

**CORDLIFE GROUP LIMITED**  
(Company Registration Number 200102883E)  
(Incorporated in the Republic of Singapore)

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**PROPOSED PLACEMENT OF UP TO 51,195,478 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.16 PER SHARE**

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**1. INTRODUCTION**

- 1.1. The board of directors (the "**Board**" or "**Directors**") of Cordlife Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company had on 16 April 2024 entered into 2 separate subscription agreements ("**Subscription Agreements**") with each of the Subscribers (as defined below) pursuant to which the Subscribers have agreed to subscribe for an aggregate of up to 51,195,478 new ordinary shares in the capital of the Company ("**Subscription Shares**" and each a "**Subscription Share**") at an issue price of S\$0.16 ("**Issue Price**") for an aggregate cash consideration of S\$8,191,276 ("**Aggregate Consideration**") ("**Proposed Subscription**").
- 1.2. Pursuant to the Subscription Agreements, the Company will allot and issue to the following persons (collectively, the "**Subscribers**" and each a "**Subscriber**") such number of Subscription Shares as set out against their respective names as below:-

|    | <b>Name of Subscriber</b>           | <b>Number of Subscription Shares</b> | <b>Subscription Consideration to be paid (S\$)</b> |
|----|-------------------------------------|--------------------------------------|--|
| 1. | Charming Global Enterprises Limited | 44,540,066                           | 7,126,410  |
| 2. | Ng Junwei, Darren                   | 6,655,412                            | 1,064,866  |

**2. INFORMATION RELATING TO THE SUBSCRIBERS**

*Shareholders should note that information relating to the Subscribers in this paragraph and elsewhere in this announcement was provided by the Subscribers. The Company and the Directors have not independently verified the accuracy and correctness of such information herein.*

- 2.1. Details on the Subscribers are as set out in the table below.

| <b>Name of Subscriber</b>                            | <b>Background of Subscriber</b>   |
|--|---|
| Charming Global Enterprises Limited (" <b>CGE</b> ") | CGE is owned by Jiao Shuge, who is the co-founder of CDH Investments, a private equity and venture capital firm based in Beijing, People's Republic of China. |
| Ng Junwei, Darren (" <b>Mr Ng</b> ")                 | High net worth individual based in Singapore  |

- 2.2. Each of CGE and Mr Ng had reached out to the Company in March and April 2024 respectively, separately expressing interest in subscribing for new shares in the Company.

- 2.3. As at the date of this announcement, the Subscribers do not hold, directly or indirectly, any legal or beneficial interest in any Shares or other securities of the Company and have no outstanding options or rights (including pre-emption rights) over any Shares.
- 2.4. Each of the Subscribers have confirmed that he is and will be the legal and beneficial shareholder of the Subscription Shares upon their issue and allotment and will not be holding any of the Subscription Shares on trust or for the benefit of any other person or company. No other Shareholder of the Company will be holding any Shares in the Company on trust or for the benefit of any of the Subscribers.
- 2.5. Each of the Subscribers has represented and warranted to the Company that he is not acting in concert with any other person or company, and have not entered into any agreement, arrangement or understanding (whether oral or in writing, whether formal or informal) with any person or company to obtain or consolidate effective control of the Company, or to act as parties in concert in relation to Shares in the Company within the definition of The Singapore Code on Take-overs and Mergers. No share borrowing arrangement has been entered into to facilitate the Proposed Subscription. None of the Subscribers have entered into any shareholders agreement or arrangement or any other agreement governing rights as shareholder of the Company (whether oral or in writing, whether formal or informal) with any other Shareholders of the Company.
- 2.6. To the best of the knowledge of the Directors and save as disclosed in this announcement, each of the Subscribers does not have any connections (including business relationships) with the Company, its Directors and substantial shareholders. None of the Subscribers fall into the class of restricted persons as specified under Rule 812(1) of the Mainboard Rules of the Listing Manual of the SGX-ST ("**Mainboard Rules**").

### **3. SALIENT TERMS OF THE SUBSCRIPTION AGREEMENTS**

#### **3.1. Subscription Shares**

Upon completion of the Proposed Subscription, an aggregate of 51,195,478 Subscription Shares will be issued.

The Subscription Shares represent approximately 20% of the existing issued and paid-up share capital (excluding treasury shares) of the Company of 256,307,744 Shares as at the date of this announcement and approximately 16.6% of the enlarged share capital (excluding treasury shares) of the Company of 307,503,222 Shares following the completion of the Proposed Subscription, assuming that there are no other changes to the number of Shares in issue (excluding treasury shares) of the Company before the completion of the Proposed Subscription.

The Subscription Shares, if and when fully allotted, shall be issued free from any and all claims, charges, liens, mortgages, securities, pledges, equities, encumbrances or other interests whatsoever and shall rank *pari passu* with and shall carry all rights similar to the existing Shares except that the Subscription Shares will not rank for any dividends, rights, allotments, or other distributions, the record date for which falls on or before the date of the allotment and issue of the Subscription Shares respectively.

#### **3.2. Issue Price**

The Issue Price of S\$0.16 represents a 4.9% premium to the 2-week volume weighted average price of S\$0.1525 per Share for trades done on the SGX-ST on 15 April 2024, being the last full market day on which the Shares were traded prior to the date of the Subscription Agreements.

The Issue Price was commercially agreed between the Company and each of the Subscribers after arm's length negotiations taking into account historical trading performance of the Company and the future prospects of the Group, against the prevailing circumstances of the Company, including, inter alia, the Company's potential non-compliances with the Healthcare Services (General) Regulations and the Healthcare Services (Cord Blood Banking Services) Regulations ("**Potential Non-Compliances**") identified by the Ministry of Health in its inspections, as disclosed in its announcements dated 30 November 2023, 13 December 2023, 15 December 2023, and 23 January 2024.

### 3.3. Conditions

Under the Subscription Agreements, the Proposed Subscription is conditional upon, *inter alia*:

- (a) the receipt of the listing and quotation notice ("**LQN**") from the SGX-ST (and such notice not having been withdrawn or revoked on or prior to the completion of the Proposed Subscription) for the dealing in, listing of and quotation for the Subscription Shares on the Mainboard of the SGX-ST;
- (b) the allotment, issue and subscription of the Subscription Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Subscription Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company or the Subscriber;
- (c) the trading of the Shares on the Mainboard of the SGX-ST not being suspended by the SGX-ST (other than a suspension on a temporary basis requested by the Company); and
- (d) the Shares remaining listed on the Main Board of the SGX-ST.

(collectively, the "**Subscription Conditions**").

### 3.4. Additional Listing Application

The Company will apply to the SGX-ST for the dealing in, listing and quotation for the Subscription Shares on the Mainboard. The Company will make the necessary announcement upon receipt of the LQN from the SGX-ST.

### 3.5. Exemption from Prospectus Requirement

The Subscription Shares are offered to the Subscribers and for subscription by way of a private placement pursuant to an exempted offer under Section 272B of the Securities and Futures Act (Cap. 289 of Singapore). Hence, no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore or the SGX-ST in connection with the issue of the Subscription Shares.

## 4. **RATIONALE FOR THE PROPOSED SUBSCRIPTION AND USE OF PROCEEDS**

- 4.1. The Proposed Subscription will allow the Company to strengthen its financial position by raising net cash proceeds (after deducting estimated expenses of approximately S\$150,000) of approximately S\$8,041,276 ("**Net Proceeds**").
- 4.2. The Net Proceeds are intended to be utilised by the Company in the following manner:

| <b>Use of net proceeds</b>                        | <b>Proportion (%)</b> | <b>Amount of net proceeds</b> |
|---|-----------------------|-------------------------------|
| Working Capital and rebuilding of Singapore Brand | 49.7%                 | S\$4,000,000                  |
| Cash reserve for contingency                      | 50.3%                 | S\$4,041,276                  |
| <b>Total</b>                                      | <b>100%</b>           | <b>S\$8,041,276</b>           |

4.3. Pending the deployment of the Net Proceeds, the Net Proceeds may be deposited with banks and/or financial institutions and/or invested in short-term money market instruments and/or marketable securities, and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

4.4. The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the percentage allocated. As the Net Proceeds will be used for working capital purposes, the Company will disclose a breakdown with specific details on how the Net Proceeds have been applied. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation. The Company will also provide a status report on the use of Net Proceeds in the Company's quarterly and full year financial statements issued under Rule 705 of the Mainboard Rules and its annual report(s).

## **5. AUTHORITY TO ISSUE NEW SHARES**

5.1. The Subscription Shares will be allotted and issued under the general mandate pursuant to Section 161 of the Companies Act 1967, granted by the shareholders of the Company at the annual general meeting of the Company held on 28 April 2023 (the "**General Mandate**").

5.2. Under the General Mandate, the Board is authorised to issue new Shares, on the basis that the total number of Shares to be issued not on a pro rata basis, must not be more than 20% of the total number of issued Shares (excluding treasury shares) as at the time of the passing of the resolution approving the General Mandate, after adjusting for, *inter alia*, 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 the resolution for the General Mandate was passed.

5.3. For the avoidance of doubt, the total number of Shares (excluding treasury shares) in the capital of the Company as at the time of passing of the resolution approving the General Mandate was 255,977,394. As at the date of this announcement, the Company has not issued any Shares under the General Mandate. The proposed allotment and issuance of 51,195,478 Subscription Shares will therefore fall within the limits of the General Mandate and the balance under the General Mandate will be 0 Shares.

## **6. DIRECTOR'S CONFIRMATIONS**

The Directors are of the opinion that, after taking into consideration the Proposed Subscription the working capital available to the Group is sufficient to meet its present requirements. Based on the twelve (12) months cash-flow forecast prepared by the Group's management, the Board is of the view that the Group will be able to continue operating as a going concern.

## **7. FINANCIAL EFFECTS OF THE PROPOSED SUBSCRIPTION**

7.1. Bases and assumptions

The financial effects of the Proposed Subscription on (a) the consolidated net tangible assets ("**NTA**") per Share and (b) the consolidated earnings per Share ("**EPS**") of the Group, have been prepared based on the unaudited consolidated financial statements of the Group for the financial year ended 31 December 2023 ("**FY2023**"). The *pro forma* financial effects of the Proposed Subscription are for illustration only and do not reflect the actual financial effects or the future financial performance and condition of the Group after the Proposed Subscription.

The financial effects are based on the following assumptions:

- (a) that the Company issues an aggregate of 51,195,478 Subscription Shares to the Subscribers;
- (b) the financial effects of the Proposed Subscription on the share capital and NTA per Share of the Group are computed based on the assumption that the Proposed Subscription had taken place on 31 December 2023;
- (c) the financial effects of the Proposed Subscription on the EPS is computed based on the assumption that the Proposed Subscription was completed on 1 January 2023; and
- (d) the expenses incurred in connection with the Proposed Subscription amounts to approximately S\$150,000.

## 7.2. Share Capital

|                               | Before the Proposed Subscription | After the Proposed Subscription |
|-------------------------------|----------------------------------|---------------------------------|
| Total number of issued Shares | 256,307,744                      | 307,503,222 <sup>(1)</sup>      |

### Notes:-

- (1) Assuming that 51,195,478 Subscription Shares have been issued to the Subscribers.

## 7.3. NTA

The illustrative financial effects of the Proposed Subscription on the NTA per Share of the Group as at 31 December 2023 are as follows:

|  | Before the Proposed Subscription | After the Proposed Subscription |
|--|----------------------------------|---------------------------------|
| NTA <sup>(1)</sup> attributable to the owners of the Company (S\$'000) | 106,216                          | 114,257                         |
| Number of Shares   | 256,307,744                      | 307,503,222 <sup>(2)</sup>      |
| NTA per Share (S\$)  | 0.41                             | 0.37                            |

### Notes:-

- (1) NTA means total assets less the sum of total liabilities, non-controlling interests and intangible assets.
- (2) Assuming that 51,195,478 Subscription Shares have been issued to the Subscribers.

#### 7.4. EPS

The illustrative financial effects of the Proposed Subscription on the EPS of the Group for FY2023, on the assumption that the Proposed Subscription was completed on 1 January 2023, are as follows:

|  | Before the Proposed Subscription | After the Proposed Subscription |
|--|----------------------------------|---------------------------------|
| Net profit attributable to owners of the Company (S\$'000) | 3,713                            | 3,563                           |
| Weighted average number of Shares                          | 256,191,074                      | 307,386,552 <sup>(1)</sup>      |
| Earnings per Share (S\$)                                   | 0.0145                           | 0.0116                          |

**Notes:-**

- (1) Assuming that 51,195,478 Subscription Shares have been issued to the Subscribers.

#### 8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 8.1. Save as disclosed herein, none of the Directors or substantial shareholders of the Company or their respective associates have any interest, direct or indirect in the Proposed Subscription, other than in their capacity as Director or Shareholder of the Company.

#### 9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Subscription Agreements are available for inspection by the Shareholders at the registered office of the Company at 1 Yishun Industrial Street 1 #06-01/09 A'Posh Bizhub Singapore 768160 during normal office hours for three (3) months from the date of this announcement.

#### 10. DIRECTOR'S RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Subscription, and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

## 11. CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this announcement that the Proposed Subscription will proceed to completion, as completion is subject to, *inter alia*, fulfilment of all the Subscription Conditions. Shareholders are advised to read this announcement and any further announcements and the Circular by the Company carefully. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the action they should take.

For and on behalf of the Board  
**CORDLIFE GROUP LIMITED**

Ivan Yiu Pang Fai  
Group CEO

17 April 2024