288	616
At 31 December 2021	171	42	517	730

14 Investments

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Non-current				
Designated at fair value				
– Unquoted non-equity investments[(1)]	4,357	–	4,357	–
	4,357	–	4,357	–
Current				
Designated at fair value				
– Unquoted non-equity investments[(1)]	–	4,491	–	4,491
Mandatorily at FVTPL				
– Unquoted non-equity investments[(2)]	15,411	15,330	–	–
	15,411	19,821	–	4,491

(1) In the financial year ended 30 June 2016, the Group subscribed for a Class A Redeemable Convertible Note ("RCN") in the principal amount of $4,200,000 from CellResearch Corporation Pte. Ltd. ("CRC"). The RCN bears interest rate of 3-month SIBOR plus 7% per annum payable annually in arrears. The RCN is classified as an unquoted non-equity investment, which is carried at fair value through profit or loss. The previous supplemental agreement, which was valid from 1 July 2019 to 30 June 2021, had matured. In July 2021, the Group had signed a new supplemental agreement to extend the RCN for another 2 years to June 2023 on the same terms. As of 31 December 2021, the RCN was classified as non-current investment.

(2) The Group's unquoted non-equity investments comprise investments in money market funds.

15 Trade receivables

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Current				
Trade receivables	30,255	28,530	12,105	10,936
Less: Impairment loss	(6,294)	(5,139)	(1,263)	(1,210)
	23,961	23,391	10,842	9,726

Trade receivables (current) are non-interest bearing and generally settled on 30 to 60 day terms.

The Company's current trade receivables were pledged to secure the Group's and the Company's interest-bearing borrowings (Note 22).

The Group and the Company's exposure to credit and currency risks, and impairment losses for trade and other receivables, are disclosed in Note 31.

16 Other receivables

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Non-current				
Other receivables	–	1	–	1
Current				
Interest receivable	1,146	1,026	2	–
GST receivable	224	495	182	101
Advances	29	107	–	2
Other receivables*	3,743	953	359	337
Deposits	318	534	153	85
	5,460	3,115	696	525

* In 2021, other receivables includes a receivable of $2,767,000 for the sale of investment property (2020: $Nil).

In 2020, the Group recognised an impairment loss on other receivables due from a third party in its India subsidiary of approximately $255,000. There were no such impairment losses recognised in 2021.

17 Inventories

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Consumables, at cost	1,428	1,659	283	381

Inventories recognised as an expense in cost of sales amount to $3,807,000 (2020: $3,565,000).

18 Amounts owing by/(to) subsidiaries

Current amounts owing by/(to) subsidiaries are trade and non-trade related, unsecured, interest-free and are repayable on demand.

Non-current amounts owing to subsidiaries are non-trade related, unsecured, interest-free and are not contractually repayable within the next twelve months.

There is no allowance for doubtful debts arising from amounts owing by subsidiaries.

19 Fixed deposits

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Non-current				
Unpledged fixed deposits	9,731	3,244	–	–
Current				
Unpledged fixed deposits	33,760	16,113	8,268	–
Pledged fixed deposits	257	10,086	–	–

As at the reporting date 31 December 2021, the Group's non-current unpledged fixed deposits will mature between 1 to 2 years (2020: 1 to 2 years) and bear interest at an effective rate of 4.2% to 5.4% (2020: 6.4% to 6.9%). The Group's current unpledged fixed deposits will mature within 10 months (2020: 1 to 12 months) and bear interest at an effective rate of 0.1% to 6.9% (2020: 1.6% to 7.5%) per annum.

Pledged fixed deposits, which will mature within 5 months (2020: 6 months) and bear interest at an effective rate of 0.2% (2020: 1.6%) per annum. As at 31 December 2021, the pledged fixed deposits are pledged for a banker's guarantee issued for an office lease (2020: pledged for a banker's guarantee issued for an office lease and a short-term loan facility which gives the Company a drawdown limit of $9.0 million).

20 Cash and cash equivalents

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Cash at bank and on hand	15,458	25,938	3,438	11,509

Cash and cash equivalents denominated in foreign currencies (i.e. in currencies other than the functional currencies in which they are measured) are as follows:

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Singapore Dollar	181	142	–	–
Malaysian Ringgit	232	233	232	233
Swiss Franc	3	3	2	2
United States Dollar	71	1,715	71	1,715
Australian Dollar	2	2	2	2

For the purpose of the consolidated statement of cash flows, only cash at bank and on hand are classified as cash and cash equivalents.

21 Trade and other payables

	Group		Company	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Current				
Trade payables	2,892	4,647	82	66
Other payables	3,604	4,397	1,881	1,385
Accrued expenses	3,208	2,645	1,031	1,134
Accrual for salaries and bonuses	1,719	2,562	1,437	1,619
	11,423	14,251	4,431	4,204
Non-current				
Other payables	662	543	–	–

Current trade and other payables are non-interest bearing and are generally settled in cash on 30-day terms.

Non-current other payables are non-interest bearing and are not expected to be settled within the next 12 months.

22 Interest-bearing borrowings

	Group and Company	
	2021	2020
	$'000	$'000
Non-current		
Non-current portion of long-term loans:		
Loan I – secured	–	3,678
Current		
Current portion of long-term loans:		
Loan I – secured	–	310

Loan I comprised of a SGD bank loan drawn down on 1 July 2011 under an approved $6,450,000 loan facility secured by a first mortgage over the Group's leasehold building (Note 11) and investment properties (Note 12) and a charge over all current trade receivables of the Company (Note 15). With effect from 10 June 2014, interest rate has been revised to prevailing Enterprise Financing Rate ("EFR") - 4.0%, EFR - 3.7%, and EFR - 3.3% for the first, second and third years respectively, and 3% + 3-month SIBOR thereafter. The loan was repayable over 240 monthly instalments and was scheduled to be fully repaid in June 2031. The Group has fully redeemed the loan in March 2021.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Interest-bearing borrowings	
	2021	2020
	$'000	$'000
Balance at the beginning of the year	3,988	4,298
Changes from financing cash flows		
Repayment of borrowings	(3,988)	(310)
Balance at the end of the year	–	3,988

23 Deferred tax assets/liabilities

	Group				Company	
	Statement of financial position		Recognised in profit or loss		Statement of financial position	
	2021	2020	2021	2020	2021	2020
	$'000	$'000	$'000	$'000	$'000	$'000
Deferred tax liabilities						
Differences in depreciation for tax purposes	147	381	(233)	(34)	15	15
Fair value adjustment on acquisition of subsidiary	4,024	4,387	(382)	(433)	–	–
	4,171	4,768			15	15
Set off tax	–	(143)	–	–	–	–
	4,171	4,625			15	15
Deferred tax assets						
Unutilised tax losses	672	1,182	254	(1,182)	–	–
Differences in depreciation for tax purposes	–	100	–	–	–	–
	672	1,282			–	–
Set off tax	–	(143)	–	–	–	–
	672	1,139			–	–
Deferred tax expense			(361)	(1,649)		

Unrecognised tax losses

At the end of the reporting period, the Group has tax losses of approximately $6,332,000 (2020: $8,608,000) that are available for offset against future taxable profits of the subsidiaries in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

Unrecognised temporary differences relating to investments in subsidiaries

At the end of the reporting period, there are unrecognised temporary differences of $16,488,000 (2020: $14,941,000) relating to investments in subsidiaries.

Tax consequences of proposed dividends

There are no income tax consequences (2020: $Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 34).

24 Share capital and treasury shares

(a) Share capital

	Group and Company			
	2021		2020	
	Number of shares		Number of shares	
	’000	$’000	’000	$’000
Issued and fully paid:				
Ordinary shares				
At the beginning of the year	267,525	95,646	267,525	95,994
Reissuance of treasury shares pursuant to equity compensation plan	–	(483)	–	(348)
At the end of the year	267,525	95,163	267,525	95,646

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

(b) Treasury shares

	Group and Company			
	2021		2020	
	Number of shares		Number of shares	
	’000	$’000	’000	$’000
At the beginning of the year	(12,943)	(14,073)	(13,518)	(14,700)
Reissuance of treasury shares pursuant to equity compensation plan	719	783	575	627
At the end of the year	(12,224)	(13,290)	(12,943)	(14,073)

Treasury shares relate to ordinary shares of the Company which are held by the Company.

25 Other reserves

Share-based compensation reserve

Share-based compensation reserve represents the equity-settled share awards granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant of share awards, and is reduced by the expiry or exercise of the share awards.

Capital reserve

Capital reserve represents the value of equity-settled share options previously granted by Life Corporation Limited to the Group’s employees, prior to the distribution in specie of all of the issued share capital of Cordlife Group Limited to Life Corporation Limited’s shareholders on 30 June 2011. Subsequent to the distribution, Cordlife Group Limited ceased to be a subsidiary of Life Corporation Limited.

The reserve is made up of the cumulative value of services received from employees recorded on grant of equity-settled share options.

Merger reserve

Merger reserve represents the difference between the consideration paid/received and the equity interests acquired/disposed, accounted for using the pooling of interest method.

25 Other reserves (cont'd)

Acquisition reserve

Acquisition reserve represents the excess of the consideration over the carrying value when the Group acquired non-controlling interests in its subsidiaries.

Foreign currency translation reserve

Foreign currency translation reserve represents the exchange differences arising from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from that of the Group's presentation currency.

26 Commitments

Capital commitments

The Group and the Company do not have capital commitments in respect of property, plant and equipment that are contracted for as at 31 December 2021 and 2020.

27 Leases

Leases as lessee

The Group leases office space under non-cancellable lease arrangements, which have remaining lease terms ranging from two months to seven years (2020: four months to six years). The leases have nominal interest rates ranging from 1.4% to 16.5% (2020: 1.7% to 16.5%). There are no renewal options and contingent rent provisions included in the contracts. The Group is restricted from subleasing the premises.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment (see Note 11).

	Laboratory equipment $'000	Office equipment $'000	Buildings $'000	Total $'000
Balance at 1 January 2020	120	231	2,558	2,909
Additions to right-of-use assets	–	295	2,139	2,434
Depreciation charge for the year	(62)	(66)	(1,359)	(1,487)
Balance at 31 December 2020	58	460	3,338	3,856
Balance at 1 January 2021	58	460	3,338	3,856
Additions to right-of-use assets	8	125	1,371	1,504
Depreciation charge for the year	(39)	(99)	(1,401)	(1,539)
Derecognition of right-of-use assets	–	–	(74)	(74)
Balance at 31 December 2021	27	486	3,234	3,747

27 Leases

Leases as lessee (cont'd)

Amounts recognised in profit or loss

	2021 $'000	2020 $'000
Interest on lease liabilities	165	194
Expenses relating to short-term leases	524	370

Amounts recognised in statement of cash flows

	Group	
	2021 $'000	2020 $'000
Total cash outflow for leases	2,413	1,254

Leases as lessor

The Group has entered into commercial property leases on its investment properties. These non-cancellable leases have remaining lease terms up to 24 months (2020: up to 24 months). There are no renewal options and contingent rent provisions included in the contracts. The lessees are restricted from subleasing the premises. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group $'000	Company $'000
2021		
Within one year	112	94
After one year but not more than five years	17	–
	129	94
2020		
Within one year	113	84
After one year but not more than five years	43	43
	156	127

28 Investment in subsidiaries

	Company	
	2021 $'000	2020 $'000
Unquoted equity shares, at cost	92,083	92,083
Less: Impairment loss	(29,463)	(29,463)
	62,620	62,620

28 Investment in subsidiaries (cont'd)

Management assessed the recoverable amount of the subsidiaries using the estimated fair value less costs to sell method. The Company recognised an impairment loss on investment in subsidiaries of $Nil (2020: $225,000) during the financial year.

Name of Company	Principal activities	Country of incorporation	Percentage of equity held 2021 %	Percentage of equity held 2020 %
Held by the Company				
Cordlife (Hong Kong) Limited[1]	Cord blood, cord lining and cord tissue banking and diagnostics services	Hong Kong	100	100
Cordlife Stem Cell Technology Limited[9]	Cord lining banking services	Hong Kong	100	100
Healthbaby Biotech (Hong Kong) Co., Limited[1]	Cord blood, cord lining and cord tissue banking services	Hong Kong	100	100
Cordlife Technologies Pte. Ltd.[2]	Cord lining banking and diagnostics services	Singapore	100	100
CS Cell Technologies Pte. Ltd.[2]	Investment holding	Singapore	100	100
Stemlife Berhad[3]	Cord blood banking services	Malaysia	99.03	99.03
Shanghai Cordlife Biomedical Research Co., Ltd[4]	Dormant	People's Republic of China	100	100
Held by CS Cell Technologies Pte Ltd				
Cordlife Sciences (India) Pvt. Ltd.[5]	Cord blood, cord lining and cord tissue banking and diagnostics services	India	99.99	99.99
Cordlife Medical Phils., Inc[6]	Cord blood, cord lining and cord tissue banking and diagnostics services	Philippines	99.99	99.99
PT. Cordlife Persada[7]	Cord blood, cord lining and cord tissue banking and diagnostics services	Indonesia	67	67
Held by Cordlife Stem Cell Technology Limited				
Hong Kong Screening Centre Limited[9]	Dormant	Hong Kong	100	67
Held by Stemlife Berhad				
Stemlife Properties Sdn. Bhd.[3]	Property investment company	Malaysia	99.03	99.03
Stemlife Therapeutics Sdn. Bhd.[3]	Cord lining and cord tissue banking services	Malaysia	99.03	99.03
SL Diagnostics Sdn. Bhd. (struck off on 9 February 2021)	Dormant	Malaysia	–	99.03
Stemlife Biotechnology Sdn. Bhd.[3]	Medical laboratory and diagnostic services and general medical screening tests	Malaysia	99.03	99.03
Stemlife Pte. Ltd. (struck off on 6 January 2020)	Management services	Singapore	–	–

28 Investment in subsidiaries (cont'd)

Name of Company	Principal activities	Country of incorporation	Percentage of equity held 2021 %	2020 %
Held by Healthbaby Biotech (Hong Kong) Co., Limited				
Healthbaby Biotech (Macau) Co., Limited[8]	Provision of marketing services	Macau	99	99
Held by Cordlife (Hong Kong) Limited				
Healthbaby Biotech (Macau) Co., Limited[8]	Provision of marketing services	Macau	1	1

1 Audited by KPMG, Hong Kong

2 Audited by KPMG, Singapore

3 Audited by KPMG, Kuala Lumpur

4 Audited by Shanghai Xinyi Certified Public Accountants Co. Ltd

5 Audited by KPMG, India

6 Audited by JFBalindan & Co., CPAs

7 Audited by Gani Sigiro & Handayani

8 Audited by Keng Ou CPAs

9 Audited by Li, Tang, Chen & Co.

Acquisition of non-controlling interest in subsidiary

On 11 June 2021, the Group's wholly-owned subsidiary, Cordlife Stem Cell Technology Limited acquired 660,000 ordinary shares in Hong Kong Screening Centre Limited ("HKSC") from Navigene Genetic Science Pvt. Ltd, representing approximately 33.0% of all the issued ordinary shares of HKSC for HK$329,776 (approximately $57,000). As a result of the acquisition, the carrying value of the non-controlling interest being approximately $134,000 was reversed, and the difference between the consideration and the carrying value of the non-controlling interest, being $191,000, was recognised in acquisition reserve under other reserve. The subsidiary is now a wholly owned subsidiary as at 31 December 2021.

29 Employee benefits expense

	Group 2021 $'000	Group 2020 $'000
Salaries, bonuses and other short-term benefits	19,655	20,849
Defined contribution plans	1,484	1,436
Share-based compensation expense (Cordlife Share Grant Plan)	294	119
	21,433	22,404

These include the amount shown as key management personnel compensation in Note 30.

29 Employee benefits expense (cont'd)

Cordlife Share Grant Plan

The Cordlife Share Grant Plan is a share-based long-term incentive plan for key senior management and employees of the Group which was approved by shareholders at an Extraordinary General Meeting held on 18 October 2013.

The details of the plan are described below:

Performance Share Award

Plan description	Award of fully-paid ordinary shares of the Company, conditional upon the satisfaction of specific performance targets set at the start of a two-year performance period based on medium-term Group and Company objectives.
Performance conditions	Average Return on Invested Capital and Absolute Shareholders' Return
Vesting conditions	Based on meeting stated performance conditions over a two-year performance period, 50% of award will vest. Balance will vest in the third year.
Payout	0%-200% depending on the achievement of pre-set performance targets over the performance period.

Restricted Share Award

Plan description	Award of fully-paid ordinary shares of the Company, conditional upon the satisfaction of specific performance targets set at the start of a two-year performance period based on medium-term Group and Company objectives of retaining high potential talents ("HiPo").
Performance conditions	Sustained Performance Level ("PL") Rating 1 or 2 (out of 5) and continues to remain in HiPo talent pool.
Vesting conditions	Based on meeting stated performance conditions over a two-year performance period, 50% of award will vest. Balance will vest in the third year.
Payout	0%-100% depending on the achievement of pre-set PL Rating over the performance period.

Movement of share awards during the year

	Group	
	2021	**2020**
	No. of shares	
Outstanding at the beginning of the year	3,337,550	2,169,700
– Granted	–	2,955,900
– Awarded	(718,700)	(575,250)
– Cancelled	(2,281,800)	(1,212,800)
Outstanding at the end of the year	337,050	3,337,550

The expense recognised in profit or loss for employee services received under the Cordlife Share Grant Plan during the financial year ended 31 December 2021 is $294,000 (2020: $119,000).

29 Employee benefits expense (cont'd)

Fair value of share awards granted

The fair value of services received in return for shares awarded is measured by reference to the fair value of shares granted each year under the Cordlife Share Grant Plan. The estimate of the services received is measured based on a Monte Carlo simulation model, which involves projection of future outcomes using statistical distribution of key random variables including share price and volatility of returns.

The following table lists the key inputs to the model used for the share awards:

	2020
Expected dividend yield (%)	1.31
Expected volatility (%)	36.97
Risk-free interest rate (%)	0.25 - 0.30
Expected term (years)	1 - 2
Share price at date of grant ($)	0.39

Based on the Monte Carlo simulation model, the estimated fair value at the date of grant for each share granted under the Cordlife Share Grant Plan for the year ended 31 December 2020 was $0.36 – $0.38. There were no shares granted for the year ended 31 December 2021.

30 Related party transactions

Compensation of key management personnel

	Group	
	2021	2020
	$'000	$'000
Salaries and bonuses	1,683	1,636
Defined contribution plans	124	125
Other short-term benefits	92	87
Share-based compensation	273	149
Directors' fees	291	358
	2,463	2,355
Comprise amounts paid to:		
Directors of the Company	1,008	1,016
Other key management personnel	1,455	1,339
	2,463	2,355

31 Financial instruments

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

31 Financial instruments (cont'd)

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Audit and Risk Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit and Risk Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit and Risk Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk Committee.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The carrying amounts of financial assets and contract assets represent the Group's and the Company's maximum exposures to credit risk, before taking into account any collateral held. The Group and the Company do not hold any collateral in respect of their financial assets.

Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

Exposure to credit risk

The exposure to credit risk for trade receivables and contract assets at the reporting date by geographic region was as follows:

	Group		Company	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Singapore	64,488	64,496	53,053	53,824
Hong Kong	1,152	1,009	–	–
India	1,768	2,668	–	–
Malaysia	3,176	3,984	–	–
Philippines	12,220	12,083	–	–
Indonesia	7,730	7,398	–	–
	90,534	91,638	53,053	53,824

As at 31 December 2021, the Group has an RCN from CRC of $4,357,000 classified as long-term investment (2020: $4,491,000 classified as short-term investment). Details are disclosed in Note 14 to the financial statements.

The Group has one investment in money market funds of $14,099,000 (2020: one investment in money market funds of $11,173,000) above $2,000,000. The investments are placed with regulated financial institutions.

31 Financial instruments (cont'd)

(i) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Exposure to credit risk (cont'd)

There are no other significant concentrations of credit risk within the Group.

The Group's and the Company's impaired trade receivables at 31 December 2021 had a gross carrying amount of $30,255,000 and $12,105,000, respectively (31 December 2020: $28,530,000 and $10,936,000 respectively).

Expected credit loss assessment for individual customers as at 31 December 2021 and 31 December 2020

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.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures by type of customers based on the common credit risk characteristics.

The following tables provide information about the exposure to credit risk and ECLs for trade receivables for individual customers.

	Weighted average loss rate	Gross carrying amount	Impairment loss allowance	Credit impaired
	%	$'000	$'000	
Group				
31 December 2021				
Current (not past due)	1.02	9,122	(93)	No
1-30 days past due	5.48	2,042	(112)	No
31-60 days past due	9.61	843	(81)	No
61-90 days past due	19.22	567	(109)	No
More than 90 days past due	33.36	17,681	(5,899)	Yes
		30,255	(6,294)	
31 December 2020				
Current (not past due)	1.44	7,233	(104)	No
1-30 days past due	2.72	2,056	(56)	No
31-60 days past due	3.61	1,247	(45)	No
61-90 days past due	5.07	868	(44)	No
More than 90 days past due	28.55	17,126	(4,890)	Yes
		28,530	(5,139)	

31 Financial instruments (cont'd)

(i) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Expected credit loss assessment for individual customers as at 31 December 2021 and 31 December 2020

	Weighted average loss rate %	Gross carrying amount $'000	Impairment loss allowance $'000	Credit impaired
Company				
31 December 2021				
Current (not past due)	0.35	4,296	(15)	No
1-30 days past due	1.06	1,229	(13)	No
31-60 days past due	3.53	312	(11)	No
61-90 days past due	4.06	197	(8)	No
More than 90 days past due	20.03	6,071	(1,216)	Yes
		12,105	(1,263)	
31 December 2020				
Current (not past due)	0.36	4,137	(15)	No
1-30 days past due	1.67	777	(13)	No
31-60 days past due	2.08	385	(8)	No
61-90 days past due	2.52	238	(6)	No
More than 90 days past due	21.63	5,399	(1,168)	Yes
		10,936	(1,210)	

Movements in allowance for impairment in respect of trade receivables and contract assets

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows:

	Group		Company	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
At 1 January	6,442	5,358	1,519	1,346
Impairment loss recognised	1,515	1,562	45	268
Amounts written off	(19)	(415)	(19)	(95)
Exchange differences	(78)	(63)	–	–
At 31 December	7,860	6,442	1,545	1,519

Cash and cash equivalents

The Group and the Company held cash and cash equivalents of $15,458,000 and $3,438,000 respectively at 31 December 2021 (2020: $25,938,000 and $11,509,000 respectively). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated Baa3 to Aa1, based on Moody's ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

31 Financial instruments (cont'd)

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

		Cash flows			
	Carrying amount $'000	Contractual cash flows $'000	Within 1 year $'000	Within 2-5 years $'000	Over 5 years $'000
Group					
31 December 2021					
Non-derivative financial liabilities					
Trade and other payables	12,085	(12,085)	(11,423)	(662)	–
Lease liabilities	2,967	(3,350)	(1,775)	(1,575)	–
	15,052	(15,435)	(13,198)	(2,237)	–
31 December 2020					
Non-derivative financial liabilities					
Trade and other payables	14,794	(14,794)	(14,251)	(543)	–
Interest-bearing borrowings	3,988	(3,988)	(310)	(1,398)	(2,280)
Lease liabilities	3,665	(4,581)	(1,906)	(2,675)	–
	22,447	(23,363)	(16,467)	(4,616)	(2,280)
Company					
31 December 2021					
Non-derivative financial liabilities					
Trade and other payables	4,431	(4,431)	(4,431)	–	–
Amounts owing to subsidiaries	28,773	(28,773)	(15,378)	–	(13,395)
Lease liabilities	313	(316)	(178)	(138)	–
	33,517	(33,520)	(19,987)	(138)	(13,395)
31 December 2020					
Non-derivative financial liabilities					
Trade and other payables	4,204	(4,204)	(4,204)	–	–
Amounts owing to subsidiaries	23,675	(23,675)	(10,407)	–	(13,268)
Interest-bearing borrowings	3,988	(3,988)	(310)	(1,398)	(2,280)
Lease liabilities	611	(626)	(315)	(311)	–
	32,478	(32,493)	(15,236)	(1,709)	(15,548)

31 Financial instruments (cont'd)

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk mainly arising from its cash and cash equivalents and fixed deposit denominated in USD.

At the end of the reporting period, if USD/SGD strengthened/weakened by 5% with all other variables held constant, the Group's profit for the year would have been $97,000 (2020: $86,000) higher/lower, arising as a result of higher/lower revaluation gains on cash and cash equivalents and fixed deposit denominated in USD.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from the Group's interest-bearing borrowings whose interest rates are subject to re-pricing every quarter.

Fixed deposits of varying maturity periods are placed with reputable banks and financial institutions and generate interest income at a fixed rate during the tenure of the fixed deposits and are not subject to changes in interest rate.

Sensitivity analysis for interest rate risk

On 17 March 2021, the Group has repaid the outstanding interest-bearing borrowings. For the financial year ended 31 December 2020, if interest rates had been 75 basis points lower/higher with all other variables held constant, the Group's profit net of tax would have been $31,000 higher/lower, arising mainly as a result of lower/higher interest expense on floating rate interest-bearing borrowings.

31 Financial instruments (cont'd)

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount					Fair value			
	Mandatorily at FVTPL $'000	Designated at fair value $'000	Amortised cost $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group									
31 December 2021									
Financial assets measured at fair value									
Long-term investments	–	4,357	–	–	4,357	–	–	4,357	4,357
Short-term investments	15,411	–	–	–	15,411	–	15,411	–	15,411
	15,411	4,357	–	–	19,768				
Financial assets not measured at fair value									
Contract assets	–	–	66,573	–	66,573				
Trade and other receivables#	–	–	29,421	–	29,421				
Fixed deposits	–	–	43,748	–	43,748				
Cash and cash equivalents	–	–	15,458	–	15,458				
	–	–	155,200	–	155,200				
Financial liabilities not measured at fair value									
Trade and other payables	–	–	–	(12,085)	(12,085)				
	–	–	–	(12,085)	(12,085)				

The carrying amount of non-current other receivables reasonably approximate their fair values as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

31 Financial instruments (cont'd)

Accounting classifications and fair values (cont'd)

	Carrying amount					Fair value			
	Mandatorily at FVTPL $'000	Designated at fair value $'000	Amortised cost $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group									
31 December 2020									
value									
Short-term investments	15,330	4,491	–	–	19,821	–	15,330	4,491	19,821
	15,330	4,491	–	–	19,821				
Financial assets not measured at fair value									
Contract assets	–	–	68,247	–	68,247				
Trade and other receivables#	–	–	26,507	–	26,507				
Fixed deposits	–	–	29,443	–	29,443				
Cash and cash equivalents	–	–	25,938	–	25,938				
	–	–	150,135	–	150,135				
Financial liabilities not measured at fair value									
Trade and other payables	–	–	–	(14,794)	(14,794)				
Interest-bearing borrowings#	–	–	–	(3,988)	(3,988)				
	–	–	–	(18,782)	(18,782)				

The carrying amount of non-current other receivables and interest-bearing borrowings (current and non-current) reasonably approximate their fair values as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

31 Financial instruments (cont'd)

Accounting classifications and fair values (cont'd)

	Carrying amount				Fair value			
	Designated at fair value $'000	Amortised cost $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Company								
31 December 2021								
Financial assets measured at fair value								
Long-term investments	4,357	–	–	4,357	–	–	4,357	4,357
Financial assets not measured at fair value								
Contract assets	–	42,211	–	42,211				
Trade and other receivables#	–	11,538	–	11,538				
Fixed deposits	–	8,268	–	8,268				
Cash and cash equivalents	–	3,438	–	3,438				
Amounts owing by subsidiaries	–	23,381	–	23,381				
	–	88,836	–	88,836				
Financial liabilities not measured at fair value								
Trade and other payables	–	–	(4,431)	(4,431)				
Amounts owing to subsidiaries	–	–	(28,773)	(28,773)				
	–	–	(33,204)	(33,204)				

The carrying amount of non-current other receivables reasonably approximate their fair values as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

31 Financial instruments (cont'd)

Accounting classifications and fair values (cont'd)

	Carrying amount				Fair value			
	Designated at fair value $'000	Amortised cost $'000	Other financial liabilities $'000	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Company								
31 December 2020								
Financial assets measured at fair value								
Short-term investments	4,491	–	–	4,491	–	–	4,491	4,491
Financial assets not measured at fair value								
Contract assets	–	44,098	–	44,098				
Trade and other receivables#	–	10,252	–	10,252				
Cash and cash equivalents	–	11,509	–	11,509				
Amounts owing by subsidiaries	–	21,883	–	21,883				
	–	87,742	–	87,742				
Financial liabilities not measured at fair value								
Trade and other payables	–	–	(4,204)	(4,204)				
Interest-bearing borrowings#	–	–	(3,988)	(3,988)				
Amounts owing to subsidiaries	–	–	(23,675)	(23,675)				
	–	–	(31,867)	(31,867)				

The carrying amount of non-current other receivables and interest-bearing borrowings (current and non-current) reasonably approximate their fair values as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

32 Fair value of assets and liabilities

(a) Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities,
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(b) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

32 Fair value of assets and liabilities (cont'd)

(b) Valuation techniques and significant unobservable inputs (cont'd)

Financial assets measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Group			
Short-term investments	Net asset value of money market funds	Not applicable	Not applicable
Group and Company			
Long-term and short-term investments	Amortised cost including interest receivable	Not applicable	Not applicable

The following tables shows a reconciliation from the opening balances to the ending balances for the Level 3 fair values:

	Group and Company Investments – at FVTPL	
	2021 $'000	2020 $'000
At 1 January	4,491	9,531
Redemption of long-term investments	–	(5,145)
Interest received	(303)	–
Total unrealised gains and losses recognised in profit or loss		
– Interest income	156	118
– Net change in fair value of FVTPL	13	(13)
At 31 December	4,357	4,491

33 Segment reporting

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 collection, processing and banking of biological materials.
- The diagnostics segment comprises diagnostic testing 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 offering services under the banking and diagnostic segments.

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

33 Segment reporting (cont'd)

Segment revenue

	Banking $'000	Diagnostics $'000	Total $'000
Year ended 31 December 2021			
Revenue from external customers	53,115	3,554	56,669
Total consolidated revenue			56,669
Year ended 31 December 2020 (restated)			
Revenue from external customers	56,321	2,666	58,987
Total consolidated revenue			58,987

Segment results

	Banking $'000	Diagnostics $'000	Total $'000
Year ended 31 December 2021			
Depreciation and amortisation	(3,567)	(5)	(3,572)
Segment profit	3,287	1,031	4,318
Fair value gain on investment properties			179
Share of profit of associate			432
Gain on financial asset at fair value through profit or loss			13
Finance income			2,267
Finance costs			(200)
Profit before income tax			7,009
Income tax			(874)
Profit for the year			6,135
Year ended 31 December 2020			
Depreciation and amortisation	(4,132)	(11)	(4,143)
Segment profit	4,446	672	5,118
Fair value loss on investment properties			(194)
Reversal of impairment loss on investment in associate			386
Share of profit of associate			367
Loss on financial asset at fair value through profit or loss			(13)
Finance income			2,228
Finance costs			(341)
Profit before income tax			7,551
Income tax			(1,001)
Profit for the year			6,550

33 Segment reporting (cont'd)

Segment assets and liabilities

	Banking $'000	Diagnostics $'000	Others* $'000	Total $'000
31 December 2021				
Additions to non-current assets, comprising additions to property, plant and equipment and intangible assets	3,074	–	–	3,074
Segment assets	280,212	3,456	837	284,505
Investment in associate				1,106
Investment properties				3,513
Long-term investments				4,357
Eliminations+				(59,769)
Per consolidated financial statements				233,712
Segment liabilities	137,169	1,360	12,372	150,901
Tax payables				1,666
Deferred tax liabilities				4,171
Eliminations+				(59,715)
Per consolidated financial statements				97,023
31 December 2020				
Additions to non-current assets, comprising additions to property, plant and equipment and intangible assets	3,808	–	–	3,808
Segment assets	269,151	1,941	558	271,650
Investment in associate				769
Investment properties				7,531
Short-term investments				4,491
Eliminations+				(51,225)
Per consolidated financial statements				233,216
Segment liabilities	131,696	1,267	11,084	144,047
Tax payables				2,471
Deferred tax liabilities				4,625
Eliminations+				(51,149)
Per consolidated financial statements				99,994

+ Inter-segment balances are eliminated on consolidation.

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

33 Segment reporting (cont'd)

Segment assets and liabilities (cont'd)

	Revenue		Non-current assets	
	2021	2020	2021	2020
	$'000	$'000	$'000	$'000
Singapore	25,583	27,226	9,290	9,940
Hong Kong	7,697	7,717	23,250	23,161
India	8,575	9,048	3,839	3,600
Malaysia	4,035	4,308	11,871	16,153
Philippines	5,446	5,242	787	309
Others	5,333	5,446	2,418	2,765
	56,669	58,987	51,455	55,928

Non-current assets information presented above consist of property, plant and equipment, investment properties and intangible assets.

34 Dividends

The following exempt (one-tier) dividends were declared and paid by the Group and Company.

	Group and Company	
	2021	2020
	$'000	$'000
Paid by the Company to owners of the Company		
Dividends on ordinary shares:		
Final tax exempt (one-tier) dividend for 31 December 2020: 0.9 cents per share	2,298	–
Final tax exempt (one-tier) dividend for 31 December 2019: 1.0 cent per share	–	2,540
	2,298	2,540

After the respective reporting dates, the following exempt (one-tier) dividends were proposed by the directors, subject to shareholders' approval at the AGM. These exempt (one-tier) dividends have not been provided for.

	Group and Company	
	2021	2020
	$'000	$'000
Final tax exempt (one-tier) dividend for 31 December 2021: 0.9 cents per share	2,298	–
Final tax exempt (one-tier) dividend for 31 December 2020: 0.9 cents per share	–	2,291
	2,298	2,291

35 Capital management

Capital comprises equity attributable to owners of the Company.

The primary objective of the Group's capital management is to ensure that it maintains an appropriate capital structure in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustment to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the year ended 31 December 2021 and 2020.

The Group is currently in a net cash position. The Group monitors capital using a total debt to total equity ratio, which is interest-bearing borrowings divided by total equity attributable to owners of the Company.

	Group	
	2021	**2020**
	$'000	**$'000**
Interest-bearing borrowings	–	3,988
Equity attributable to owners of the Company	136,429	133,096
Total debt to total equity ratio	–%	3.00%

36 Comparative information

The presentation of interest arising from contract assets has been reclassified from finance income to revenue to better reflect the nature of the revenue and income. The comparative figures in the statement of comprehensive income have been accordingly reclassified. The effects of the reclassification have has no impact on the profit for the year, representing and total comprehensive income for the year.

The effects of the reclassification are set out as below:

		2020	
	As previously reported	**Effects of reclassification**	**Restated**
	$'000	**$'000**	**$'000**
Statement of comprehensive income			
Revenue	50,616	8,371	58,987
Finance income	10,599	(8,371)	2,228

Class of equity securities	:	Ordinary Shares
Number of equity securities	:	255,301,444 ordinary shares (excluding treasury shares)
Voting rights	:	one vote per share
Number of treasury shares	:	12,223,910 ordinary shares

STATISTICS OF SHAREHOLDERS

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1 – 99	18	0.99	418	0.00
100 - 1,000	166	9.17	114,154	0.04
1,001 - 10,000	1,046	57.76	5,995,562	2.35
10,001 - 1,000,000	570	31.47	28,774,124	11.27
1,000,001 and above	11	0.61	220,417,186	86.34
	1,811	100.00	255,301,444	100.00

SUBSTANTIAL SHAREHOLDERS AS AT 21 MARCH 2022

(As recorded in the Register of Substantial Shareholders)

	Direct		Deemed	
Substantial Shareholders	Number of Shares	% of total issued Shares[1]	Number of Shares	% of total issued Shares[1]
China Stem Cells (East) Company Limited	25,516,666	9.99	–	–
China Stem Cells Holdings Limited	–	–	25,516,666[2]	9.99
China Cord Blood Services Corporation	–	–	25,516,666[3]	9.99
Global Cord Blood Corporation	–	–	25,516,666[4]	9.99
Blue Ocean Structure Investment Company Ltd (BVI)	–	–	25,516,666[5]	9.99
Blue Ocean Creation Investment Hong Kong Limited	–	–	25,516,666[6]	9.99
Shanghai Blue Ocean Ke Rui Financial Information Service Partnership	–	–	25,516,666[7]	9.99
Nanjing Ying Peng Hui Kang Medical Industry Investment Partnership (Limited Partnership)	–	–	25,516,666[8]	9.99
Nanjing Ying Peng Asset Management Limited	–	–	25,516,666[9]	9.99
Sanpower Group Nanjing Investment Management Limited	–	–	25,516,666[10]	9.99
Nanjing Xinjiekou Department Store Co., Ltd.	51,870,000	20.32	–	–
Sanpower Group Corporation	–	–	77,386,666[11]	30.31
Yuan Yafei	–	–	77,386,666[12]	30.31
TransGlobal Real Estate Group Limited	71,460,300	27.99	–	–

STATISTICS OF **SHAREHOLDINGS**

As at 21 March 2022

Substantial Shareholders	Direct Number of Shares	Direct % of total issued Shares[1]	Deemed Number of Shares	Deemed % of total issued Shares[1]
Lui Yim Sheung	–	–	71,460,300[13]	27.99
Yiu Chi Shing	–	–	71,460,300[13]	27.99
Robust Plan Limited	15,920,000	6.24	–	–
Shanghai Dunheng Capital Management Co., Ltd	–	–	15,920,000[14]	6.24
Jiaxing Huiling No. 3 Investment Partnership (Limited Partnership)	–	–	15,920,000[15]	6.24
Minsheng (Shanghai) Asset Management Co., Ltd.	–	–	15,920,000[16]	6.24
China Minsheng Investment Corp., Ltd	–	–	15,920,000[17]	6.24
Jiaxing Huiling Capital Management Co., Ltd	–	–	15,920,000[18]	6.24
CMI Capital Co., Ltd	–	–	15,920,000[19]	6.24
Vcanland Holding Group Company Limited	–	–	18,133,000[20]	7.10
Li Defu	–	–	18,133,000[21]	7.10
Cedar Tree Investment Ltd	–	–	12,800,000[22]	5.01
Chen Yi Dan	–	–	12,800,000[23]	5.01

Notes:

(1) As a percentage of the issued share capital of the Company (excluding the 12,223,910 Shares held as treasury shares), comprising 255,301,444 Shares as at the Latest Practicable Date.

(2) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) ("**Form 3**") received by the Company on 6 September 2017, China Stem Cells Holdings Limited ("**CSCHL**") is the sole shareholder of China Stem Cells (East) Company Limited ("**CSCECL**") and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.

(3) Based on the Form 3 received by the Company on 6 September 2017, China Cord Blood Services Corporation ("**CCBSC**") is the sole shareholder of CSCHL and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.

(4) Based on the Form 3 received by the Company on 6 September 2017, Global Cord Blood Corporation ("**GCBC**") is the sole shareholder of CCBSC and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.

(5) Based on the Form 3 received by the Company on 31 January 2018, Blue Ocean Structure Investment Company Ltd (BVI) ("**BOSICL**") holds 65.40% of the issued and outstanding share capital of GCBC and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.

(6) Based on the Form 3 received by the Company on 31 January 2018, Blue Ocean Creation Investment Hong Kong Limited ("**BOCIHKL**") is the sole shareholder of BOSICL and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.

(7) Based on the Form 3 received by the Company on 31 January 2018, Shanghai Blue Ocean Ke Rui Financial Information Service Partnership ("**SBOKRFISP**") is the sole shareholder of BOCIHKL and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.

(8) Based on the Form 3 received by the Company on 31 January 2018, Nanjing Ying Peng Hui Kang Medical Industry Investment Partnership (Limited Partnership) ("**NYPHKMIIP**") is the limited partner of SBOKRFISP and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.

(9) Based on the Form 3 received by the Company on 31 January 2018, Nanjing Ying Peng Asset Management Limited ("**NYPAML**") is the general partner of SBOKRFISP. NYPAML is also general partner of NYPHKMIIP. NYPAML is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.

(10) Based on the Form 3 received by the Company on 31 January 2018, Sanpower Group Nanjing Investment Management Limited ("**SGNIML**") is the sole shareholder of NYPAML and is therefore deemed to be interested in the Shares held by CSCECL by virtue of Section 4 of the SFA.

(11) Based on the Form 3 received by the Company on 31 January 2018, Sanpower Group Corporation ("**SPC**") is the sole shareholder of SGNIML and holds 27.32% equity interest in Nanjing Xinjiekou Department Store Co., Ltd. ("**NXDSCL**"). SPC is therefore deemed to be interested in the Shares held by CSCECL and NXDSCL by virtue of Section 4 of the SFA.

(12) Based on the Form 3 received by the Company on 31 January 2018, Yuan Yafei holds 97.5% equity interest in SPC and is therefore deemed to be interested in the Shares held by CSCECL and NXDSCL by virtue of Section 4 of the SFA.

(13) Based on the Form 3 received by the Company on 10 November 2021, Lui Yim Sheung and Yiu Chi Shing each holds 50% of the voting rights of TransGlobal Real Estate Group Limited ("**TREGL**"). Lui Yim Sheung and Yiu Chi Shing are therefore deemed to have an interest in the Shares held by TREGL by virtue of Section 4 of the SFA.

(14) Based on the Form 3 received by the Company on 16 September 2015, Shanghai Dunheng Capital Management Co., Ltd ("**SDCMCL**") is the sole shareholder of Robust Plan Limited ("**RPL**") and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.

(15) Based on the Form 3 received by the Company on 16 September 2015, Jiaxing Huiling No. 3 Investment Partnership (Limited Partnership) ("**JX No.3**") is the sole shareholder of SDCMCL and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.

(16) Based on the Form 3 received by the Company on 16 September 2015, Minsheng (Shanghai) Asset Management Co., Ltd. ("**MSAMCL**") holds 99.95% equity interest in JX No.3 and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.

(17) Based on the Form 3 received by the Company on 16 September 2015, China Minsheng Investment Corp., Ltd ("**CMICL**") is the sole shareholder of MSAMCL and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.

(18) Based on the Form 3 received by the Company on 16 September 2015, Jiaxing Huiling Capital Management Co., Ltd ("**JHCMCL**") holds 0.05% equity interest in JX No.3 and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.

(19) Based on the Form 3 received by the Company on 16 September 2015, CMI Capital Co., Ltd is the sole shareholder of JHCMCL and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.

(20) Based on the Form 3 received by the Company 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.

(21) Based on the Form 3 received by the Company on 24 December 2015, Li Defu is the shareholder of VHGCL and is therefore deemed to be interested in the Shares held by RPL by virtue of Section 4 of the SFA.

(22) Based on the Form 3 received by the Company on 18 March 2022, Cedar Tree Investment Ltd ("**CTIL**") is deemed interested in the Shares held by Ally Honour Trading (HK) Limited ("**AHTL**") pursuant to a sale and purchase agreement dated 18 March 2022, where Zhao Guanglei sold his 100% equity interest in AHTL to CTIL. Therefore upon completion of the said sale and purchase agreement on the same date, CTIL is deemed to have an interest in the 12,800,000 Shares held by AHTL by virtue of Section 4 of the SFA.

(23) Based on the Form 3 received by the Company on 18 March 2022, Chen Yi Dan is the sole shareholder of CTIL and is therefore deemed to be interested in the Shares held by AHTL by virtue of Section 4 of the SFA.

STATISTICS OF
SHAREHOLDINGS

As at 21 March 2022

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	PHILLIP SECURITIES PTE LTD	82,867,590	32.46
2	MAYBANK SECURITIES PTE. LTD.	52,170,800	20.43
3	RAFFLES NOMINEES (PTE) LIMITED	27,556,085	10.79
4	DBS NOMINEES PTE LTD	15,514,009	6.08
5	DBS VICKERS SECURITIES (S) PTE LTD	14,246,800	5.58
6	ALLY HONOUR TRADING (HK) LIMITED	12,800,000	5.01
7	CITIBANK NOMINEES SINGAPORE PTE LTD	6,503,880	2.55
8	COOP INTERNATIONAL PTE LTD	3,107,000	1.22
9	TANTALUM CELLULAR PRODUCTS LLC	2,566,972	1.01
10	OCBC SECURITIES PRIVATE LTD	2,023,700	0.79
11	UNITED OVERSEAS BANK NOMINEES PTE LTD	1,060,350	0.42
12	OCBC NOMINEES SINGAPORE PTE LTD	932,000	0.37
13	HSBC (SINGAPORE) NOMINEES PTE LTD	889,800	0.35
14	TAN POH LAN	791,780	0.31
15	THET HNIN YI	684,770	0.27
16	UOB KAY HIAN PTE LTD	636,000	0.25
17	KHENG MAY LIAN SUSAN	487,970	0.19
18	LEE IN CHUN	487,200	0.19
19	LIM AND TAN SECURITIES PTE LTD	477,534	0.19
20	CHAN CHENG LOCK	424,050	0.17
	Total	226,228,290	88.63

FREE FLOAT [Rule 1207(9) of the Listing Manual]

As at 21 March 2022, approximately 28.39% of the shareholding in the Company was held in the hands of the public (based on the information available to the Company). Accordingly, the Company has complied with Rule 723 of the Listing Manual.

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Cordlife Group Limited (the "Company") will be held by electronic means (via live webcast and live audio feed) on Friday, 29 April 2022 at 10.00 a.m. (Singapore time) for the following purposes:

Ordinary Business

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2021 together with the Directors' Statement and Auditors' Report thereon.
(Resolution 1)

2. To re-elect Mr Joseph Wong Wai Leung who is retiring pursuant to Article 94 of the Company's Constitution.
(Resolution 2)

   Mr Joseph Wong Wai Leung ("Mr Wong") is considered independent for the purpose of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"). If re-elected, Mr Wong will remain as the Chairman of the Board, Chairman of the Audit and Risk Committee, and member of the Remuneration Committee.

3. To re-elect Ms Tan Poh Lan who is retiring pursuant to Article 94 of the Company's Constitution.
(Resolution 3)

4. To re-elect Mr Cheong Tuck Yan Titus Jim who is retiring pursuant to Article 100 of the Company's Constitution.
(Resolution 4)

   Mr Cheong Tuck Yan Titus Jim ("Mr Cheong") is considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST. If re-elected, Mr Cheong will remain as a member of the Audit and Risk Committee, Nominating Committee, and Remuneration Committee.

5. To re-elect Ms Chen Xiaoling who is retiring pursuant to Article 100 of the Company's Constitution.
(Resolution 5)

6. To re-elect Mr Yiu Ming Yiu who is retiring pursuant to Article 100 of the Company's Constitution.
(Resolution 6)

7. To re-elect Mr Chow Wai Leong who is retiring pursuant to Article 100 of the Company's Constitution.
(Resolution 7)

8. To approve the payment of a final tax exempt (1-tier) dividend of S$0.009 per ordinary share for the financial year ended 31 December 2021.
(Resolution 8)

9. To approve the payment of Directors' fees of up to S$450,000 for the Directors of the Company for the financial year ending 31 December 2022, payable quarterly in arrears (2021: S$450,000).
(Resolution 9)

10. To approve the payment of additional Director's fee of S$200,000 to Dr Ho Choon Hou for the financial year ending 31 December 2022, payable quarterly in arrears (2021: S$Nil).
(Resolution 10)
[See Explanatory Note (i)]

11. To re-appoint Messrs KPMG LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration.
(Resolution 11)

12. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

Special Business

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

13. Authority to allot and issue shares

"That, pursuant to Section 161 of the Companies Act 1967 of Singapore and Rule 806(2) of the Listing Manual of the SGX-ST, authority be and is hereby given to the Directors of the Company ("**Directors**") to:-

(a) (i) issue shares in the capital of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent. (50%) of the Company's total number of issued shares excluding treasury shares (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed twenty per cent. (20%) of the Company's total number of issued shares excluding treasury shares (as calculated in accordance with sub-paragraph (2) below). Unless prior shareholder approval is required under the Listing Manual of the SGX-ST, an issue of treasury shares will not require further shareholder approval, and will not be included in the aforementioned limits.

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares excluding treasury shares is based on the Company's total number of issued shares excluding treasury shares at the time this Resolution is passed, after adjusting for:

(i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and

(ii) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

(Resolution 12)

[See Explanatory Note (ii)]

14. Authority to grant share awards and to issue shares under the "Cordlife Share Grant Plan" (the "**Share Grant Plan**")

"That the Directors be and are hereby authorised to grant awards in accordance with the provisions of the Share Grant Plan and to allot and issue from time to time such number of fully paid-up shares as may be required to be delivered pursuant to the vesting of awards under the Share Grant Plan, provided that the total number of new shares which may be issued or shares which may be delivered pursuant to the awards granted under the Share Grant Plan, and all shares, options or awards granted under any other share scheme of the Company then in force, shall not exceed 15% of the issued share capital of the Company (excluding treasury shares) on the day preceding the relevant date of the award."

(Resolution 13)

[See Explanatory Note (iii)]

15. Proposed renewal of the Share Purchase Mandate

"That:-

(a) for the purposes of the Companies Act 1967 of Singapore (the "**Companies Act**"), the exercise by the directors of the Company (the "**Directors**") of all the powers of the Company to purchase or otherwise acquire issued and fully paid ordinary shares ("**Shares**") in the share capital of the Company not exceeding in the aggregate the Maximum Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

(i) market purchases or acquisitions of Shares (each a "**Market Purchase**") on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"); and/or

(ii) off-market purchases or acquisitions of Shares (each an "**Off-Market Purchase**") in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

(b) the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next Annual General Meeting of the Company is held or required by law to be held;

(ii) the date on which the Share purchases or acquisitions by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; and

(iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company in a general meeting;

(c) in this Resolution:

"**Average Closing Market Price**" means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5)-day period and the day on which the Market Purchase was made;

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"**Market Day**" means a day on which the SGX-ST is open for securities trading;

"**Maximum Limit**" means that number of Shares representing 5% of the total number of issued Shares as at the date of the passing of this Resolution, unless the Company has effected a reduction in the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares of the Company, as altered. Any shares which are held as treasury shares and subsidiary holdings will be disregarded for the purpose of computing the 5% limit;

"**Maximum Price**" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, stamp duties, applicable goods and services tax and other related expenses) which shall not exceed (in the case of both a Market Purchase and an Off-Market Purchase pursuant to an equal access scheme) 105% of the Average Closing Market Price of the Shares; and

"**Relevant Period**" means the period commencing from the date on which the last Annual General Meeting was held and expiring on the date the next Annual General Meeting is held or is required by law to be held, whichever is the earlier, after the date this Resolution is passed; and

(d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

(Resolution 14)

[See Explanatory Note (iv)]

By Order of the Board

Ang Siew Koon
Company Secretary

Singapore,
14 April 2022

Explanatory Notes:

(i) Ordinary Resolution 10

The additional Director's fee proposed for the Non-Independent Non-Executive Director, namely Dr Ho Choon Hou, is based on his additional active role in the Group.

(ii) Ordinary Resolution 12 proposed under agenda item 13 above, if passed, will authorise and empower the Directors from the date of this AGM until the next AGM to issue shares and/or convertible securities in the Company up to an amount not exceeding in aggregate 50% of the total number of issued shares excluding treasury shares of which the total number of shares and convertible securities issued other than on a pro-rata basis to existing shareholders shall not exceed 20% of the total number of issued shares excluding treasury shares of the Company at the time the resolution is passed, for such purposes as they consider would be in the interests of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company.

(iii) Ordinary Resolution 13 proposed under agenda item 14 above is to authorise the Directors to grant share awards and to issue shares under the Share Grant Plan approved by the shareholders of the Company at the extraordinary general meeting held on 18 October 2013.

(iv) Ordinary Resolution 14

The Company intends to use internal sources of funds, or a combination of internal sources of funds and external borrowings, to finance purchases or acquisitions of Shares pursuant to the Share Purchase Mandate. The Directors do not propose to carry out purchases pursuant to the Share Purchase Mandate to such an extent that would, or in the circumstances that might, result in a material adverse effect on the financial position (including working capital and gearing) of the Group as a whole and/or affect the listing status of the Company on the SGX-ST. The amount of financing required for the Company to purchase or acquire its Shares and the impact on the Company's financial position cannot be ascertained as at the date of this Notice as these will depend on, inter alia, whether the Shares are purchased out of capital or profits of the Company, the price paid for such Shares, the aggregate number of Shares purchased or acquired and whether the Shares purchased are held in treasury or cancelled. An illustration of the financial impact of the Share purchases by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Company and its subsidiaries for the financial year ended 31 December 2021 is set out in the Company's letter to Shareholders dated 14 April 2022. Shareholders should note that the financial effects set out therein are purely for illustrative purposes only.

Record Date and Payment Date for Final Dividend

Subject to the approval of the shareholders at the forthcoming Annual General Meeting, the Register of Members and the Transfer Books of the Company will be closed on 10 May 2022 for the purpose of preparing the dividend warrants for the final dividend ("**Dividend**").

Duly completed registrable transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #11-02 Singapore 068898 up to 5.00 p.m. on 9 May 2022 (the "**Record Date**") will be registered to determine members' entitlements to the Dividend. Subject as aforesaid, persons whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on the Record Date will be entitled to the Dividend.

The Dividend, if approved by the shareholders at the Annual General Meeting, will be paid on 27 May 2022.

IMPORTANT NOTICE TO SHAREHOLDERS REGARDING THE CONDUCT OF THE COMPANY'S AGM ON FRIDAY, 29 APRIL 2022 AT 10.00 A.M.

Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended from time to time) ("**COVID-19 Order**"), Cordlife Group Limited (the "**Company**") will arrange for (i) a "live" webcast of the AGM, which allows Shareholders to view the proceedings of the AGM ("**LIVE WEBCAST**"); and (ii) a "live" audio feed of the AGM, which allows Shareholders to observe the proceedings of the AGM ("**AUDIO FEED**"). **Shareholders can ONLY participate in the AGM via LIVE WEBCAST or AUDIO FEED. The Company will not accept any physical attendance by Shareholders at the physical location of the AGM, and any Shareholder seeking to attend the AGM physically in person will be turned away.**

Shareholders should note the following procedures and/or instructions to participate in the AGM via LIVE WEBCAST or AUDIO FEED:

1.	**Proxy Voting**	**Voting at the AGM is by proxy ONLY.** Shareholders who wish to vote on any or all of the resolutions at the AGM must appoint the Chairman of the AGM as your proxy to vote on your behalf by completing the proxy form attached to the Notice of AGM by downloading it from the Company's announcement on SGXNet or from the Company's investor relations website at **https://cordlife.listedcompany.com/corporate_news.html.** Shareholders should specifically indicate how they wish to vote for or vote against (or abstain from voting on) the resolutions set out in the Notice of AGM. Shareholders must submit the completed and signed proxy form appointing the Chairman of the AGM as proxy (i) **by email to sg.is.proxy@sg.tricorglobal.com**; or (ii) **by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinsons Road #11-02, Singapore 068898, by 10.00 a.m. on Wednesday, 27 April 2022** (being not less than forty-eight (48) hours before the time fixed for the AGM). Any incomplete proxy form will be rejected by the Company. **In light of the current COVID-19 situation and the related safe distancing measures, which may make it difficult for members of the Company to submit completed proxy forms by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email.** For SRS investors who wish to appoint the Chairman of the AGM as their proxy, they should approach their respective SRS Operators to submit their votes **by email to sg.is.proxy@sg.tricorglobal.com or post to the Company's Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinsons Road #11-02, Singapore 068898** at least seven (7) working days before the AGM.

2.	**Registration to attend the AGM**	Shareholders who wish to attend the AGM can participate by registering at the link as follows:- **https://www.conveneagm.sg/CordlifeGroup_AGM2022** **by 10.00 a.m. on Tuesday, 26 April 2022** (being not less than 72 hours before the time fixed for the AGM) (the "**Registration Deadline**") to enable the Company to verify the Shareholders' status. After the verification process, an email containing instructions to access both the LIVE WEBCAST and AUDIO FEED will be sent to authenticated Shareholders **by 3.00 p.m. on Thursday, 28 April 2022**. **If the shareholders or their corporate representatives who have pre-registered by the Registration Deadline, but did not receive an email by 3.00 p.m. on Thursday, 28 April 2022, they may contact the Company for assistance at +65 62380808.** Shareholders may attend the LIVE WEBCAST or AUDIO FEED via your smart phones, tablets or laptops/computers. Shareholders who wish to attend the AGM via LIVE WEBCAST or AUDIO FEED are reminded that the AGM is private. Invitations to attend the LIVE WEBCAST or AUDIO FEED shall not be forwarded to anyone who is not a Shareholder of the Company or who is not authorised to attend the LIVE WEBCAST or AUDIO FEED. Recording of the LIVE WEBCAST and AUDIO FEED in whatever form is also strictly prohibited. The Company would like to seek Shareholders' understanding in the event of any technical disruptions during the LIVE WEBCAST and AUDIO FEED.
3.	**Shareholders' Questions and Answers (Q&A)**	Shareholders will not be able to ask questions at the AGM during the LIVE WEBCAST or AUDIO FEED. Therefore, it is important for shareholders to pre-register and submit their questions in advance of the AGM. Shareholders can submit their questions related to the resolutions to be tabled for approval at the AGM to the Chairman of the Meeting at the link as follows:- **https://www.conveneagm.sg/CordlifeGroup_AGM2022** Submission deadline for questions is **by 6.00 p.m. on Wednesday, 20 April 2022** (7 calendar days from the publication of the Notice of AGM). Please note that substantial questions and relevant comments from Shareholders would be addressed by the Company (as may be determined by the Company at its sole discretion) and posted on SGXNet at least 48 hours before the deadline for submission of proxy forms at 10.00 a.m. on Wednesday, 27 April 2022. The Company will also address any subsequent clarifications sought, or follow-up questions, prior to, or at, the AGM in respect of substantial and relevant matters. The responses from the Board and management of the Company shall thereafter be published in the Company's Minutes of the AGM on SGXNet and the Company's website within one (1) month after the conclusion of the AGM. Shareholders who have been appointed as proxies by relevant intermediaries under Section 181(1C) of the Companies Act 1967 of Singapore, such as SRS investors, should approach their respective agents, such as SRS Operators, to submit their questions in relation to any resolution set out in the Notice of AGM prior to the AGM and have their substantial queries and relevant comments answered.
4.	**Documents for the AGM**	Documents relating to the business of the AGM, which comprise the Company's annual report for the financial year ended 31 December 2021, as well as the Letter to Shareholders dated 14 April 2022, this Notice of AGM, the disclosure of information on Directors seeking re-election, and the proxy form for the AGM (collectively, the "**AGM Documents**"), have been sent to members of the Company by electronic means via publication on SGXNet and the Company's investor relations website at **https://cordlife.listedcompany.com/corporate_news.html** on 14 April 2022. **Please note that printed copies of the AGM Documents will NOT be sent to members of the Company.**
Due to the constantly evolving COVID-19 situation, the Company may be required to change its AGM arrangements at short notice. Shareholders are advised to check the Company's website or announcements released on SGXNet for the latest updates on the status of the AGM.		

"Personal data privacy:

By submitting an instrument appointing the Chairman of the Meeting to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of the appointment of the Chairman of the Meeting as proxy for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendances lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines."

Mr Joseph Wong Wai Leung, Ms Tan Poh Lan, Mr Cheong Tuck Yan Titus Jim, Ms Chen Xiaoling, Mr Yiu Ming Yiu and Mr Chow Wai Leong are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 29 April 2022 ("**AGM**") (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

Name of Director	**Joseph Wong Wai Leung**	**Tan Poh Lan**	**Cheong Tuck Yan Titus Jim**
Date of Appointment	23 September 2014	28 February 2019	1 December 2021
Date of last re-appointment	12 June 2020	12 June 2020	N/A
Age	66	60	59
Country of principal residence	Hong Kong	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board opined that Mr Wong's wealth of experience in the financial services industry will be beneficial to the Company. As an Independent Director of two other listed companies in Hong Kong, Mr Wong also brought with him different perspectives to the Board. Mr Wong has been one of the key Independent Directors serving on the Board contributing his independent views. He is willing to spend time with the Company in addition to the scheduled quarterly board meetings, and contributed actively and positively at all Board and Board Committees meetings. The Board opined that Mr Wong's skills and experience are still relevant to the Company and recommended his re-election.	Ms Tan was appointed as an Executive Director and Group CEO of the Company on 28 February 2019. Prior to this position, she was the Group Chief Operating Officer of the Company. As the Group CEO, Ms Tan will oversee the Group's operations and help implement the Group strategy. The Board recommended her re-election.	Mr Cheong has a wealth of experience working in the corporate finance and consultancy industry. Having previously worked as a Chief Financial Officer and as corporate advisor, he has offered perspectives drawn from his previous working experience and accumulated knowledge and skills. The Board recommended his re-election.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Executive Responsible for the Group's business operations and strategic planning.	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director, Chairman of the Board, Chairman of the Audit Committee and member of Remuneration Committee	Executive Director and Group CEO	Independent Director, Member of the Audit and Risk Committee, Nominating Committee and Remuneration Committee

DISCLOSURE OF INFORMATION
ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Joseph Wong Wai Leung	Tan Poh Lan	Cheong Tuck Yan Titus Jim
Academic and/or Professional qualifications	Mr Wong holds a Bachelor of Commerce from the University of Calgary in Alberta, Canada.	Ms Tan Poh Lan holds a Master of Business Administration from National University of Singapore and graduated with Honours in Occupational Therapy from University of Queensland, Australia.	1. Bachelor of Commerce, University of Toronto, Canada
Working experience and occupation(s) during the past 10 years	1. June 2006 - June 2012: Credit Agricole (Suisse), Hong Kong	1. February 2019 – Present (Cordlife Group Limited) – Executive Director and Group Chief Executive Officer 2. April 2016 – February 2019 (Cordlife Group Limited) – Group Chief Operating Officer 3. April 2016 – October 2016 (Cordlife Group Limited) – Executive Director and Group Chief Operating Officer 4. 2012-2015 (Fortis Healthcare Singapore) - Chief Executive Officer 5. 2011 – 2012 (Vinmec International Hospital, Hanoi, Vietnam) - Chief Executive Officer	1. 2021 to current – Chief Financial Officer, Pasture Pharma Pte Ltd 2. 2017 to 2020 – Advisor/ Chief Financial Officer, Tuck Lee Family / Tuck Lee Ice Pte Ltd 3. 2015 to 2017 – Managing Director, Singapore, Renoir Capital Partners Ltd (UK) / Renoir Consulting Ltd (UK) 4. 2012 to 2015 – Director, Co-Chair Investment Committee, Singapore International Foundation 5. 2011 to 2012 – Senior Vice President, Singapore Medical Group Ltd 6. 2007 to 2011 – Foundation Secretary, Putera Sampoerna Foundation, Indonesia 7. 2004 to 2007 – Director/ Regional Head, Hewlett-Packard Asia-Pacific
Shareholding interest in the listed issuer and its subsidiaries	No	Direct interest: 791,780 ordinary shares in Cordlife Group Limited	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No	No
Conflict of Interest (including any competing business)	No	No	No

Name of Director	Joseph Wong Wai Leung	Tan Poh Lan	Cheong Tuck Yan Titus Jim
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments Including Directorships Past (for the last 5 years) Present	**<u>Past (for the last 5 years)</u>** 1. BORQS International Holding Corporation **<u>Present</u>** 1. Goldin Financial Holdings Limited 2. Fulum Group Holdings Limited	**<u>Past (for the last 5 years)</u>** NIL. **<u>Present</u>** 1. Cordlife Technologies Pte. Ltd. 2. CS Cell Technologies Pte. Ltd. 3. Stemlife Berhad 4. PT Cordlife Persada 5. Cordlife Sciences (India) Pvt. Ltd. 6. Cordlife Medical Phils, Inc 7. Cordlife Stem Cell Technology Limited 8. Cordlife Hong Kong Limited 9. Healthbaby Biotech (Hong Kong) Co., Limited 10. Healthbaby Biotech (Macau) Co., Limited 11. Shanghai Cordlife Biomedical Research Co. Ltd.	**<u>Past (for the last 5 years)</u>** 1. Redev Properties Asia Pte Ltd **<u>Present</u>** 1. Mercy Relief Limited

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Chen Xiaoling	Yiu Ming Yiu	Chow Wai Leong
Date of Appointment	1 December 2021	1 December 2021	1 December 2021
Date of last re-appointment	N/A	N/A	N/A
Age	31	34	54
Country of principal residence	China	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	Ms Chen is a nominee director of Nanjing Xinjiekou Department Store Co., Ltd. ("NJXJK"), a substantial shareholder of the Company. Ms Chen oversees the healthcare business segment of NJXJK, which includes stem cell banking, cell immunotherapy, diagnostics, digital healthcare, hospital management, as well as eldercare and healthcare at home. The Board opined that Ms Chen's experience in managing healthcare businesses would be beneficial to the Company. The Board recommended her re-election.	Mr Yiu is a nominee director of TransGlobal Real Estate Group Limited ("TransGlobal"), a substantial shareholder of the Company. The Board opined that Mr Yiu's experience in investment, management, and the factoring business would be beneficial to the Company. The Board recommended his re-election.	Mr Chow is a nominee director of TransGlobal, a substantial shareholder of the Company. The Board opined that Mr Chow's experience in business development would be beneficial to the Company. The Board recommended his re-election.
Whether appointment is executive, and if so, the area of responsibility	Non-Independent Non-Executive	Non-Independent Non-Executive	Non-Independent Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Independent Non-Executive Director and Member of the Remuneration Committee	Non-Independent Non-Executive Director and Member of the Audit and Risk Committee	Non-Independent Non-Executive Director and Member of the Remuneration Committee
Academic and/or Professional qualifications	1. Master's Degree, University of Bath 2. Bachelor of English Literature and Culture, Southwestern University of Science and Technology	1. Master's in Business Administration, Peking University, Guanghua School of Management 2. Business Information Technology, Ngee Ann Polytechnic	1. Executive MBA, Beijing University, Guanghua School of Management 2. Bachelor of Engineering (Electrical & Electronics), Nanyang Technological University, Singapore

Name of Director	Chen Xiaoling	Yiu Ming Yiu	Chow Wai Leong
Working experience and occupation(s) during the past 10 years	1. 2017 to current - Senior Business Assistant to Chairman and Senior Director of Strategy Department in Immune-therapy and Stem Cell Business Unit of Nanjing Xinjiekou Department Store Co., Ltd 2. 2015 to 2017 - Senior Director, International Affairs Department, Sanpower Group 3. 2014 to 2015 - Project Manager, Sino-bridge, London	1. March 2017 to current – Chairman, Everest-Fortune (China) Commercial Factoring Co., Ltd. 2. July 2015 to current – Vice Chairman, TransGlobal Group (International) Limited 3. November 2014 to June 2015 – Business Analyst, Investment Banking Division (TMT), CCB International (Holdings) Limited 4. April 2013 to June 2013 – Management Consultant Integrative Consulting Project, Peking University Guanghua School of Management 5. December 2012 to February 2013 – Winter Analyst, Investment Banking Division, MacQuarie Capital (Hong Kong) Limited 6. November 2010 to August 2012 – Acting Platoon Sergeant, Security, Singapore Armed Forces	1. May 2012 to current – General Manager, Business Development, Honeywell Building Technologies / Sensing & Productivity Solutions 2. January 2010 to April 2012 – Advanced Solution Sales Leader, Honeywell Process Solutions, China
Shareholding interest in the listed issuer and its subsidiaries	No	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	Mr Yiu is the son of Mr Yiu Chi Shing, who is an indirect controlling shareholder of Cordlife Group Limited through his company, TransGlobal Real Estate Group Limited.	No
Conflict of Interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

DISCLOSURE OF INFORMATION
ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Chen Xiaoling	Yiu Ming Yiu	Chow Wai Leong
Other Principal Commitments Including Directorships Past (for the last 5 years) Present	**Past (for the last 5 years)** N.A. **Present** 1. Qilu Stem Cell Engineering Co. Ltd. 2. Find Biotech	**Past (for the last 5 years)** N.A. **Present** 1. The New China Hong Kong Highway Limited 2. China Expressways Company Limited 3. Fareast Allied Investment Limited 4. Geranium Ventures Limited 5. Hadrian Assets Limited 6. Pushkin Enterprises Limited 7. Sinosmart Limited 8. Everest-Fortune (China) Commercial Factoring Co., LTD 9. Jia Ming Investment Holdings Company Limited 10. Jia Yao Investment Holdings Company Limited 11. Orient Venuse Corporation	**Past (for the last 5 years)** N.A. **Present** N.A.

Name of Director	Joseph Wong Wai Leung	Tan Poh Lan	Cheong Tuck Yan Titus Jim	Chen Xiaoling	Yiu Ming Yiu	Chow Wai Leong
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.						
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No					
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No					
c) Whether there is any unsatisfied judgment against him?	No					
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No					

Name of Director	Joseph Wong Wai Leung	Tan Poh Lan	Cheong Tuck Yan Titus Jim	Chen Xiaoling	Yiu Ming Yiu	Chow Wai Leong

e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No

Proxy Form

cordlife

(Registration Number: 200102883E)
(Incorporated in the Republic of Singapore on 2 May 2001)

ANNUAL GENERAL MEETING

(You are advised to read the notes overleaf before completing this form)

IMPORTANT

1. The Annual General Meeting ("**AGM**") is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 ("COVID-19 Order"). Printed copies of the Company's annual report, Letter to Shareholders dated 14 April 2022, the Notice of AGM, the disclosure of information on Directors seeking re-election, and this proxy form for the AGM (collectively, the "**AGM Documents**") will NOT be sent to members of the Company. Instead, the AGM Documents, including the Notice of AGM, will be sent to members of the Company by electronic means via publication on SGXNet and the Company's investor relations website at **https://cordlife.listedcompany.com/corporate_news.html**.
2. Alternative arrangements relating to attendance at the Meeting via electronic means (including arrangements by which the Meeting can be electronically via live webcast and live audio feed), submission of questions in advance of the Meeting, addressing of substantial queries and relevant comments, prior to, or at, the Meeting and voting by appointing the Chairman of the Meeting as proxy at the Meeting, are set out in the Notice of AGM.
3. Due to the current COVID-19 restriction orders in Singapore, a member of the Company will not be able to attend the Meeting in person. A member of the Company (whether individual or corporate) must appoint the Chairman of the Meeting as their proxy to attend, speak and vote on their behalf at the Meeting if such member wishes to exercise their voting rights at the Meeting. The accompanying proxy form for the AGM may be downloaded from SGXNet and at the Company's investor relations website at **https://cordlife.listedcompany.com/corporate_news.html**.

I/We* ______________________ (Name(s)) and NRIC/Passport/Co. Reg. No. ______________

of ____ (Address)

being a member/members* of Cordlife Group Limited (the "**Company**"), hereby appoint:

the Chairman of the meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf, at the Annual General Meeting ("AGM") of the Company to be held by electronic means (via live webcast and live audio feed) on Friday, 29 April 2022 at 10.00 a.m. (Singapore time) and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against or abstain the resolutions to be proposed at the AGM as indicated hereunder.

Note: In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the Meeting as your proxy for that resolution will be treated as invalid.

No.	Ordinary Resolutions Relating to:	No. of Votes # For	No. of Votes # Against	No. of Votes # Abstained
	Ordinary Business			
1.	Audited Financial Statements of the Company for the financial year ended 31 December 2021 together with the Directors' Statement and Auditors' Report thereon.			
2.	Re-election of Mr Joseph Wong Wai Leung as a director.			
3.	Re-election of Ms Tan Poh Lan as a director.			
4.	Re-election of Mr Cheong Tuck Yan Titus Jim as a director.			
5.	Re-election of Ms Chen Xiaoling as a director.			
6.	Re-election of Mr Yiu Ming Yiu as a director.			
7.	Re-election of Mr Chow Wai Leong as a director.			
8.	Payment of a final tax exempt (1-tier) dividend of S$0.009 per ordinary share for the financial year ended 31 December 2021.			
9.	Directors' fees of up to S$450,000 for the Directors for the financial year ending 31 December 2022, payable quarterly in arrears.			
10.	Additional Director's fee of up to S$200,000 for Dr Ho Choon Hou for the financial year ending 31 December 2022, payable quarterly in arrears.			
11.	Re-appointment of Messrs KPMG LLP as Auditors of the Company.			
	Special Business			
12.	Authority to Directors to allot and issue shares.			
13.	Authority to grant share awards and to issue shares under the Cordlife Share Grant Plan.			
14.	Proposed Renewal of the Share Purchase Mandate.			

* Delete accordingly

\# If you wish to exercise all your votes "For" or "Against", please mark an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark "X" in the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution.

Dated this __________ day of ____________________ 2022

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____

Signature of member(s)
or, Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES TO PROXY FORM OVERLEAF

Notes:-

1. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore, he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

2. Pursuant to the COVID-19 Order, the AGM of the Company will be held by electronic and audio means and a member of the Company will not be able to attend the Meeting in person. A member of the Company (whether individual or corporate) must appoint the Chairman of the Meeting as their proxy to attend, speak and vote on their behalf at the Meeting if such member wishes to exercise their voting rights at the Meeting. This proxy form has been made available on SGXNet and at the Company's investor relations website at **https://cordlife.listedcompany.com/corporate_news.html**. Printed copies of the AGM Documents, including this proxy form will NOT be despatched to members.

3. The instrument appointing proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited: (i) by email to **sg.is.proxy@sg.tricorglobal.com**; or (ii) by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinsons Road #11-02, Singapore 068898, by 10.00 a.m. on Wednesday, 27 April 2022 (being not less than forty-eight (48) hours before the time fixed for the AGM).

4. The instrument appointing the Chairman of the Meeting as a proxy must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as a proxy is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.

5. The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as a proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as a proxy. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as a proxy lodged if such members are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.

6. A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting and to speak and vote thereat unless their name appears on the Depository Register seventy-two (72) hours before the time set for the Annual General Meeting.

7. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) who wish to appoint the Chairman of the Meeting as their proxy, they should approach their respective SRS Operators to submit their votes by email to **sg.is.proxy@sg.tricorglobal.com** or post to the Company's Share Registrar, Tricor Barbinder Share Registration Services, 80 Robinsons Road #11-02, Singapore 068898 at least seven (7) working days before the AGM.

"Personal data privacy:

By submitting an instrument appointing the Chairman of the Meeting to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of the appointment of the Chairman of the Meeting as proxy for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendances lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines.

CORDLIFE GROUP LIMITED

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A'Posh Bizhub, #06-01/09
Singapore 768160
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Fax: (65) 6238 1108
www.cordlife.com

Company Registration Number: 200102883E