

Cordlife eyes SGX listing, files prospectus

■ BY MELISSA TAN

A FIRM that collects and stores umbilical cord blood is eyeing a public listing on the Singapore Exchange (SGX).

Cordlife Group has lodged its preliminary prospectus with the Monetary Authority of Singapore for the proposed listing.

New shares will be distributed by public offer and placement, although the price has not been released yet.

The firm's services include collecting, processing, testing, preserving and storing umbilical cord blood at birth. It has centres here and in Hong Kong.

Cord blood contains stem cells, which "have a number of potential uses and are considered particularly promising for medical therapies", Cordlife said.

It also began providing umbilical cord tissue banking services in Hong Kong in March last year.

The prospectus notes that it is "currently also exploring the possibility" of offering umbilical cord tissue banking services here. It has begun discussions with the Health Ministry on licensing requirements.

Cordlife said it would use the proceeds from its initial public offering (IPO) to fund the development and expansion of its operations, its proposed new facility at Yishun and to invest in infrastructure. The proceeds would also go towards working capital and general corporate purposes, it added.

The firm, incorporated in May 2001, has a market share of around 62 per cent in Singapore and 28 per cent in Hong Kong, according to Deloitte & Touche Financial Advisory Services.

Cordlife posted a net profit of \$1.86 million for the 2012 first quarter ended Sept 30 last year, down from \$1.94 million in the same three months the year before.

Revenue for the three months to Sept 30 last year was \$7.27 million, up from \$6.21 million for the same period the year before.

Net profit for the 2011 financial year was \$8.48 million, up from \$8.27 million in 2010.

This translated to earnings per share of 5.62 cents for 2011, compared with 5.48 cents for 2010.

For the 12 months ended June 30 last year, revenue was \$25.7 million, down from \$28.2 million in the corresponding period the year before.

Cordlife's net asset value per share was 28.5 cents as of Sept 30 last year.