



The Stem Cell Specialist.

**STEMLIFE BERHAD**  
(Company No: 566770-D)  
Incorporated in Malaysia

**QUARTERLY REPORT**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**  
(The figures have not been audited)

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.12.2010 (RM'000)	Preceding Year Quarter 31.12.2009 (RM'000)	Current Year To Date 31.12.2010 (RM'000)	Preceding Year Corresponding Period 31.12.2009 (RM'000)
Revenue	4,562	4,971	16,516	15,824
Costs of Sales	(3,127)	(2,926)	(12,314)	(12,140)
<b>Gross Profit</b>	<b>1,435</b>	<b>2,045</b>	<b>4,202</b>	<b>3,684</b>
Other Income	324	19	1,496	894
Administrative Expenses	(1,963)	(2,220)	(5,648)	(6,128)
Provision for Impairment	-	(2,470)	-	(2,470)
<b>(Loss) / Profit from Operations</b>	<b>(204)</b>	<b>(2,626)</b>	<b>50</b>	<b>(4,020)</b>
Share of Associated Company's Results	83	(45)	(113)	1,070
<b>Loss Before Taxation</b>	<b>(121)</b>	<b>(2,671)</b>	<b>(63)</b>	<b>(2,950)</b>
Taxation	(56)	61	(114)	(82)
<b>Loss After Taxation</b>	<b>(177)</b>	<b>(2,610)</b>	<b>(177)</b>	<b>(3,032)</b>
Minority Interests	(344)	45	(200)	212
<b>Loss Attributable to Shareholders</b>	<b>(521)</b>	<b>(2,565)</b>	<b>(377)</b>	<b>(2,820)</b>
<b>Basic loss per share (LPS) (sen)</b>	<b>(0.32)</b>	<b>(1.55)</b>	<b>(0.23)</b>	<b>(1.71)</b>
<b>Diluted – LPS (sen)</b>	<b>(0.32)</b>	<b>(1.55)</b>	<b>(0.23)</b>	<b>(1.71)</b>
<b>Effective Tax Rate (%)</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2009.

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**QUARTERLY REPORT**

**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**

(The figures have not been audited)

**CONDENSED CONSOLIDATED BALANCE SHEET**

	<b>As at End of Current Quarter 31.12.2010 (RM'000)</b>	<b>Audited As at Preceding Financial Year Ended 31.12.2009 (RM'000)</b>
<b>Non-Current Assets</b>		
Property, Plant and Equipment	5,396	5,983
Investments	7,431	5,688
<b>Net Non-Current Assets</b>	<b>12,827</b>	<b>11,671</b>
<b>Current Assets</b>		
Inventories	756	646
Trade Receivables	3,075	6,929
Other Receivables and Deposits	692	771
Short Term Investment	-	3,000
Tax Recoverables	110	137
Cash and Bank Balances	47,875	38,973
	52,508	50,456
<b>Current Liabilities</b>		
Trade Payables	434	331
Advance Payment	32,430	25,292
Other Payables and Accruals	1,353	1,735
Taxation	34	-
	34,251	27,358
<b>Net Current Assets</b>	<b>18,257</b>	<b>23,098</b>
<b>NET ASSETS</b>	<b>31,084</b>	<b>34,769</b>
<b>Financed by:</b>		
Share capital	16,500	16,500
Reserves	14,584	16,619
<b>Shareholders' Funds</b>	<b>31,084</b>	<b>33,119</b>
Minority Interest	-	1,650
<b>TOTAL EQUITY</b>	<b>31,084</b>	<b>34,769</b>
<b>Net Asset per Share Attributable to Ordinary Equity Holders of the Parent (sen)</b>	<b>18.84</b>	<b>20.07</b>

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2009.



The Stem Cell Specialist.

## STEMLIFE BERHAD

(Company No: 566770-D)

Incorporated in Malaysia

### QUARTERLY REPORT

FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

(The figures have not been audited)

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued and Paid-up Share Capital RM'000	Share Premium RM'000	Exchange Reserve RM'000	Unappropriated Profit RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
Balance as at 1 January 2010	16,500	11,698	51	4,870	33,119	1,650	34,769
Net Profit for the Period	-	-	-	(377)	(377)	200	(177)
Dividends Paid	-	-	-	(1,650)	(1,650)	-	(1,650)
Minority Interest	-	-	-	-	-	-	-
Acquisition of subsidiary company	-	-	-	-	-	(1,850)	(1,850)
Currency Translation Differences	-	-	(8)	-	(8)	-	(8)
<b>Balance as at 31 December 2010</b>	<b>16,500</b>	<b>11,698</b>	<b>43</b>	<b>2,843</b>	<b>31,084</b>	<b>-</b>	<b>31,084</b>
Balance as at 1 January 2009	16,500	11,698	(3)	9,340	37,535	1,862	39,397
Net Loss for the Period	-	-	-	(2,820)	(2,820)	-	(2,820)
Dividends Paid	-	-	-	(1,650)	(1,650)	-	(1,650)
Minority Interest	-	-	-	-	-	(212)	(212)
Currency Translation Differences	-	-	54	-	54	-	54
<b>Balance as at 31 December 2009</b>	<b>16,500</b>	<b>11,698</b>	<b>51</b>	<b>4,870</b>	<b>33,119</b>	<b>1,650</b>	<b>34,769</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2009.

**STEMLIFE BERHAD**

(Company No: 566770-D)

Incorporated in Malaysia

**QUARTERLY REPORT**

FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

(The figures have not been audited)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>Current Year To Date Ended 31.12.2010 (RM'000)</b>	<b>Corresponding Year To Date Ended 31.12.2009 (RM'000)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<i><b>Cash Inflow</b></i>		
Receipts from Customers	27,509	22,650
<i><b>Cash Outflow</b></i>		
Payment to Suppliers	11,690	11,256
Payment for Taxation	106	219
Payment for Overheads	5,233	4,761
	17,029	16,236
<b>Net Cash Flow from Operating Activities</b>	<b>10,480</b>	<b>6,414</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Properties, Plants and Equipments	<b>649</b>	<b>828</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
<i><b>Cash Inflow</b></i>		
Dividend Received	245	200
Amount Owing by Associated Company	2	2
Other Income	1,496	894
	1,743	1,096
<i><b>Cash Outflow</b></i>		
Dividend Paid	1,650	1,650
Investment in Subsidiary Company	1,850	-
Investment in Associated Company	2,172	-
	5,672	1,650
<b>Net Cash Flow from Financing Activities</b>	<b>(3,929)</b>	<b>(554)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>5,902</b>	<b>5,032</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>41,973</b>	<b>36,941</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>47,875</b>	<b>41,973</b>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2009.



The Stem Cell Specialist.

## **STEMLIFE BERHAD**

**(Company No: 566770-D)**

**Incorporated in Malaysia**

### **QUARTERLY REPORT**

**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**

**(The figures have not been audited)**

### **NOTES TO THE INTERIM FINANCIAL STATEMENTS**

#### **PART A – EXPLANATORY NOTES PURSUANT TO FRS 134**

##### **A 1. BASIS OF PREPARATION**

The unaudited interim financial statements have been prepared in accordance with the FRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board and Part K, Rule 9.22 (Appendix 9B) of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Securities Exchange”) for the ACE Market (formerly known as the MESDAQ Market).

The unaudited interim financial report should be read in conjunction with the audited financial statements of StemLife and its subsidiary and associated companies (“the Group”) for the financial year ended 31 December 2009. These explanatory notes attached provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2009.

##### **A 2. CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2009.

The Group has not adopted FRS 130 Financial Instruments: Recognition and Measurement as its effective date has been deferred.

##### **A 3. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the financial statements for the financial year ended 31 December 2009 was not qualified.

##### **A 4. Seasonal and Cyclical Factors**

The Group’s business operation results were not affected by any seasonal or cyclical factors.

##### **A 5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow during the current financial quarter under review, that are unusual by reason of their nature, size or incidence.

##### **A 6. Changes in Estimates**

There were no changes in estimates of amounts reported in prior financial years, which have a material effect on the current financial quarter under review.



The Stem Cell Specialist.

**STEMLIFE BERHAD**  
**(Company No: 566770-D)**  
**Incorporated in Malaysia**

**A 7. Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debts and equity securities for the current financial quarter under review.

**A 8. Dividends Paid**

For the financial year ended 31 December 2009, the Company had on 6 July 2010, paid a total dividend of RM1,650,000 consisting of a first and final tax exempt dividend of 10% which was approved at the Company's Annual General Meeting held on 25 May 2010.

**A 9. Segmental Information**

The Group operates predominantly in Malaysia and is principally involved in the provision of stem cell banking services. As such, the financial information by geographical and industry segments of the Group's operations are not available for presentation.

**A 10. Valuation of Property, Plant and Equipment**

There has been no valuation on any of the Group's property, plant and equipment during the current financial quarter under review.

**A 11. Subsequent Events**

There were no material events subsequent to the end of the current financial quarter under review that has not been reflected.

**A 12. Changes in the Composition of the Group**

There are no changes in the composition of the Group during the current financial quarter under review.

**A 13. Changes in Contingent Liabilities or Contingent Assets**

There were no changes in the contingent liabilities or contingent assets since the last annual balance sheet date as at 31 December 2009.



The Stem Cell Specialist.

## **STEMLIFE BERHAD**

**(Company No: 566770-D)**

**Incorporated in Malaysia**

### **QUARTERLY REPORT**

**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**

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#### **NOTES TO THE INTERIM FINANCIAL STATEMENTS**

#### **PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF THE ACE MARKET**

##### **B 1. PERFORMANCE REVIEW**

###### **Quarter ending 31 December 2010**

The Group recorded revenue of RM4.56 million for Q4 - 2010 against RM4.97 million in Q4 - 2009, a decrease of RM0.41 million (8.2%). The decrease is due to the lower number of signed-up cases achieved in Q4 - 2010 compared to Q4 - 2009 of 20%; higher level of discount given to annual storage fees. However, the Group storage fee income increased by 37% in Q4 - 2010 over Q4 - 2009.

Gross profit for Q4 - 2010 was RM1.44 million against RM2.05 million in Q4 - 2009, a decrease of RM0.61 million (30%). The decrease is due to the lower number of signed-up cases in Q4 - 2010 which resulted in a higher cost per unit of signed-up case and is also affected by higher consumable cost per signed-up case.

The Group registered a loss before taxation of RM0.12 million compared to a loss before taxation of RM2.67 million in Q4 - 2009. The decrease in the loss before taxation was a provision for impairment of RM2.47 million in Q4 - 2009 and nil in Q4 - 2010.

The Group shows a loss after taxation of RM0.18 million against a loss after taxation of RM2.61 million in Q4 - 2009, an improvement of RM2.43 million. This is due to the impairment charge of RM2.47 million in Q4 - 2009 but nil in Q4 - 2010.

###### **FY ending 31 December 2010**

The Group registered revenue of RM16.52 million for FY 2010 against RM15.82 million in FY 2009, an increase of RM0.70 million (4%). The increase is due to higher storage fees income received in FY 2010, an increase of 38% on FY 2009 while enrolment income is lower by 5% from FY 2009 due to the lower number of signed-up cases achieved in FY 2010 compared to FY 2009.

Gross profit for FY 2010 was RM4.20 million compared to RM3.68 million in FY 2009, an increased of RM0.52 million. The net increase is due to the higher storage fees income recorded in FY 2010 over FY 2009 from the increase in the number of that stored their stem cells with the Group while enrolment income in FY 2010 showed a decrease as compared to FY 2009.

The Group registered a loss before tax of RM63,000 in FY 2010 compared to a loss before taxation of RM2.95 million in FY 2009, an improvement of RM2.89 million. This is due to higher interest income received by the Group in FY 2010 over FY 2009, lower administrative expenses and also that in FY 2009 there was a provision for impairment of RM2.47 million. FY 2010 profit before taxation was also affected by the Group's share of associated company's results which showed a loss of RM0.11 million compared to a profit of RM1.07 million in FY 2009. The associated company's results were affected by the political uncertainty in Thailand.

The Group shows a loss after taxation of RM0.18 million in FY 2010 compared to a loss after taxation of RM3.03 million in FY 2009 after taxation charge of RM0.11 million in FY 2010 and RM0.08 million in FY 2009. The Group effective tax rate is lower than the statutory income tax because the company income from enrolment fees and storage fees are tax exempt under the company's BioNexus status.



The Stem Cell Specialist.

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**(Company No: 566770-D)**  
**Incorporated in Malaysia**

**B 2. COMPARISON WITH PRECEDING QUARTER’S RESULTS**

	<b>4Q 2010 RM’000</b>	<b>3Q 2010 RM’000</b>
Revenue	4,562	4,494
Profit/(Loss) Before Tax (PBT)	(121)	400
Profit/(Loss) After Tax and Minority Interests (PATMI)	(521)	434

For the quarter under review, the Group recorded a revenue of RM4.56 million compared to RM4.49 million recorded in the preceding quarter (3Q10) representing an increase of 1.55%. This is mainly due to an increase in annual storage fees recognised in Q410 as compared to Q310. The Group registered a LBT of RM121K as compared to a PBT of RM400K recorded in the preceding quarter and a LATMI of RM521K against a PATMI of RM434K in the preceding quarter. The LATMI in Q410 was mainly due to the higher cost of sales and administrative expenses in Q410 against Q310.

**B 3. PROSPECTS OF THE GROUP**

The Directors of StemLife are of the opinion that the Group’s results for the financial year ending 31 December 2011 will continue to remain at the current level.

**B 4. VARIANCE OF ACTUAL AND FORECAST PROFIT**

The Group did not issue any profit forecast for the financial period or year ending 31 December 2010 and therefore information on variance from profit forecast is not applicable.

**B 5. TAXATION**

The taxation figures are as follows:

	<b>Current Quarter (RM’000)</b>	<b>Cumulative Year to Date (RM’000)</b>
Estimated current tax payable	56	114

The statutory corporate income tax rate applicable to StemLife is 25%. However, the company’s income which is mainly derived from approved BioNexus activities i.e. involving its cord blood and peripheral blood stem cells banking activities, are not subjected to income tax. The income tax payable recorded for the period is a result of other income and profits of other subsidiaries which are subjected to Malaysian and Thailand corporate income tax.



## STEMLIFE BERHAD

(Company No: 566770-D)

Incorporated in Malaysia

### B 6. SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no sales of any unquoted investments and/or properties for the current financial quarter and financial year to date.

### B 7. PURCHASE OF QUOTED SECURITIES

There were no purchases of quoted securities during the financial period under review.

### B 8. STATUS OF CORPORATE PROPOSALS

There is no corporate proposal announced but not completed as at the date of this report.

### B 9. STATUS OF UTILISATION OF LISTING PROCEEDS

StemLife Berhad (“StemLife” or the “Company”) was listed on the ACE Market (formerly known as the MESDAQ Market) on 17 October 2006. The Company raised RM13.2 million from its Initial Public Offering (“IPO”) and the details of utilisation of such proceeds as at 31 December 2010 is as follows:

Purpose	Proposed Utilisation RM'000	Initial Timeframe for Utilisation	Actual Utilisation RM'000	Balance of Amount Allocated RM'000	%	Extended Timeframe for Utilisation	Explanations
Third Laboratory	2,600	Within three (3) years from the Date of Listing i.e. 17 October 2006 (“Date of Listing”)	-	2,600	100.0	By 31 March 2012	^ ##
Laboratory Equipments	3,000	Within three (3) years from Date of Listing	998	2,002	66.7	By 31 March 2012	^ ##
Logistics Expansion	600	Within three (3) years from Date of Listing	600	0	-	-	
Branches Expansion	2,500	Within three (3) years from Date of Listing	637	1,863	74.5	By 17 October 2011	^ ##
Working Capital	2,500	-	2,998	(498)*	-	-	*
Listing Expenses	2,000	-	1,502	498*	-	-	*
	<b>13,200</b>		<b>6,735</b>	<b>6,465</b>	49.0		

**STEMLIFE BERHAD**  
**(Company No: 566770-D)**  
**Incorporated in Malaysia**

*Notes:*

*The under utilisation of the listing expenses was adjusted to working capital and utilised fully in the 1<sup>st</sup> quarter 2007.*

*^ The approved timeframe for utilization is 3 years from the date of listing.*

*## The Board of Directors had on 20 October 2009 approved and announced the extension of time for the utilisation of the balance of the IPO proceeds in the extended timeframe mentioned.*

**B 10. BORROWINGS AND DEBT SECURITIES**

As at the current period under review, the Group does not have any borrowings and debt securities.

**B 11. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

As at the date of this report, there are no off balance sheet financial instruments.

**B 12. MATERIAL LITIGATIONS**

As at the date of this report, there are no material litigations against StemLife and its subsidiary companies or taken by StemLife and its subsidiary companies except for the following:

- (1) Suit against Bristol Myers Squibb Sdn Bhd ("BMS") and Arachnid Sdn Bhd ("ASB")
  - (i) As reported earlier in the 2nd Quarter Report for the financial period ended 30 June 2008, the suit was filed by the Company in the Kuala Lumpur High Court on 22 May 2008 against BMS and ASB for defamatory articles posted on the MeadJohnson Sdn Bhd's website. The Company has sought relief by way of an injunction and damages.
  - (ii) BMS and ASB have on 26 September 2008 and 28 October 2008 respectively filed applications to strike out the Company's claim on, inter alia, the basis that it discloses no cause of action against them. The Company's solicitors have filed Affidavits in Reply to the said applications on 30 January 2009.
  - (iii) BMS had also on 3 November 2008 amended its Statement of Defence and Counter Claim. As the amendment has no significant effect on the Company's cause of action and its claim against BMS, the Company's solicitors have not filed any amendments to the Company's Reply to Defence and Counterclaim.
  - (iv) At the scheduled hearing of the suit for case management of BMS and ASB's applications to strike out the Company's claim on 17 February 2009, the Court directed as follows:
    - (a) In respect of ASB's striking out application, counsels for both ASB and the Company are to file written submissions on 3 April 2009 and the hearing of the applications be fixed for 21 April 2009.
    - (b) With regard to BMS's striking out application, the hearing is now fixed for 23 July 2009.
  - (v) The Company's suit against ASB was struck off by the High Court on 21 April 2009. The Company has appealed against the said decision on 30 April 2009.
  - (vi) At the hearing of BMS's application on 23 July 2009 the High Court struck out the Company's suit against it. The Company has on 31 July 2009 filed an appeal against the said decision.

**STEMLIFE BERHAD**  
**(Company No: 566770-D)**  
**Incorporated in Malaysia**

- (vii) The Court of Appeal had on 18 August 2010 heard both the appeals against ASB and BMS respectively and allowed both the Company's appeals. The High Court has now fixed 27 October 2010 for case management.
  - (viii) At the case management hearing on 27 October 2010, the High Court directed the parties to file, inter alia, documents, statement of agreed facts and issues to be tried. It has then scheduled 23 February 2011 for further case management.
  - (ix) The Court has fixed 30 May 2011 for further case management for parties to comply with previous directions.
- (2) Suit against Cryocord Sdn Bhd ("CC") and Esther Ho Sea Wai ("EH")
- (i) The Company had on 11 September 2008 filed a suit in the Kuala Lumpur High Court for injunction and damages against CC and EH for defamatory statements made against the Company.
  - (ii) The Company's solicitors have effected service of the Writ and Statement of Claim against CC's addresses on 12 and 13 November 2008. EH had been served with the Writ and Statement of Claim on 19 November 2008.
  - (iii) The solicitors for CC and EH had filed their Statement of Defence on 6 January 2009. The Company's solicitors have filed its Reply to Defence on 20 February 2009.
  - (iv) The hearing of the case management of the matter is fixed for 29 May 2009.
  - (v) At the hearing of the case management on 29 May 2009, the High Court directed the parties to prepare bundle of documents and pleadings, statements of agreed facts and issues to be tried. It has fixed 11 September 2009 for the hearing of the 2<sup>nd</sup> case management of the suit.
  - (vi) The Court has fixed 3 September 2010 for further case management.
  - (vii) The hearing of the case management was further adjourned to 29 November 2010 for the parties to comply with the directions of the Court.
  - (viii) As the parties are still in the midst of finalizing the documents to be adduced at the trial the Court gave another date for case management on 13 April 2011.
- (3) Suit against Tan Yen Nee ("TYN") and Cellsafe International Sdn Bhd ("CSI")
- (i) The Company had filed a suit in the Kuala Lumpur High Court on 11 August 2008 against CSI and TYN for injunction and damages for defamatory statements made against the Company.
  - (ii) The Company had filed an amendment to its Statement of Claim on 17 October 2008. The amended Writ and Statement of Claim was served on CSI and TYN on 12 and 13 November 2008 respectively.

## **STEMLIFE BERHAD**

**(Company No: 566770-D)**

**Incorporated in Malaysia**

- (iii) The solicitors for TYN and CSI have filed an application to strike out the Company's claim and for leave to defer the filing of Statement of Defense pending the disposal of the striking out application. The solicitors for the Company have filed its affidavit in reply on 20 February 2009. The hearing is scheduled for 1 April 2009 and the Court directed the parties to finalise all affidavits by 19 May 2009.
  - (iv) On 19 May 2009, the case management of TYN and CSI's application to strike out was scheduled for 5 August 2009.
  - (v) On 5 August 2009, the High Court directed the parties to prepare and hand over their respective written submissions on 15 September 2009 and scheduled the hearing date of TYN and CSI's application to strike out for 8 October 2009.
  - (vi) TYN and CSI's application to strike out the Company's claim was dismissed with costs by the Court on 16 October 2009. The Company solicitors had applied for case management for the matter.
  - (vii) The Court has fixed 13 December 2010 for mention and for the Company to file an application for to amend its claim.
  - (viii) The Company has filed an application for to amend its claim. At the hearing of the aforesaid application on 22 February 2011, the parties' solicitors submitted written submissions. The Court then fixed 8 March 2011 for hearing / clarification. The case management is also fixed for 16 March 2011.
- (4) Suit against Kuala Lumpur Sports Medicine Centre Sdn Bhd ("KLSMC")
- (i) StemLife Therapeutics Sdn Bhd ("STSB"), a subsidiary of the Company, filed a suit against KLSMC in the Kuala Lumpur High Court on 26 August 2010 for a sum of RM426,500.00 being outstanding fees for services rendered.
  - (ii) KLSMC filed its statement of defense on 12 October 2010.
  - (iii) STSB has on 27 October 2010 filed an application for summary judgment against KLSMC. STSB's solicitors are still waiting for the extraction of sealed copy of the said application for service on KLSMC together with its supporting affidavit.
  - (iv) The Court has fixed 11 April 2011 for parties to file in their respective affidavits in relation to STSB's summary judgment application.

### **B 13. DIVIDENDS**

The Board of Directors of the Company had resolved to declare a 10% Interim Tax Exempt Dividend for the financial year ending 31 December 2011.

The entitlement date and payment date in respect of the aforesaid 10% Interim Tax Exempt Dividend are 11 March 2011 and 18 March 2011 respectively.

**STEMLIFE BERHAD**  
**(Company No: 566770-D)**  
**Incorporated in Malaysia**

**B 14. EARNINGS PER SHARE (“EPS”)**

(i) Basic EPS

The basic EPS is calculated by dividing the net earnings attributable to shareholders for the period by the weighted average number of ordinary shares in issue during the period.

	<b>Current Year Quarter 31.12.2010 (RM'000)</b>	<b>Current Year To Date 31.12.2010 (RM'000)</b>
Net Loss Attributable to Ordinary Shareholders	(521)	(377)
Weighted Average Number of Ordinary Shares of RM0.10 each in Issue ('000s)	165,000	165,000
Basic Earnings per Share (sen)	(0.32)	(0.23)

(ii) Diluted EPS

The company does not have any convertible shares or convertible financial instruments for the current financial quarter and financial year to date.

**B 15. AUTHORISED FOR ISSUE**

The interim financial statements were authorized for issue by the Board of Directors of StemLife in accordance with a resolution of the directors dated 25 February 2011.

By Order of the Board

Laang Jhe How (MIA 25193)  
 Company Secretary  
 25 February 2011