

ANNOUNCEMENT OF ENHANCED PACKAGE FOR AFFECTED CUSTOMERS

1. INTRODUCTION

The Board of Directors ("**Board**") of Cordlife Group Limited ("**Company**") refers to the announcement dated 23 June 2025 in relation to the series of townhall sessions with the Company's affected customers whose cord blood units are stored in damaged and high-risk tanks and/or their representatives on 23, 24 and 25 June 2025 ("**Pre-Townhall Announcement**").

The Board wishes to update its shareholders that the Company has finalised and put forward an enhanced package for these affected customers as summarised below ("**Enhanced Package**"), following the feedback received during the direct engagement and dialogue with affected customers at recent in-person and online townhall sessions.

2. ORIGINAL PACKAGE FOR AFFECTED CUSTOMERS

As announced on 8 April 2024, the Company offered affected customers a refund of the annual fees received from such customers from the start of the temperature excursion, and to waive all subsequent fees for active customers until their child turns 21. In the event the transplant physician determines the cord blood cannot be successfully used for an approved cord blood transplant solely because it does not meet the viability criteria, the Company will honour its commitment to find a suitable replacement (the "**Safeguard Provision**").

As of 30 June 2025, about 57% of customers have accepted the Company's resolution offer.

3. DETAILS ON THE ENHANCED PACKAGE FOR AFFECTED CUSTOMERS

- 3.1 The Enhanced Package will include further financial support and expanded coverage in addition to the earlier offer, as set out below. For the avoidance of doubt, the Safeguard Provision remains unchanged and is not altered or affected by the Enhanced Package for affected customers.

(a) Free Storage to 26 Years Old

Each affected customer will receive up to a five (5)-year extension to their existing cord blood storage period, until their child turns 26 years old, at no additional cost to customers. This extension begins upon the expiry of the customer's existing contract with the Company.

(b) Standardised and Enhanced Warranty Clause

Currently, if a cord blood unit ("**CBU**") is required, and if in the opinion of the transplant physician, a CBU is later deemed non-viable for an approved transplant due to the Company's gross negligence, wilful default or fraud, the Company will take steps to find a suitable replacement unit. If a suitable match cannot be found, the Company will pay damages ranging between US\$25,000 (approximately S\$32,050⁽¹⁾) and S\$50,000 for customers, to enable them to seek alternative medical treatment.

The enhanced warranty clause standardizes the value of damages to the upper limit of S\$50,000 for all affected customers. In addition, Cordlife's obligation to pay is triggered once the CBU is determined to be unsuitable for an approved transplant solely due to non-

¹ Based on the exchange rate of US\$1.00: S\$1.282 published by the Monetary Authority of Singapore as at the date of this Announcement.

viability, with no additional conditions. Furthermore, the scope of the warranty has been expanded to cover situations where the CBU is required for a transplant for the donor's biological sibling (provided it is a suitable match) but is found to be non-viable.

(c) Transplant Care Coverage

The Company will also introduce worldwide coverage for all medical conditions that require stem cell transplant of up to S\$50,000, to ease financial burden for the affected customers.

Customers who have already accepted the earlier package will automatically receive these additional benefits, with no further action required.

- 3.2 As at the date of this Announcement, the Company has dispatched formal letters containing the details of the Enhanced Package to affected customers as well as directions for them to accept the Enhanced Package.
- 3.3 For the avoidance of doubt, customers whose CBUs are not stored in the affected tanks are not eligible for either the original offer or the Enhanced Package. Unaffected customers will continue to receive services in accordance with the terms of their existing agreements, and no changes or additional entitlements will apply to their accounts as a result of the recent developments.

4. IMPLICATIONS ON THE COMPANY'S PROSPECTS

Based on the preliminary estimates of the Enhanced Package and taking into consideration the pace of recovery of the business since the resumption of business of the Company from 14 January 2025, the outlook for the financial year ending 31 December 2025 remains uncertain and there is no assurance that the Company can resume profitability in the financial year ending 31 December 2025.

5. CAUTIONARY STATEMENT

As mentioned above, while the Company has put forward the Enhanced Package to all affected customers, there can be no assurance that the remaining affected customers will accept the Enhanced Package, given that the decision to accept the enhanced package ultimately rests with each individual customer. The Company will continue to update its shareholders if there are any material developments on the above, in accordance with the listing rules of the Singapore Exchange Securities Trading Limited. In the meantime, shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company. They should consult their stockbrokers, bank managers, solicitors, or other professional advisers if they have any doubt about the actions they should take.

By order of the Board

CORDLIFE GROUP LIMITED

Cheok Hui Yee
Goh Xun Er
Company Secretaries

10 July 2025