

**ASX ANNOUNCEMENT
ASX CODE: AJJ**

30 December 2022

November 2022 Quarterly Update

Key highlight:

- **Signing of subscription agreements to raise capital through the share placement and issue of convertible notes.**

Asian American Medical Group Ltd (ASX:AJJ) (the “Company”) is pleased to provide its operational update alongside its Appendix 4C for the three months ended 30 November 2022 (Q1 FY23).

Signing of subscription agreements to raise capital:

On 7 November 2022 the Company entered into subscription agreements to raise capital through the placement of a total of 70,175,439 new fully paid ordinary shares in the Company (New Shares) to a sophisticated investor in Australia at an issue price of A\$0.0285 per New Share (Placement) and the issue of 1,000,000 convertible notes at a face value of \$1.00 each (Convertible Notes), raising a total of A\$3.0 million before transaction-related expenses.

Additional Information

Financial Snapshot

The Company’s net cashflow used in operations for the quarter was (S\$4,432). This outflow mainly comprised of purchase of inventory and operating costs (S\$43,956), staff costs (S\$44,935), interest on loan (S\$3,664).

Cash receipts from customers S\$88,123 mainly generated from sales in Singapore.

Compliance with the listing rules

The Company confirms it is in compliance with the Listing Rules of ASX, including Listing Rule 3.1 (continuous disclosure) and Listing Rule 4.7B and 4.7C (quarterly cashflow reports).

Authorised for release by the Board

DARIO NAZZARI
Company Secretary

About Asian American Medical Group

Singapore-based and Australian Securities Exchange-listed Asian American Medical Group Limited (AAMG) operates a leading liver transplant centre in Singapore. Its surgical services will be expanded to include kidney transplants, peritonectomy surgery, bariatric surgery and plastic surgery. Established in 1994, Asian American Liver Centre was founded by renowned hepatobiliary expert and liver transplant surgeon, Dato' Dr Tan Kai Chah (now deceased). Dr Tan helped start the Liver Transplant Programme at the King's College Hospital London and pioneered the Living Donor Liver Transplantation Programme in Singapore.

AAMG also historically provided healthcare management and consultancy services for international healthcare projects. For further information, please visit: www.aamg.co

For further information, please contact:

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Company Secretary

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

ASIAN AMERICAN MEDICAL GROUP LTD

ABN

42 091 559 125

Quarter ended ("current quarter")

30 November 2022

Consolidated statement of cash flows	Current quarter \$S	Year to date (3 months) \$S
1. Cash flows from operating activities		
1.1 Receipts from customers	88,123	88,123
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(43,956)	(43,956)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(44,935)	(44,956)
(f) administration and corporate costs		
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(3,664)	(3,664)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(4,432)	(4,432)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$S	Year to date (3 months) \$S
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(48,969)	(48,969)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(48,969)	(48,969)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	891,300	891,300
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(4,432)	(4,432)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$S	Year to date (3 months) \$S
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(48,969)	(48,969)
4.5	Effect of movement in exchange rates on cash held	(85,830)	(85,830)
4.6	Cash and cash equivalents at end of period	752,069	752,069

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$S	Previous quarter \$S
5.1	Bank balances	752,069	891,300
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	752,069	891,300

6.	Payments to related parties of the entity and their associates	Current quarter \$S
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$S	Amount drawn at quarter end \$S
7.1	Loan facilities	694.058	694.058
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	694,058	694,058
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	The loan facilities is from Development Bank of Singapore Ltd to the Company's wholly owned subsidiary under Enterprise Singapore's special financial support scheme for SMEs was supported by a personal guarantee from the late Executive Chairman Dr KC Tan. After the demise of Dr Tan, DBS requested for a new corporate guarantor. The Company is currently working on a corporate guarantee.		
	The currency profile of borrowings as at the end of the reporting period is Singapore dollar.		

8.	Estimated cash available for future operating activities	\$S
8.1	Net cash from / (used in) operating activities (item 1.9)	(4,432)
8.2	Cash and cash equivalents at quarter end (item 4.6)	752,069
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	752,069
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	<div style="border: 1px solid black; padding: 5px; display: inline-block;">169 quarters</div>
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Yes, the current level of net operating cash flows is likely to continue for the next two months to the end of January 2023.	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: On 7 November 2022 the Company entered into subscription agreements to raise capital through the placement of a total of 70,175,439 new fully paid ordinary shares in the Company (New Shares) to a sophisticated investor in Australia at an issue price of A\$0.0285 per New Share (Placement) and the issue of 1,000,000 convertible notes at a face value of \$1.00 each (Convertible Notes), raising a total of A\$3.0 million before transaction-related expenses.	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The Company is able to continue its operations and to meet its business objectives. Upon completion of the capital raising of A\$3.0 million before transaction costs, the Company would have sufficient working capital to reinvigorate its Singapore medical business operation via the implementation of strategic medical services changes and upgrades to the Company's historical focus on liver transplants only.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 December 2022

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.