



FSD Cause No. 108 of 2022 (IKJ)

Global Cord Blood Corporation (In Provisional Liquidation) (the Company) Cause No. FSD 108 of 2022 (IKJ)

Fourth Report

Filing Date: 1 June 2023

Progress report cut-off Date: 23 May 2023



Contents

1	Basis of Report	2
2	Disclaimer	3
3	Defined Terms	4
4	Executive Summary	9
5	Actions taken by the JPLs since the Third Report	10
6	Investigations	14
7	The Former Board	15
8	Applications in the Petition Proceedings and in the BVI	17
9	Funding and costs to 31 March 2023	20
10	Next steps	21
	Appendix A – Chronology of Key Events	22

1 Basis of Report

1.1 Basis of Report

- 1.1.1 This report is to be used for the purpose of informing the Court and stakeholders of the progress made in the provisional liquidation of the Company, in accordance with the requirements of paragraph 12 of the Order dated 22 September 2022. Pursuant to the Court's previous direction, notice of this report will be published as a 6-K with the SEC.
- 1.1.2 This report has been prepared using the information available to the JPLs, being Margot MacInnis, John Royle and Chow Tsz Nga Georgia up to 23 May 2023. The JPLs have relied upon information that is available to them and recognise that this information may be incomplete and that they await third party verification. Accordingly, the JPLs consider there will be further developments in their investigations of the Company's affairs which will be incorporated in the JPLs subsequent reports to the Court.
- 1.1.3 This report should be read in conjunction with the First Report, Second Report and Third Report. This report sets out the progress of the liquidation for the period 20 February 2023 to 23 May 2023.

2 Disclaimer

2.1 Disclaimer

- 2.1.1 The JPLs' investigations are continuing. Some matters being investigated are confidential and commercially sensitive. There are also ongoing proceedings which are subject to disclosure rules and codes of conduct in the relevant jurisdictions. Accordingly, consistent with the JPLs' approach to date, this report does not contain commercially sensitive or confidential information that could prejudice the outcome of the Provisional Liquidation or any proceedings. In a similar vein, the JPLs are not able to disclose the full results of their investigations to date.
- 2.1.2 In the event that this report is used for any purpose other than in accordance with its statutory purpose of informing the Court or in accordance with the JPLs' obligations under the Order, any party relying on this report does so entirely at their own risk and shall have no right of recourse against the JPLs, any GT entities, their partners, employees, professional advisors or agents.
- 2.1.3 None of the JPLs, GT, their partners, employees, professional advisors or agents accept any liability or assume any duty of care to any third party (whether it is an assignee or successor of another third party or otherwise) in respect of this report and any such party who receives a copy of this report whether from GT or any other source shall have no right of recourse against GT, their partners, employees, professional advisors or agents.
- 2.1.4 In preparing this report, the JPLs have relied upon information available to them and have not performed an audit examination on this information. Except where specifically stated, the JPLs have been unable to establish the reliability of the sources of information presented to them by reference to independent evidence.
- 2.1.5 The JPLs' report does not cover valuation advice or related valuation services and no party should seek to rely on any comments by the JPLs in relation to the value of the assets of the Company.
- 2.1.6 Nothing in this report is intended to waive legal privilege in respect of any matter referred to herein, and privilege is not being waived.
- 2.1.7 "Grant Thornton" refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires.
- 2.1.8 Grant Thornton Specialist Services (Cayman) Limited and Grant Thornton Recovery & Reorganisation Limited are member firms of Grant Thornton International Ltd ("GTIL"). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

3 Defined Terms

3.1 Defined Terms

Albert Chen or AC	Albert Chuen Bing Chen, former Chief Financial Officer of the Company		ownership of the shares in the Petitioner is in dispute
Appointment Order	Order to appoint the JPLs on 22 of September 2022 by the Court, as amended from time to time	Board Order	Order issued by the Court on 14 February 2023 and filed 16 February 2023 sanctioning the JPLs exercising the power to remove all existing members of the Former Board
Authority Application	Summons issued by the Litigation Steering Committee seeking declarations and or orders that they have the authority to oppose the Petition and engage attorneys and counsel for the purpose of the Petition Proceedings	BVI	British Virgin Islands
Baoman	Jinan Baoman Science & Technology Development Co., Ltd – registered in the PRC and indirectly wholly owned by GCBC	BVI Amendment Application	An application that GMSC made on 1 November 2022 to make substantive amendments to its pleaded case in the BVI Proceedings
Blue Ocean	Blue Ocean Structure Investment Company Ltd – incorporated in the British Virgin Islands and also the petitioner who placed the Company into provisional liquidation. Holds an interest of c. 65.4% in GCBC	BVI Subsidiaries	Cellenkos GP Limited; China Stem Cells (East) Company Limited (BVI reg no: 1050377); China Stem Cells (West) Company Limited (BVI reg no: 1050379); China Stem Cells (North) Company Limited (BVI reg no: 1050380); China Stem Cells (South) Company Limited (BVI reg no: 1050378) – incorporated in the British Virgin Islands and indirectly wholly owned by GCBC
Blue Ocean HK	Blue Ocean HK is a company incorporated under the laws of Hong Kong and the legal owner of the 72 issued and fully paid shares in the Petitioner. However, the beneficial	BVI Proceedings	Proceedings in the BVI in which the Petitioner and Blue Ocean HK filed proceedings against GMSC and in which GMSC claims, inter alia that the Petitioner’s shares in GCBC are

	subject to a share charge dated 30 March 2018 and that accordingly beneficial ownership of the Petitioner's shares in GCBC have passed to GMSC.		
Cayman Share Charge	Shares in the Company which are subject to an alleged share charge dated 30 March 2018	CISIL	China In Shine Investment Limited, a BVI registered company and purported initial recipient of the Transferred Subsidiaries
Cayman Subsidiaries	CCBS and CSC Holdings	Collateral Use Application	Application filed by the Petitioner seeking permission in the BVI Proceedings to disclose documents to the JPLs, including all documents disclosed by GMSC, the expert reports in respect of the allegedly forged Cayman Share Charge, witness statements and affidavits
Cellenkos	Cellenkos Inc – registered in Delaware, specialises in stem cell therapy and was the target entity in the 29 April 2022 Cellenkos Transaction	Court	The Grand Court of the Cayman Islands
Cellenkos GP Limited	BVI registered company number 102983 and fully owned by GCBC	Enjoined HK Directors	Albert Chen and/or Tina Zheng and/or Notake Minori and/or Sonoe Muramatsu
Cellenkos Transaction	On 29 April 2022 the Board approved a multi-step transaction whereby the Company would acquire 100% of the equity in Cellenkos and the rights to develop and commercialise certain of Cellenkos' existing and future products worldwide on 29 April 2022. This was purportedly in exchange for consideration of inter alia 114 million shares in the Company and US\$664 million cash	Expert Reports	The expert reports in respect of the allegedly forged Cayman Share Charge
		Favorable Fort	Favorable Fort Limited – incorporated in Hong Kong and indirectly wholly owned by GCBC
Chen Hong	Beijing Jiachenhong Biological Technologies Co., Ltd – incorporated in the PRC	First Report	First Report prepared by the JPLs, submitted to the Court on 20 October 2022 and published on the GCBC's website
		Former Board	The Company's former board of directors consisting of Mark D. Chen, Albert Chuen Bing Chen, Jacky Cheng, Jack Chow, Ken Yungang Lu, Jennifer J. Weng, Xu Ping, Ting

	Zheng (information from general registry of the Cayman Islands)		
GCBC or the Company	Global Cord Blood Corporation (In Provisional Liquidation)	GMSCL's Standing	The issue of GMSCL's standing, right to intervene and/or joinder
GM Investment	GM Investment Company Limited, a HK-based company and GMSCL's sole shareholder	Group	the Company and its subsidiaries including the Cayman Subsidiaries, the HK Subsidiaries, the PRC Subsidiaries, and the BVI Subsidiaries
GM Summons	On 18 January 2023, GMSCL issued a summons seeking a strike out, stay, or be granted injunctive relief in respect of the petition to wind-up GCBC	GT	Grant Thornton (a collective term for both GTHK and GTSS)
GMSC	Golden Meditech Stem Cells (BVI) Company Limited, registered in the BVI. It sold its shareholding in GCBC to the shareholder of the Petitioner on 30 December 2016	GTHK	Grant Thornton Recovery & Reorganisation Limited (located in Hong Kong)
GMHL	Golden Meditech Holdings Limited – registered in Cayman Islands and trades in Hong Kong. GMHL was a Hong Kong-listed company and was delisted in 2020. Yuen Kam resigned as chairman, director in 2019 however submissions in the PL application indicated he is a current Director of this entity.	GTSS	Grant Thornton Specialist Services (Cayman) Limited
GMSCL	Golden Meditech (Shanghai) Company Limited	HK	Hong Kong
		HK Court	The High Court of the Hong Kong Special Administrative Region
		HK CR	The Hong Kong Companies Registry
		HK Injunction Orders	Injunction orders acquired by the JPLs in HK on (a) 28 October 2022 against the Notake Minori, Prime Intelligent, Albert Chen, and/or Tina Zheng on 28 October 2022, and (b) on 10 February 2023 against the same parties as well as which were subsequently modified by order of the HK Court on 10 February 2023 to include CISIL, and Sonoe Muramatsu, and

	Prime Intelligent, forbidding any action in relation to or for and on behalf of the HK Subsidiaries	Lukou	Zhejiang Lukou Biotechnology Co., Ltd – registered in the PRC
HK Proceedings	The legal proceedings initiated by the JPLs in HK regarding the HK Subsidiaries as previously outlined in the Second Report	Maxcess	Maxcess Finance Limited, registered as a private limited company in HK with Money Lender’s License Number 0640/2022
HK Registrar	The HK Companies Registry of 14th Floor, High Block, Queensway Government Offices, 66 Queensway, Admiralty, Hong Kong	Notake Minori or Notake	Notake Minori, believed to be a resident of Japan, purportedly appointed to the boards of CSC Holdings, Stem South (BVI), Stem North, Stem East, CSC South, and Favorable Fort
HK Subsidiaries	Stem North and/or Stem West and/or Stem East and/or Stem South and/ or Favorable Fort	Nuoya	Guangzhou Municipality Tianhe Nuoya Bio-engineering Co., Ltd
INEDs	The former Independent Non-Executive Directors (of GCBC)	NYSE	New York Stock Exchange
JPLs	Margot MacInnis, John Royle and Chow Tsz Nga Georgia, the Joint Provisional Liquidators of GCBC	Petitioner	Blue Ocean
KLC	K. L. Chan & Co., counsel for Prime Intelligent in the HK Proceedings	Petition Proceedings	The proceedings commenced by the Petitioner before the Cayman Court with cause number 108 of 2022 (IKJ)
Litigation Steering Committee	The Litigation Steering Committee is made up of Ting Zheng, Albert Chen, Mark Chen, Ken Lu, Jennifer Weng, Jacky Cheng, Jack Chow and excludes Xu Ping	PRC	People’s Republic of China
		PRC Subsidiaries	Chen Hong, Lukou, Nuoya, Baoman, and Qilu
		Prime Intelligent	Prime Intelligent Management Limited, purported corporate secretary of the HK Subsidiaries, whose appointment validity is

	being contested by the JPLs in the HK Proceedings		
Qilu	Shandong Province Qilu Stem Cells Engineering Co., Ltd. – registered in the PRC and indirectly owned by Favorable Fort (24% shareholding)	Stem South (BVI)	China Stem Cells (South) Company Limited – incorporated in the British Virgin Islands
Replacement Directors	Sandipan Bhowmik, Denny Cheuk Kai Tse, and Nigel Valentino Trayers, all employees of GT	Stem West	China Stem Cells (West) Company Limited – incorporated in Hong Kong and indirectly wholly owned by GCBC
Second Report	Second report prepared by the JPLs, submitted to the Court on 1 December 2022 and published on GCBC’s website	Third Report	Third report prepared by the JPLs, submitted to the Court on 1 March 2023 and published on GCBC’s website
Set Aside Summons	Petitioner’s summons which seeks to have the 29 July 2022 Judgement in the Petition Proceedings set aside on the grounds that it was procured by fraud	Ting or Tina Zheng or TZ	Former Chairperson and Executive Director of GCBC (as well as director of GMHL until 24 May 2019)
Sonoe Muramatsu or Sonoe	Sonoe Muramatsu, believe to be a resident of Japan, purportedly appointed to the boards of the HK Subsidiaries	Transferred Subsidiaries	Subsidiaries which were purportedly transferred away from the Group, mainly being Stem North, Stem South, Favorable Fort and Stem East
Stem North	China Stem Cells (North) Company Limited – incorporated in Hong Kong	Variation Application	JPL’s application to the Cayman Court by summons dated 16 January 2023 for orders, inter alia, that the Order be varied to include a penal notice that would be triggered in the event of further non-cooperation from the Former Board
Stem South	China Stem Cells (South) Company Limited – incorporated in Hong Kong	Varied Order	Order effective 20 February 2023 resulting from the JPLs’ Variation Application
		Yuen Kam	The former Chairman and Executive Director of the Company

4 Executive Summary

4.1 Summary

- 4.1.1 Since the Third Report, the JPLs have continued to take steps to take control of the Group and prevent asset dissipation. Securing and protecting the Group's operating businesses in the PRC remains an urgent and important priority for the JPLs.
- 4.1.2 The JPLs have taken steps to defend and protect the Company against attempts to remove assets from the structure by:
- a) continuing efforts to take control of and safeguard the operating business and assets of the PRC Subsidiaries.
 - b) obtaining interim orders that Albert Chen, Ting Zheng, CISIL and Sonoe be joined as defendants to the HK Proceedings pending the outcome of a three-day hearing now scheduled for September 2023.
 - c) obtaining urgent interim relief in the HK Proceedings to prevent i) further dissipation of the shares in the HK Subsidiaries by Notake and Sonoe ii) to prevent Notake and Sonoe from holding themselves out or acting as directors or shareholders of the HK Subsidiaries and/or carrying out actions in the name of the HK Subsidiaries.
 - d) continuing their investigation of the validity of the winding-up petitions against Stem South (BVI) and CSC Holdings and formulating a response and strategy in respect to the same ahead of a petition by Maxcess to place these into official liquidation to be heard on 7 June 2023.
 - e) removing all existing members of the Former Board and appointing in their place the Replacement Directors in their place, each of whom is also associated with GT, as members of the Board.
 - f) obtaining an order from the Court varying the current Order to include, *inter alia*, a penal notice that would be triggered in the event of further non-cooperation of the Former Board.
 - g) obtaining orders ancillary to the Order requiring the Former Board (other than Xu Ping) to provide documents belonging to the Company and for the examination of the Former Board (other than Xu Ping).

4.2 Next Steps

- 4.2.1 The JPLs will continue to investigate and/ or progress litigation against the Enjoined HK Directors, Yuen Kam, and the Former Board (excluding Xu Ping) in order to protect and preserve the Group's assets. However, to do so the JPLs require access to further funding.
- 4.2.2 The lack of funds has put significant pressure on the JPLs and the Company's service providers to undertake the work necessary to obtain control and secure the assets of the Company and preserve value to its stakeholders. With the benefit of further funding the JPLs will continue to prioritise steps including:
- a) take all steps to obtain control of the PRC Subsidiaries and preserve the value of the Group and identify and locate any institutions and/or individuals that may have precipitated any concealment, misappropriation and/or dilution of assets.
 - b) obtain such disclosure as necessary to trace the whereabouts of any assets transferred or paid away from the Company. Identify, locate and secure, all assets of the Group and take appropriate steps for cooperation in multiple jurisdictions with a view to secure and compel production of documents and protection of assets; and
 - c) investigate and, where appropriate, bring proceedings against any individual or entity to aid the recovery of the Company's assets.

5 Actions taken by the JPLs since the Third Report

5.1 Books and Records

- 5.1.1 Since the Third Report, the JPLs have written to a number of additional parties notifying them of their appointment (including relevant directorship appointments of subsidiaries) and requested books and records and other information relating to the Company and its subsidiaries that would assist their investigations, bringing the total number of unique parties contacted in excess of 160.
- 5.1.2 The JPLs have also written to the former employees of the Company. To date, no responses have been received.
- 5.1.3 As noted in the Third Report, whilst the JPLs have received responses from most parties, they have been provided with limited information to date and continue to engage with parties directly (and with the assistance of the JPLs' legal counsel) to establish a multi-faceted understanding of the Company's affairs through independent means.
- 5.1.4 The JPLs' efforts to understand the operations and financial status of the underlying subsidiaries of the Group are ongoing and have been frustrated by the lack of cooperation from the Former Board and a number of former service providers of the Company.
- 5.1.5 The JPLs discuss the lack of cooperation from Albert Chen and Tina Zheng and obstructive steps taken by parties who appear to be connected with GMSCL, GMHL, the Enjoined HK Directors and Yuen Kam later in this report, including steps successfully taken by the JPLs with a view to obtaining the Company's books and records (and other information) from the Company's Former Board.

5.2 Assets

- 5.2.1 To date the responses received have identified the following assets:

Bank Accounts

- a) bank accounts for GCBC with a total balance of US\$214k; and
- b) bank accounts for subsidiaries of GCBC with a total balance of US\$213k and HK\$135k.

Retainer Refunds

- 5.2.2 The JPLs have received a refund of retainer from former Cayman Islands counsel to the Company netting approximately US\$246k. This is in addition to the net funds received previously of approximately US\$271k from former Cayman Islands counsel to the Company mentioned at §5.2.2 of the Second Report.

Insurance Refund

- 5.2.3 The JPLs have cancelled the Director's & Officer's insurance taken out by the Company prior to the appointment of the JPLs and are due a refund in excess of US\$247k. To date US\$158k has been recovered.

Refundable Earnest Deposit

- 5.2.4 The financial statements of the Company for the years ended 31 March 2020, 2021 and 2022 include a RMB340m (c.US\$54m) non-current deposit asset, which is described as "a refundable earnest money deposit" relating

to a “Letter of Intent with a third party to potentially acquire non-controlling equity interests in a healthcare company”.

5.2.5 Investigations into these matters remain ongoing.

5.3 Liabilities

5.3.1 To date, the JPLs have been notified of amounts claimed to be owed by the Company (pre-appointment) in the amount of c. US\$985k.

5.3.2 A number of proofs of debts have been submitted and the JPLs are taking steps to notify any creditors to provide information about amounts that may be owed to them and to provide proofs of debts in respect of any such claims. The JPLs are also investigating the financials of the Company including any liabilities owed. The JPLs have established a liquidation website and the forms will also be available on that platform: <https://www.granthornton.ca/en/service/advisory/creditor-updates/#Global-Cord-Blood-Corporation>.

5.4 Control of GCBC’s Corporate Structure

5.4.1 Since their appointment, the JPLs have taken (and are continuing to take) the steps needed to take control of GCBC’s corporate structure via its subsidiaries, including in the Cayman Islands, the BVI, HK, and the PRC.

5.5 Cayman Islands

Board appointments and resignations

5.5.1 On 16 February 2023, acting pursuant to the Order and the Board Order, the JPLs removed all existing members of the Former Board and appointed

in their place the Replacement Directors, each of whom is also associated with GT, as members of the Board.

5.5.2 Notwithstanding their removal as directors of the Company, the Litigation Steering Committee was seeking, by way of their Authority Application, a declaration that they are able to defend the Petition Proceedings and to engage attorneys and counsel for such purposes. The application was listed to be heard on 14 March 2023, but shortly prior to being heard was dealt with by consent.

Maxcess

5.5.3 Please refer to §5.7.12 of the report for details of winding up petitions that have been filed by Maxcess against CSC Holdings and Stem South (BVI) in the HK Court.

5.6 BVI

Cellenkos Holdings L.P.

5.6.1 Since the Third Report, the JPLs have reviewed Cellenkos Holdings L.P.’s corporate file but the information is of limited utility in the JPLs ongoing investigations.

5.6.2 Notwithstanding this, the JPLs are continuing to keep the partnership in good standing should the partnership’s control be needed for any further investigations and/or legal matters that may be required in the future.

5.7 HK

5.7.1 Since the Third Report, the JPLs have continued to take steps to obtain control of the HK Subsidiaries. A chronology which includes details of the steps taken in HK and/or events concerning the HK Subsidiaries since the Third Report is set out below for ease of reference at Appendix A.

Injunction Orders

- 5.7.2 The HK Injunction Orders continue to remain in place and have been validly served on the Enjoined HK Directors, CISIL, and Prime Intelligent by way of ordinary service or substituted service pursuant to orders of the HK Court.
- 5.7.3 The JPLs have also notified the HK CR of the HK Injunction Orders to ensure their terms are properly followed.

Defences, Evidence, and Further Filings in HK Proceedings

- 5.7.4 On 27 February 2023, Prime Intelligent notified the JPLs and the HK Court of the appointment of their replacement counsel, KLC. On the same day, KLC also filed various supplementary affirmations in support of Prime Intelligent's defences to the HK Proceedings. The JPLs formally filed their affidavits in response to Prime Intelligent's affirmations on 25 April 2023.
- 5.7.5 On 29 March 2023 and 4 April 2023, AC and TZ's representatives (respectively) filed their defences to the HK Proceedings. The JPLs subsequently filed a summons on 21 April 2023 to request the HK Court to make an order for specific document discovery against AC given he had failed to comply with the JPLs' document provision requests. A hearing to determine this summons was listed for 12 May 2023. The JPLs' subsequently filed a further summons on 10 May 2023 for the same order to be made against TZ as she had also failed to comply with the JPLs' document provision requests. However, prior to the hearing, AC filed a sworn statement confirming that he did not possess any of the documents referred to in his filed defences. An order for discovery was therefore made against TZ at the 12 May 2023 hearing but not AC.
- 5.7.6 As at the date of the Third Report, neither Notake Minori, nor Sonoe Muramatsu, have ever acknowledged service of the HK Proceedings.

Leave to Appeal and Adjourned Substantive Hearing

- 5.7.7 On 19 March 2023, AC and TZ formally filed summonses in the HK Proceedings requesting leave to appeal the Order of the Honourable Madam Justice Linda Chan dated 2 March 2023 based on purported procedural unfairness by the HK Court concerning summonses that were filed by the JPLs on 17 February 2023 in accordance with handed-down case management directions.
- 5.7.8 Following a hearing on 26 April 2023, the HK Court directed that the anticipated substantive hearing(s) for the HK Proceedings which were listed to occur on 23-25 May 2023 would instead be used to consider the JPLs' discovery application (if necessary) and AC/TZ's appeal summonses, with the new substantive hearing(s) being adjourned to September 2023.
- 5.7.9 Subsequently, on 17 May 2023, the JPLs received correspondence from AC and TZ's representatives confirming that they were withdrawing their appeal summonses. The JPLs instructed their counsel to seek recovery of the costs associated with the appeal summonses on an indemnity basis, which was approved by the HK Court.

Interrogatories

- 5.7.10 Since the Third Report, the JPLs have circulated their drafted interrogatories to the Former Board (with the exception of Xu Ping) and INEDs regarding, *inter alia*, (i) the books and records of the Company, (ii) its claim for rental arrears, and (iii) certain payments made by cheques authorised by Albert Chen to it from April 2021 to June 2022.
- 5.7.11 Sworn responses to the JPLs' interrogatories which were received from the INEDs and some of the Former Board are currently under review by the JPLs and their counsel. Further information regarding these summonses is provided at §7.2.

Maxcess

- 5.7.12 Following a time extension request approved by the HK High Court and Maxcess, the JPLs filed their affidavit in opposition to the winding-up petitions filed by Maxcess in respect to CSC Holdings and Stem South (BVI) on 11 April 2023.
- 5.7.13 A hearing of the petitions was also held on 12 April 2023, wherein it was ordered that Maxcess would have until 9 May 2023 to file and serve its affidavits in response to the JPLs' affidavits. At the same hearing, the date of the substantive hearings for the winding-up petitions were also adjourned to 7 June 2023.
- 5.7.14 Maxcess' affidavits in response were duly filed and served on the JPLs on 9 May 2023 and subsequently the JPLs and their counsel are continuing to prepare for the anticipated hearings in June 2023.

5.8 PRC

- 5.8.1 The JPLs, in conjunction with their legal counsel, are continuing to progress their efforts to take control of and safeguard the operating business and assets of the PRC Subsidiaries, as well as allow the business to continue to operate with as little interruption as possible.
- 5.8.2 Any and all other claims regarding the PRC Subsidiaries are currently ongoing matters at this time.

5.9 US NYSE

- 5.9.1 The NYSE have been provided with copies of the First Report, Second Report, and Third Report and the JPLs remain in communication with the NYSE. Trading in the Company's shares on the NYSE remains halted.

5.10 Petitioner Application under Section 1782

- 5.10.1 Prior to the JPLs' appointment, the Petitioner had filed an application under title 28 of the United States Code (Section 1782) for a subpoena against Cellenkos and a variety of parties connected to the Cellenkos Transaction.
- 5.10.2 The JPLs continue to monitor these proceedings.

5.11 Communications with stakeholders

- 5.11.1 On 3 March 2023, the JPLs issued a Form 6-K with confirmation that on 1 March 2023, the JPLs furnished their Third Report to the Court and that a copy of same is available on the Company's website: https://ir.globalcordbloodcorporation.com/static-files/GCBC_Report_1_March_2023.pdf
- 5.11.2 The JPLs have also set-up a bespoke website that includes FAQs, the First Report, the Second Report, the Third Report as well as downloadable proof of debt forms. Stakeholders can access the website: <https://www.grantthornton.ca/en/service/advisory/creditor-updates/#Global-Cord-Blood-Corporation>
- 5.11.3 Creditors and shareholders can contact the JPLs at GCBCJPLs@uk.gt.com. This email account is monitored regularly by the JPLs.
- 5.11.4 The JPLs are continuing their investigations in respect of the affairs of the Group and in that regard request shareholders to provide any information or records they may have in relation to the Company.

6 Investigations

6.1 Investigations

- 6.1.1 Investigations into the affairs of the Company and its subsidiaries are ongoing and complex. The JPLs set out in this section a high-level overview of the investigations undertaken in the period since the issue of the Second Report. To avoid repetition, we have not sought to restate the details of investigations as summarised in the Second Report.
- 6.1.2 Some matters being investigated are confidential and commercially sensitive. There are also ongoing proceedings which are subject to disclosure rules and codes of conduct in those jurisdictions. Accordingly, consistent with the JPLs' approach to date, this report omits commercially sensitive or confidential information that could prejudice the outcome of the Provisional Liquidation or any proceedings. The JPLs are therefore not able to disclose the full results of their investigations to date.
- 6.1.3 As the investigations progress and further steps are taken by the JPLs, the results of these investigations and actions taken with respect to them will be reported to stakeholders, but only where this would not prejudice the Company's interests (e.g. by potentially cutting-across any steps to bring proceedings or make recoveries).
- 6.1.4 The primary focus of the investigations to date has been in relation to (i) the structure and operating subsidiaries of the Company; (ii) the disposition of the Company's assets; (iii) the apparent related-party payments; (iv) the Cellenkos Transaction; (v) the whereabouts and actions of the Company's former management; (vi) service providers and the role they played; and (vii) information gathering from key counterparties and stakeholders.
- 6.1.5 All comments, findings and observations herein resulting from the JPLs' investigative efforts to date are subject to further investigation and verification. Such further investigation is contingent on the JPLs obtaining

access to and examining of books and records, financial, banking, and communications data, as well as interviews of former management.

7 The Former Board

7.1 Board appointments and resignations

7.1.1 As indicated in §5.5 of the Second Report, on 16 February 2023, the JPLs removed all existing members of the Former Board and appointed in their place the Replacement Directors, each of whom is also associated with the JPLs, as members of the Board.

7.2 The Former Board

7.2.1 As outlined in the Second Report and Third Report, since their appointment, the JPLs have made numerous attempts to contact the Former Board. In response to the Former Board's non-cooperation (with the exception of Xu Ping), on 16 January 2023 the JPLs filed the Variation Application and the Disclosure Application (as amended on 16 February 2023) in the Petition Proceedings, seeking *inter alia* the following:

- a) an order varying the current Order to include, *inter alia*, specific prohibitions in respect of the Former Board's powers and a penal notice that would be triggered in the event of further non-cooperation from the Company's former directors.
- b) orders ancillary to the Order requiring the Former Board (other than Xu Ping) to provide documents belonging to the Company and for the examination of the Former Board (other than Xu Ping); and
- c) orders for substituted service.

7.2.2 The Variation Application and Disclosure Application were heard in part on 17 February 2023 and the remainder of the application on 20 February 2023. The orders sought in the Variation Application (the Varied Order) and Disclosure Applications were granted.

7.2.3 The Former Board had 14 days (17 March 2023) from the date of service of the order to deliver up documents for examination (the Disclosure Order) to deliver up the books, records and documents of GCBC and its subsidiaries within their possession, custody or control to the JPLs or provide details of their location.

7.2.4 The Former Board had 28 days (31 March 2023) from the date of service of the Disclosure Order to submit to the JPLs a verified affidavit containing answers to written interrogatories.

Tina Zheng and Albert Chen

7.2.5 On 18 April 2023, both AC and TZ sought extensions of time until 28 April 2023 to comply with certain paragraphs of the Disclosure Order and provide written interrogatories by 8 and 12 May 2023 respectively. The JPLs objected on the grounds of Albert Chen and Tina Zheng's delay in engaging with the JPLs' previous requests for assistance and several extensions to both AC and TZ had already been granted. The extended deadline had passed by the time the judge could consider this summons.

7.2.6 On 28 April 2023, AC sought an extension to provide answers to the written interrogatories and was granted an extension until 8 May. In addition, AC produced a small set of company documents stated to have been found on his personal devices and personal email account. On 4 May 2023, Justice Kawaley agreed the time for TZ to comply with the Variation Order to be extended to 12 May 2023.

7.2.7 On 9 May 2023, AC filed a summons seeking *inter alia* to set aside certain paragraphs of the Appointment Order relating to the powers of the JPLs, and Disclosure Order to deliver up documents for examination in respect to all examinees.

7.2.8 TZ then determined that her obligation to serve answers on the JPLs to be directly impacted by the outcome of Albert Chen's Summons of 9 May 2023

(and it therefore be inappropriate for her to serve her affirmation on the JPLs before Albert Chen's Summons is disposed of). On 12 May 2023, Tina Zheng filed a summons with the Court seeking to vary the terms of the Disclosure Order. Tina filed her third affirmation containing answers to the written interrogatories with the Court (and not on the JPLs) pending the outcome of Albert's 9 May 2023 summons.

The INEDs

- 7.2.9 The JPLs granted an extension of 30 days from 30 March 2023 for the INEDs to comply with the Varied and Disclosure Orders.
- 7.2.10 The INEDs provided an initial response to the JPLs on 17 April 2023 and an initial tranche of documents and sought an extension to the Disclosure Order until 13 May 2023. On 13 May 2023, the INEDs provided further support to their response of the Interrogatories and a further tranche of documents.
- 7.2.11 The JPLs are considering the content of the written interrogatories and material produced.

8 Applications in the Petition Proceedings and in the BVI

8.1 Cayman Islands

8.1.1 A number of interlocutory applications have recently been made in the Petition Proceedings.

GMSCL summons to set aside the Petition

8.1.2 On 18 January 2023, GMSCL issued a summons seeking a strike out, stay, or be granted injunctive relief in respect of the Petition (the GM Summons).

8.1.3 Books and records to date indicate that GMSCL is a company which is ultimately owned and controlled by Yuen Kam, who in turn, owns and controls the Golden Meditech group companies and has particularly close links to Company's former directors, Albert Chen and Tina Zheng. According to several Chinese corporate aggregators, the sole shareholder of GMSCL is GM Investment – a HK-based company. Based on its most recently filed annual return (made up to 11 November 2022), GM Investment's sole shareholder is GMHL.

8.1.4 The Petitioner adopted the position that GMSCL does not have standing to be joined or to intervene in the Petition Proceedings. The issue of GMSCL's standing, right to intervene and/or joinder (the GMSCL Standing Issues) was determined prior to the Set Aside Summons and the GM Summons, at a hearing on 14 March 2023.

8.1.5 Justice Kawaley made a judgement on 31 March 2023 determining the GMSCL Standing Issue and dismissing GMSCL's summons of 18 January 2023 in its entirety.

Request by GMSCL to access the JPL's GCBC liquidation court file (the Court File)

8.1.6 On 19 January 2023 GMSCL wrote to the Court requesting access to the Court File, which was opposed by the Petitioner. On 24 January 2023, GMSCL wrote to the Court stating that they intend make an application to Court to access the Court file. Accordingly, on 30 January 2023 the JPLs wrote a letter to the Court setting-out their concerns and the potential negative impact of sharing the Court File with GMSCL, given the potential links to GMHL and Yuen Kam.

8.1.7 The Court has not granted GMSCL access to the Court file as at the date of this report. By order of 1 February 2023, the Court ordered that all summonses, evidence and submissions relating to the GM Summons, the GMSCL Standing Issues and the Set Aside Summons be copied to all parties including GMSCL. The JPLs continue to monitor the request for access to the Court File.

Litigation Steering Committee's Authority Application

8.1.8 On 8 February 2023, the Litigation Steering Committee issued a summons seeking declarations and or orders that they have the authority to oppose the Petition (including making or opposing ancillary applications) and engage attorneys and counsel for the purpose of the Petition proceedings (the Authority Application).

The Authority Application was listed to be heard on 14 March 2023, but shortly prior to being heard was dealt with by consent. It was determined that the Litigation Steering Committee have the authority to oppose the

Petition and engage attorneys and counsel for the purpose of the Petition proceedings. The Consent Order was agreed on 20 March 2023.

Request to set aside the 29 July 2022 Judgement (Set Aside Summons)

8.1.9 The Set Aside Summons seeks to have the 29 July Judgement set aside on the grounds that it was procured by the fraud of the Company by way of the Former Board.

8.1.10 Having resolved the GMSC Standing Issues, it was mutually agreed between the Petitioner and the Litigation Steering Committee that the Set-Aside Summons be heard on 28 and 29 June 2023.

8.2.1 In light of the GM Summons, the Petitioner wrote a letter to the Court dated 27 January 2023 to provide an update in respect of the proceedings in the BVI, in which the Petitioner and Blue Ocean HK filed proceedings against GMSC and in which GMSC claims, *inter alia*, that the Petitioner's shares in the Company are subject to a share charge dated 30 March 2018 and that accordingly, beneficial ownership of the Petitioner's shares in the Company have passed to GMSC. The Petitioner's position in the BVI Proceedings is that the Cayman Share Charge (and other documents) were forged, which was an issue which the parties agreed would be determined by expert evidence in the BVI Proceedings.

8.2.2 The BVI trial was vacated and a hearing of certain applications including the petitioner's application for summary judgment in the BVI Proceedings was scheduled for 21-23 March 2023. No judgement has been handed down as of the cut-off date of this report.

BVI Amendment Application

8.2.3 The Petitioner advised the Court that the BVI Proceedings had progressed, and that on 1 November 2022, GMSC made an application to make substantive amendments to its pleaded case in the BVI Proceedings (the

BVI Amendment Application). This application was determined at a hearing before Justice Wallbank on 11 January 2023 and the Petitioner advised the Court that what emerged was that *"both parties' experts who were engaged to examine and opine on the authenticity of the Petitioner's signatures to the Cayman Share Charge (and various other documents) concluded that the signatures had been forged. This is obviously significant, not only in respect of the effect that it is likely to have on GMSC's case in the BVI Proceedings, but in light of the other evidence of forgery and fraud perpetrated by the Company's directors (who have close links to Kam and his associated Golden Meditech companies) in these Proceedings)."*

8.2.4 The Petitioner referred to the judgment of Justice Wallbank on 11 January 2023 in response to GMSC's BVI Amendment Application, stating that *"This proposed new case is clearly the construct, not of the parties themselves and commercial men behind this dispute, but by some lawyer or a team of lawyers who have been trying to think of ways of saving the defence in circumstances where the forgery on the share charges has become patent."*

8.2.5 GMSC's amendment application was unsuccessful but a further application to amend its Defence and Counterclaim in BVI was filed on 7 February and was heard at the hearing of 21-23 March 2023. No judgement has been handed down as of the cut-off date of this report.

Collateral Use Application

8.2.6 The Petitioner has filed an application seeking permission in the BVI Proceedings to disclose documents filed in the BVI Proceedings to the JPLs, including all documents disclosed by GMSC, the expert reports in respect of the allegedly forged Cayman Share Charge (Expert Reports), witness statements and affidavits (the Collateral Use Application). The Petitioner's Collateral Use Application also seeks permission to use the Expert Reports in the Cayman proceedings.

8.2.7 The Collateral Use Application was listed to be heard on 28 February 2023 and dismissed.

9 Funding and costs to 31 March 2023

9.1 Funding

9.1.1 It was apparent very early on in the JPLs' appointment that the Company's access to cash and the funding necessary to take appropriate steps to recover and secure the assets was significantly challenged. These circumstances imposed significant difficulty and pressure on the JPLs and service providers to undertake the steps necessary to protect and secure the Company's interest in circumstances where it has been stripped of its assets and cash put beyond the reach of the JPLs.

9.1.2 The expenses required to engage and co-ordinate both urgent and important workstreams to secure and control the assets across multiple jurisdictions are, and will continue to be, considerable. The JPLs' highest priority is securing and protecting the assets of the Company with the resources available.

9.1.3 Pursuant to the Order, the JPLs are able to exercise the power to raise and borrow money and grant securities therefor over the property of the Company. Accordingly, the JPLs have held discussions with several parties who provide litigation and/or liquidation financing as well as the Company's stakeholders in order to seek funding for the liquidation. The JPLs remain in discussion with major shareholders and third party professional funders with a view to securing an acceptable longer term funding.

9.2 JPLs' Remuneration and Legal Costs

9.2.1 The costs of the liquidation (including the JPLs' professional fees and those of their instructed counsel) up to 31 March 2023, amount to c. US\$16.3 million as set out below:

Costs to Date	Q3 2022	Q4 2022	Q1 2023	Total
	US\$'000			
Liquidator's Fees & expenses	885	4,292	3,173	8,350
Legal Fees and expenses	685	4,195	3,036	7,916
Total	1,570	8,487	6,209	16,266

*Time incurred from JPLs' appointment on 22 September 2022 to end of Q1 2023

9.3 Fee approval

9.3.1 The JPLs will apply to the Court in due course for the approval of their remuneration.

10 Next steps

10.1 Immediate next steps

10.1.1 The key areas of focus for the JPLs in the immediate term are as follows:

HK Proceedings

10.1.2 Preparing affidavits in reply to AC and TZ's evidence in opposition filed on 22 May 2023 in preparation for the September 2023 hearing of the HK proceedings. Issues to be determined at the hearing include the invalidity of the purported share allotments and purported share transfers in relation to the HK Subsidiaries, so that the JPLs' undisputed control of the HK Subsidiaries can be established (including with the HK Registrar) and further steps can be taken to prevent further disruption from the Enjoined HK Directors at the HK Subsidiaries level.

PRC

10.1.3 Safeguard and obtain control over the key assets in the PRC as a matter of urgency.

Maxcess Winding-up Petitions

10.1.4 Responding to the winding-up petitions presented by Maxcess to place CSC South (BVI) and CSC Holdings into liquidation with the HK Court. Preparing for the hearing on 7 June 2023.

Funding

10.1.5 Negotiating and taking all necessary steps to obtain sufficient funding to enable the continued progress of the provisional liquidation.

10.2 Strategy to 30 September 2023

10.2.1 The JPLs' over-arching strategy until 30 September 2023 remains similar to that stated in the First Report, Second Reports and Third Reports, namely:

- a) take all steps to obtain control of the PRC Subsidiaries and preserve the value of the Group.
- b) identify, locate and secure, all assets of the Group.
- c) identify and locate any institutions and/or individuals that may have precipitated any concealment, misappropriation and/or dilution of assets.
- d) obtain such disclosure as necessary to trace the whereabouts of any assets transferred or paid away from the Company; and
- e) take appropriate steps for cooperation in multiple jurisdictions with a view to secure and compel production of documents and protection of assets.

10.3 Reporting

10.3.1 The JPLs intend to continue reporting to the Court and stakeholders on a quarterly basis, or as necessary in the case of material developments, subject to any direction from the Court.



Signed Margo MacInnis – Joint Provisional Liquidator of the Company

1 June 2023

Appendix A – Chronology of Key Events

Chronology of Key Events (since the Third Report)

24 February 2023: TZ files a further summons to the HK Court to request an extension of time regarding the filing of her defences in the HK Proceedings.

27 February 2023: Prime Intelligent's new counsel in the HK Proceedings (KLC) notifies the JPLs of their appointment and files a further affirmation by Chen Tsz Suen.

2 March 2023: HK Court ordered that certain issues be determined at the hearing on 23-25 May 2023.

17 March 2023: Initial deadline for the Former Board to comply with the Disclosure Order and deliver-up books and records.

19 March 2023: AC and TZ file new summonses as part of the HK Proceedings request leave to appeal the order on 2 March 2023 due to purported procedural unfairness.

20 March 2023: It was determined that the Litigation Steering Committee have the authority to oppose the Petition and engage attorneys and counsel for the purpose of the Petition proceedings by Consent Order.

29 March 2023: AC files his defences to the HK Proceedings. The JPLs subsequently submit requests for copies of the various documents referenced in AC's filings.

31 March 2023: Initial deadline for the Former Board to comply with the Disclosure Order and submit to the JPLs a verified affidavit containing answers to written interrogatories.

31 March 2023: Justice Kawaley determines the GMSCL Standing Issue and dismisses GMSCL's summons of 18 January 2023 in its entirety.

4 April 2023: TZ files her defences to the HK Proceedings. The JPLs subsequently submit requests for copies of the various documents referenced in AC's filings.

11 April 2023: The JPLs file their affidavits/defences to Maxcess' sealed winding-up petitions.

12 April 2023: A hearing is heard for Maxcess's winding-up petitions and the Petitions were adjourned until 7 June 2023.

18 April 2023: The JPLs file an affidavit in response to AC and TZ's procedural unfairness appeal summonses.

21 April 2023: AC and TZ file skeleton arguments in anticipation of the 26 April 2023 hearing.

21 April 2023: The JPLs file a discovery application summons against AC for the documents referenced in his defences to the HK Proceedings.

24 April 2023: The JPLs file skeleton arguments in anticipation of the 26 April 2023 hearing.

25 April 2023: The JPLs file an affidavit in response to Prime Intelligent's previously submitted affirmations.

26 April 2023: A hearing is held as part of the HK Proceedings wherein it is ordered that AC and TZ's appeal summonses be considered on 23-25 May 2023 and directions were given for AC and TZ to file affidavits in opposition to the issues set out in the order dated 2 March 2023 (with the full, substantive hearing in the HK Proceedings being postponed to September 2023).

3 May 2023: The JPLs file their responses to AC and TZ's defences in the HK Proceedings.

9 May 2023: Maxcess files its affidavits in response to the JPLs' defences to their winding-up petitions.

9 May 2023: Albert Chen files a summons seeking *inter alia* to set aside certain paragraphs of the Appointment Order, and Disclosure Order.

10 May 2023: The JPLs file a discovery application summons against TZ for the documents referenced in her defences to the HK Proceedings.

12 May 2023: Tina Zheng files a summons with the Court seeking to vary the terms of the Disclosure Order.

17-22 May 2023: The JPLs receive correspondence submitted on behalf of AC and TZ confirming that they are no longer pursuing their applications for leave to appeal on the grounds of procedural unfairness. The 23-25 May 2023 hearing is

subsequently vacated and both AC and TZ are ordered to pay the JPLs' costs associated with the appeal application on an indemnity basis.

22 May 2023: AC and TZ file their affidavits in opposition in the HK Proceedings.



grantthornton.ky

© 2023 Grant Thornton Specialist Services (Cayman) Ltd. All rights reserved.

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax, and advisory services to their clients and/or refers to one or more member firms, as the context requires.

Grant Thornton Specialist Services (Cayman) Ltd is a member firm of Grant Thornton International Ltd (GTIL) and a subsidiary of Grant Thornton UK LLP. GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

© 2023 Grant Thornton Recovery & Reorganisation Limited. All rights reserved.

"Grant Thornton" refers to the brand under which the Grant Thornton member firms provide assurance, tax, and advisory services to their clients and/or refers to one or more member firms, as the context requires.

Grant Thornton Recovery & Reorganisation Limited is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.
www.grantthornton.cn