

AJJ MEDTECH HOLDINGS LIMITED
(Company Registration No. 198403368H)
(Incorporated in the Republic of Singapore)

ENTRY INTO A LOAN AGREEMENT

1. INTRODUCTION

The Board of Directors (the “**Board**”) of AJJ Medtech Holdings Limited (the “**Company**”) wishes to announce that the Company had on 8 May 2024 entered into a loan agreement (the “**Loan Agreement**”) with Miss Zhang Yulei (the “**Lender**”) pursuant to which the Lender has agreed to extend to the Company an interest-free loan of S\$500,000 (the “**Loan**”) subject to the terms and conditions of the Loan Agreement.

2. THE LENDER

The Lender is our Company's Chief Strategy Officer and the daughter of Dr Zhang Jian, who is a controlling shareholder and Executive Chairman of the Company. As at the date of this announcement, the Lender and Dr Zhang Jian holds an aggregate of 87,428,571 and 283,616,714 ordinary shares in the capital of the Company representing 6.35% and 20.6% of the entire issued share capital of the Company.

3. SALIENT TERMS OF THE LOAN AGREEMENT

The salient terms of the Loan Agreement are as follows:

- Principal Amount : S\$500,000 to be disbursed upon signing of the Loan Agreement
- Repayment : Subject to clause 1.2 of the Loan Agreement whereby the Loan shall mature and be fully repayable on the date falling three hundred and ninety-nine (399) days from the date of disbursement by the Lender.
- Prepayment : The Lender may demand repayment of the Loan and the Borrower shall make such repayment of the Loan prior to the Maturity Date if and when the directors of the Borrower determines that the Borrower has sufficient cash flow to meet such repayment.

4. USE OF PROCEEDS

The Company intends to use the Loan for the Company's working capital, business expansion, and cash flow needs, which encompass the essential resources for the operation and growth of its business.

5. PROVISION OF LOAN AS AN INTERESTED PERSON TRANSACTION

As the Lender is the daughter of a controlling shareholder and director of the Company, she is regarded as an “*interested person*” within the meaning defined in Chapter 9 of Singapore Exchange Securities Trading Limited's Listing Manual Section B: The Rules of Catalist (the “**Catalist Rules**”). Accordingly, the entry into the Loan Agreement with the Company is regarded as an “*interested person transaction*” within the meaning defined in Chapter 9 of the Catalist Rules.

Pursuant to Rule 909 of the Catalist Rules, in the case of borrowing of funds from an interested person, the value of the transaction is the interest payable on the borrowing. As the Loan is interest-free, the value of the transaction is zero. Therefore, the Company is not required to seek shareholders' approval or to make an announcement pursuant to Rule 906 of the Catalist Rules.

Notwithstanding the above, the Company is disclosing the Loan pursuant to Catalist Rules 703 read with paragraph 9 of Appendix 7A. There were S\$0.5 million and \$1.4 million loans (the “**Previous Loans**”) extended by the Lender and Dr Zhang Jian to the Company in the financial year ending 31 December 2023. The Previous Loans were proposed for capitalisation (the “**Proposed Capitalisation**”) on 8 January 2024. During the Extraordinary General Meeting on 6 February 2024, the resolutions on the Proposed Capitalisation were duly approved and passed by the shareholders of the Company. The Proposed Capitalisation was completed on 5 March 2024. Other than the Loan and the Previous Loans, there are no other interested person transactions entered into by the Company with the Lender or its associates for the financial year ending 31 December 2023 and up to the date of this announcement.

6. STATEMENT OF THE AUDIT COMMITTEE

The Audit Committee of the Company had reviewed the terms of the Loan and is of the view that the Loan is not prejudicial to the interests of the Company and its minority shareholders.

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDER

Saved as disclosed herein, none of the Directors or controlling shareholder(s) of the Company has any interest, direct or indirect (other than through their respective shareholdings in the Company), in the Loan.

BY ORDER OF THE BOARD

Zhao Xin
Chief Executive Officer and Executive Director
8 May 2024

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, Evolve Capital Advisory Private Limited (“**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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