

Update from Cordlife Singapore on testing of donated cord blood units in tanks under investigation

Singapore, 8 April 2024 – Cordlife Group Limited (“**CGL**”) has today announced the results of ongoing testing into the six cryogenic storage tanks and one dry shipper deemed under investigation by the Ministry of Health (“**MOH**”).

Since the end of December 2023, CGL’s cord blood processing and storage facility in Singapore (“**Cordlife Singapore**”) has been sending donated cord blood units (“**CBU**”) from six cryogenic storage tanks and one dry shipper under investigation, to a third-party laboratory in Singapore licensed by MOH for testing. These tanks house approximately 19,000 active cord blood units. Six donated CBUs were selected from each tank for testing to ensure adequate coverage of temperature variations across the tank. If more than one CBU failed the first round of testing, another six donated samples were selected from the same tank for additional testing.

The results have been assessed by MOH, and they concluded that five tanks under investigation are at low risk of being adversely affected by temperature excursions (“**Low-Risk Tanks**”). One tank and the dry shipper have been deemed to be at high risk of being adversely affected by the temperature excursions (“**High-Risk Tanks**”).

Low-Risk Tanks

In the five Low-Risk Tanks, all of the tested CBUs have shown cell viability and potency. There are approximately 13,700 active CBUs in these five tanks.

Based on the detailed analyses performed, Cordlife Singapore established that the temperature excursions recorded in four of the Low-Risk Tanks were caused by the displacement of the respective temperature probe during routine maintenance for three of them and the incorrect mapping of the temperature probe data for the fourth. The temperature of the fifth Low-Risk Tank went above the -150°C threshold set by the Association for the Advancement of Blood & Biotherapies (“**AABB**”) and the Foundation for the Accreditation of Cellular Therapy (“**FACT**”) standards for five hours, with the highest temperature recorded during this excursion being -144.7°C . A detailed analysis conducted on the fifth Low-Risk Tank established that the temperature excursion was caused by a delay in replenishing liquid nitrogen.

The current round of testing is a high-level preliminary impact assessment to ascertain the risk of the temperature excursions affecting the CBUs. Following this, Cordlife Singapore will be sending over 200 samples, which is a statistically meaningful number of CBUs from the five Low-Risk Tanks for testing to provide more assurance in the testing results. Cordlife Singapore anticipates that it will take up to a year to complete these tests, as it depends on the capacity of the third-party laboratory. Cordlife will inform its affected clients of the outcomes of these tests in batches once they have been completed and results analysed, in consultation with MOH’s experts.

High-Risk Tanks

The remaining one tank (“**Tank 6**”) and the dry shipper, which together contain approximately 5,300 CBUs from active clients, have been deemed by the MOH’s expert panel to be at high risk of being adversely affected by the temperature excursions.

As the first batch of testing from the High-Risk Tanks did not yield conclusive results, additional CBUs stored in the High-Risk Tanks were tested. Specifically, out of the 12 donated CBUs from Tank 6 that were tested, four demonstrated both cell viability and potency. Testing was also performed on 12 donated CBUs from the dry shipper, and seven of them demonstrated both cell viability and potency.

Based on the detailed analyses carried out, Tank 6 and the dry shipper recorded the highest temperature excursions of -11.6°C and -132.6°C, respectively. The temperature excursions in the High-Risk Tanks were also primarily due to shortcomings in the way temperature checks were conducted, monitored and escalated, causing delays in replenishing liquid nitrogen to regulate tank temperatures. Hence, arising from the test results, Cordlife Singapore cannot be certain of the viability and potency of every CBU stored in the high-risk tanks and will deem that the CBUs in these tanks are impacted by temperature excursions.

For the High-Risk Tanks, Cordlife Singapore will be offering a refund of annual fees received from the start of the temperature excursion and waive subsequent fees until the maturity of service agreements when their child turns 21 years of age for all active clients whose CBUs are stored in these tanks.

Cordlife Singapore will maintain the storage of these CBUs for these clients until their service agreements mature. At the same time, Cordlife Singapore will honour its commitment to find a suitable CBU if, in the opinion of the transplant physician, it is subsequently determined that their child’s CBU cannot be successfully used solely because it does not meet the viability criteria when an approved cord blood transplant is required.

Cordlife Singapore is in the process of contacting all clients whose CBUs are stored in these Low-Risk and High-Risk Tanks to inform them of the results of their respective tanks and the follow-up plans.

Ivan Yiu, Group Chief Executive Officer, Cordlife Group Limited, commented:

“Cordlife Singapore has been working tirelessly to resolve the issues identified by MOH last year and provide clarity for our clients. All the donated samples tested from the five tanks under investigation have shown cell viability and potency. However, we know there is more work to be done, and we will continue to test a statistically meaningful number of cord blood units from the Low-Risk Tanks to make sure all of our clients have the answers and results they need.”

“We sincerely apologise to all of our clients for the distress caused by this situation. We recognise the need to resolve the situation as quickly as possible.”

Cordlife continues to work closely with MOH to identify measures to prevent similar occurrences from recurring. These will include strengthening standard operating procedures, providing



comprehensive staff training, implementing a more robust laboratory monitoring system, and fortifying all fail-safe measures.

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ABOUT CORDLIFE GROUP LIMITED

Cordlife Group Limited (“Cordlife”, together with its subsidiaries, the “Group”), founded in 2001, owns and operates Asia’s largest network of private cord blood banks. The Group is committed to ensuring the health and well-being of both mother and child, amongst others. Listed on the Mainboard of the Singapore Exchange since 2012, the Group is a pioneer in private cord blood banking in Asia with extensive transplant experience, having processed and stored more than 400,000 cord blood, cord lining, and cord tissue stem cell samples. With full stem cell banking facilities in six key markets, Cordlife is an industry leader in Singapore, Hong Kong, Indonesia, and the Philippines and one of the top three market leaders in India and Malaysia. Through its majority-owned subsidiary in Malaysia, Stemlife Berhad, Cordlife has an indirect stake in Thailand’s largest private cord blood bank, Thai Stemlife. In addition to cord blood, cord lining, and cord tissue banking, Cordlife offers families a comprehensive suite of diagnostic services, including non-invasive prenatal testing, paediatric vision screening, and newborn metabolic screening. Cordlife strives to ensure reliable quality and is committed to a customer-centric approach. For more information, visit <http://cordlife.listedcompany.com>.