

ASX Announcement

29 January 2023

UPDATE ON BOARD APPOINTMENTS AND CAPITAL RAISING

Further to its announcement of 7 November 2022, Asian American Medical Group Limited (**AAMG** or the **Company**) (ASX Code: AJJ) announces the following appointments to the Company's Board and provides an update on the status of its \$3.0 million in capital raising, to position the Company for a reinvigoration of its existing medical services business, conditional upon the proposed reinstatement of trading of the Company's shares on the ASX.

Board and Executive Appointments

The following persons have been appointed to the Board of Directors:

- Hamish Sprague, Executive Director
- Angela Choong, Executive Director

The new Directors are standing for election as Directors at the Company's Annual General Meeting on 30 January 2023 (**AGM**). Their biographical details and terms of engagement remain as set out in the Company's announcement of 7 November 2022.

The Company announces that the anticipated appointment of Mr Daniel Sims to the Board as Executive Chairman has not been able to be made. Regrettably, Mr Sims has had to withdraw his involvement in the Executive Chairman role because of personal medical reasons. Mr Sims has informed the Company that, given his recent medical evaluation, he would be unable to perform the Executive Chairman role adequately and effectively and such a role would be a personal challenge and create health risks that are too great for him at this time.

The Company and Mr Sims have determined that if in the future his health condition allows and it suits the Company at that time, the parties will open a discussion about an ongoing role, including a possible Board of Directors role, for Mr Sims in the future.

The Company wishes Mr Sims a healthy recovery and thanks him for all his advice, efforts and contributions to date.

The Company advises that Mr Robert McKenzie has not at this time been appointed to the Board, but it is proposed that he will be appointed to the Board after the AGM upon the Company's securities being reinstated to quotation on ASX (**Reinstatement**).

The Company confirms that Ms Jeslyn Jacques Wee Kian Leong will resign as a Non-Executive Director at the conclusion of the Company's AGM on 30 January 2023. The Company takes this opportunity to again thank Ms Leong for her services as a Director.

Mr Ang Kong Meng and Mr Evgenii Tugolukov remain on the Board as Non-Executive Directors.

Capital Raising – Placement of New Shares and Convertible Note Issue

The Company is expecting to receive an updated commitment from Saorsa Health No. 1 Pty Ltd (**Saorsa**) to raise \$3 million in capital through the placement of a total of 70,175,439 new fully paid ordinary shares in the Company (**New Shares**) 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**). Completion of the Placement has been delayed, but is now expected to occur in February 2023.

It is expected that the funds for the Placement will be subscribed by Saorsa in February 2023 and that the issue of all New Shares under the Placement will occur at the same time in one tranche. It is anticipated that the issue of New Shares will occur shortly after receipt of subscription funds.

Completion of the Placement remains conditional on ASX confirming that the Company's securities will be reinstated to quotation on ASX (**Reinstatement**) immediately after the issue of the New Shares.

The Convertible Notes will be issued on the terms outlined in the Company's announcement of 7 November 2022 and the Company's Notice for its Annual General Meeting to be held on 30 January 2023 (**AGM**), subject to shareholder approval of the issue of the Convertible Notes at the AGM.

Further details of the Placement and Convertible Note issue, the proposed use of funds from the Capital Raising and the reinvigoration of the Company's business operations remain as set out in the Company's announcement of 7 November 2022 and Notice of AGM.

Resolutions at Annual General Meeting

As a consequence of Mr Daniel Sims not being able to be appointed to the Board and the delay to the proposed appointment of Mr Robert McKenzie to the Board, the following proposed resolutions included in the Notice of AGM are no longer able to be considered and will be withdrawn from consideration at the AGM:

- Resolution 2 – Election of Director – Daniel Sims
- Resolution 4 – Election of Director – Robert McKenzie
- Resolution 8(a) – Issue of Performance Rights to Daniel Sims

All other business and resolutions set out in the Notice of AGM will be considered and put for approval of Shareholders at the AGM.

Intentions with respect to land in Johor, Malaysia

In March 2018, AAMG completed the acquisition of a 95.1% interest in Hippocrates Development Sdn Bhd (HDSB). HDSB owns a 5-acre plot of land in Iskandar Puteri, in the southern Malaysian state of Johor (**Johor Land**), which it intended to develop into an integrated medical hub and cancer centre (**Project**).

HDSB commenced Project development works, however development of the Project has been delayed due to the Company's previous operational circumstances and the impact of the Covid-19 pandemic, and the development has not yet been completed.

The land purchase agreement pursuant to which HDSB acquired the Johor Land provided that HDSB was required to appoint consultants for the development of the Project within one year of the Johor Land being registered in favour of HDSB, otherwise the vendor of the land may terminate the agreement and require the Johor Land to be re-transferred to the vendor at HDSB's expense (**Development Condition**). Although the Project has not been completed, the Company maintains the Development Condition was satisfied by the appointment of consultants and initial development works were commenced, in accordance with requirements of the land purchase agreement.

In August 2022 the Company received notification from the vendor of the Johor Land (the Sultan of Johor) to the effect the vendor did not at that time consider the Development Condition had been satisfied. HDBD's solicitors have notified the land vendor's solicitors in August 2022 that the Development Condition has been satisfied and the land is not required to be transferred by HDSB. To date the Company has not received further correspondence from the land vendor disputing the Company's position.

The Company is satisfied that HDSB has title to the relevant land and the land is appropriately carried in the Company's accounts as an asset at cost.

The Company maintains that the Development Condition has been satisfied and the Johor Land is not required to be transferred to the original land vendor.

The Company is currently considering its plans for development of the Project.

The Company will keep the market informed of its plans for the development of the Project.

Reinstatement and resumption of trading on ASX

The Company has applied to ASX for reinstatement of its securities to trading on the ASX as soon as possible following completion of the Placement, and ASX has notified the Company of the conditions to be satisfied and the information required to be released to ASX before Reinstatement will occur.

ASX's requirements include notifying ASX of completion of the issue of the Shares under the Placement, the Company's issued securities and capital structure, financial position, sufficiency of working capital and proposed use of funds and the status and intentions with respect to the Company's business activities and strategy.

On the expectation that the Company will complete the Placement in February 2023, the Company anticipates that Reinstatement should occur shortly thereafter.

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

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