



Securities Investors Association (Singapore)

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UEN No: S99SS0111B

GST Reg No: M90367530Y

Issuer: Cordlife Group Limited

Stock code: P8A

Meeting details:

Date: 29 April 2022

Time: 10.00 a.m.

Due to the current COVID-19 pandemic, SIAS encourage shareholders to participate at AGMs via other means and not to attend any AGM physically. Where the AGM is webcast, they can stay on top of their investments by watching the webcast and submitting their question to the company in advance. Senior citizens should avoid attending AGMs altogether and stay home.

Q1. Would the board/management provide shareholders with greater clarity on the following operational and financial matters? Specifically:

- (i) **Cord blood, cord lining and cord tissue banking services:** The revenue recognised from cord blood, cord lining and cord tissue banking services has decreased from \$60.0 million in FY2019 to \$47.8 million in FY2020 (restated) to \$44.8 million in FY2021. **Can management provide shareholders with insights on the trends on new customers, average fees, etc and to give more colour to prospects of its core business?**
- (ii) **OptiQ: Can management help shareholders better understand the potential of lenticule banking in Singapore and Hong Kong? With no established/approved treatments, are consumers banking their corneal lenticules for hope of treatments 10-20 years down the line?**
- (iii) **Stem cell therapy research:** The group is collaborating in the first-in-human clinical trial of a home-grown umbilical cord blood (UCB) cell therapy for cancer patients. **What is the group’s role in this research? What are the services that can be offered if this research proves to be successful?**
- (iv) **Moms Up mobile app: What are the number of downloads and the weekly/monthly active users?**
- (v) **Digital marketing: Can the company showcase its successes in its digital marketing efforts? Please also provide links to its profile/page on the popular social media platforms and the download link to Moms Up.**
- (vi) **Restatement: What are the reasons that the financial statements for FY2017, FP2018, FY2019 and FY2020 are all restated (as shown in the financial highlights in AR2019 (below; left) and AR2021 (below; right)?**



Q2. On 18 March 2022, the company announced that Mr Zhao Guanglei ceased to be a substantial shareholder after he disposed his 12.8 million shares (5.1%) held by Ally Honour Trading (HK) Limited. The shares were acquired by Chen Yi Dan (via Cedar Tree Investment Ltd).

On 11 November 2021, Mr Hon Kwok Lung, who held 27.99% of the company's shares or 71.5 million shares via Full Day Limited and Sincere View International Ltd, disposed of his shares for \$37.2 million. The shares were acquired by Lui Yim Sheung and Yiu Chi Shing via TransGlobal.

This was followed by several changes to the board composition. Mr Fong Chi Wah and Mr Chang Chien resigned as directors of the company on 11 November 2021, Ms Wang Lin on 1 December 2021 while Ms Chen Xiaoling, Mr Yiu Ming Yiu and Mr Chow Wai Leong were appointed as NINEDs of the company on 1 December 2021.

- (i) **Have the numerous changes affected/disrupted the board?**
- (ii) Several directors on the board are first time directors of a listed company on SGX. **Would the board have the necessary breadth and experience as directors of listed companies to provide effective guidance to management?**
- (iii) **Are the strategic plans of the group affected by the changes? Is the board/management in contact with the new controlling shareholder to understand how they view the current strategic direction of the group?**
- (iv) **In addition, would the board/nominating committee disclose the rationale, selection criteria and search and nomination process for the newly appointed directors as required by SGX's template (shown below; emphasis added)?**

Date Of Appointment	01/12/2021
Name Of Person	Yiu Ming Yiu
Age	33
Country Of Principal Residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board, having considered the recommendation of the Nominating Committee and assessed Mr Yiu's qualification and experience, is of the view that he has the requisite experience and capability to assume the duties and responsibilities of a Non-Independent Non-Executive Director.
Whether appointment is executive, and if so, the area of responsibility	Non-Independent Non-Executive Director
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Independent Non-Executive Director
Professional qualifications	1. Master's in Business Administration, Peking University, Guanghua School of Management 2. Business Information Technology, Ngee Ann Polytechnic
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or any of its principal subsidiaries	The appointee 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.

Q3. Resolution 10 in the notice of annual general meeting is to seek shareholders' approval of additional director's fee of \$200,000 to Dr Ho Choon Hou for the financial year ending 31 December 2022, payable quarterly in arrears.

In the explanatory notes, it was disclosed that the additional director's fee proposed for the non-independent non-executive director (Dr Ho Choon Hou) is based on his additional active role in the group.

The profile of Dr Ho Choon Hou can be found on page 20 of the annual report. In the company's announcement dated 30 November 2021, it was disclosed that Dr Ho Choon Hou would be re-designed from acting board chairman to vice chairman, in charge of the mergers and acquisitions (M&A) and investment.

- (v) **How was the additional fee of \$200,000 determined? How much time and effort would the additional focus on M&A demand from Dr Ho Choon Hou? Is this a new focus of the board?**
- (vi) **Would the new focus on M&A make Dr Ho Choon Hou more an executive director than a non-executive director?**

[^]On 1 October 2020, the Accounting and Corporate Regulatory Authority ("ACRA"), the Monetary Authority of Singapore ("MAS") and Singapore Exchange Regulation ("SGX RegCo") published an updated checklist to guide listed entities on the conduct of general meetings arising from the latest updates from the Multi-Ministry Taskforce.

Issuers may continue to conduct their general meetings held on or before 30 June 2021 via electronic means, and are encouraged to do so. On 9 April 2021, it was announced that the alternate arrangements for meetings ("Meetings Order") would be extend beyond 30 June 2021 until it is revoked or amended by the Ministry of Law. Accordingly, until such time, issuers may continue to utilise the Checklist issued by ACRA, MAS and SGX RegCo to guide entities on the conduct of their general meetings.

Issuers who, after due consideration of public health and other risks, wish to provide for physical attendance at their general meetings must ensure that they implement all relevant measures to comply with the safe management measures imposed by the Singapore Government.

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

[^] Guidance on the Conduct of General Meetings Amid Evolving COVID-19 Situation
(<https://www.sgx.com/media-centre/20201001-guidance-conduct-general-meetings-amid-evolving-covid-19-situation>)



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