

**PRESS RELEASE**

## **Cordlife achieves a net profit attributable to shareholders of S\$5.5 million in FY2018**

- Revenue increased 13.0% to S\$105.0 million; Gross profit increased 16.9% to S\$71.1 million while gross profit margin increased 2 percentage points to 67.7%
- Profit before income tax from operations rose 86.6% to S\$7.9 million
- Net cash position of S\$38.7 million and low gearing enable Group to hasten growth via acquisitions and investments
- Proposed final dividend of 0.4 cents per share, bringing the total dividend to 1.2 cents per share or equivalent to a payout ratio of around 58.8% of net profit after tax for FY2018
- New initiatives launched to support growth while looking forward to better performance for FY2019

**Singapore, 28 February 2019** – Cordlife Group Limited (“Cordlife” and together with its subsidiaries, the “Group”), a mother and child consumer healthcare company, recorded a net profit attributable to shareholders of S\$5.5 million for the 18 months ended 31 December 2018 (“FY2018”), reversing a loss attributable to shareholders of S\$1.2 million for the same period a year earlier.

### **Financial Highlights**

<b>S\$'000</b>	<b>FY2018</b>	<b>18MFY2017</b>	<b>Change (%)</b>
Revenue	105,007	92,941	13.0
Gross Profit	71,065	60,786	16.9
Profit Before Income Tax from Operations	7,863	4,213	86.6
Net Profit/(Loss)	5,498	(1,258)	NM
Net Profit/(Loss) Attributable to Shareholders	5,534	(1,187)	NM
Gross profit margin (%)	67.7	65.4	2.3p.p
Net profit margin (%)	5.2	NM	NM

p.p denotes percentage points

The Group’s revenue grew 13.0% year-on-year (“yoy”), mainly contributed by increased deliveries and average selling prices in Singapore and India. In addition, the Group also

recognised the revenue contributions from Healthbaby Biotech (Hong Kong) Co., Limited (“Healthbaby”), which was acquired in January 2018. Total client deliveries for the Group increased slightly from 38,300 in 18M2017 to 39,800 in FY2018. As a result, the Group’s profit before income tax from operations in FY2018 rose by 86.6% to S\$7.9 million from S\$4.2 million in 18MFY2017.

As at 31 December 2018, the Group maintained a net cash position of S\$38.7 million. With the desire to expedite growth inorganically, a strong balance sheet with low gearing will allow the Group to fund its acquisitions or investments via internal resources and/or borrowings.

Ms Tan Poh Lan, Group Chief Executive Officer, commented, **“The turnaround demonstrates the success of our strategy under the current market conditions. We will continue to explore potential opportunities to expand our footprints in Asia while keeping a close watch on the existing markets. Notably, the Group has launched several new growth initiatives which will underpin future growth as well as exploring digital healthcare to better service and empower clients. Barring any unforeseen circumstances, the management is optimistic that the Group will be profitable for FY2019.”**

The Board has recommended a final one-tier tax exempt dividend of 0.4 cents per share, bringing the total dividend to 1.2 cents per share. This represents a dividend payout of 58.8% of the Group’s FY2018 net profit after tax.

**- End -**

## About Cordlife Group Limited

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

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

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

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

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