

MEDINEX LIMITED

Incorporated in the Republic of Singapore

Registration No. 200900689W

INTERESTED PERSON TRANSACTION – RENEWAL OF TENANCY AGREEMENT WITH JK GROUP SERVICES PTE. LTD.

1. INTRODUCTION

The Board of Directors (the "**Board**") of Medinex Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that its wholly-owned subsidiary, Medinex Healthcare Pte Ltd ("**MHC**") had on 1 July 2019 renewed its tenancy agreement ("**Tenancy Agreement**") with JK Group Services Pte. Ltd. ("**JK**"), to continue leasing its office premises at 111 North Bridge Road, #23-04 Peninsula Plaza, Singapore 179098 ("**Premises**") from JK for a period of three (3) years from 1 July 2019.

JK is 90% owned by Mr. Karunanithi S/O Letchumanan (spouse of Ms. Jessie Low Mui Choo, the Executive Director and Chief Executive Officer of the Company) and 10% owned by Ms. Jessie Low Mui Choo. Ms. Jessie Low Mui Choo is also a controlling shareholder of the Company.

Accordingly, the Tenancy Agreement would constitute an Interested Person Transaction ("**IPT**") under Chapter 9 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst (the "**Catalist Rules**").

2. TENANCY AGREEMENT AS IPT AND RULE 916(1) OF THE CATALIST RULES

The Tenancy Agreement between MHC and JK for the Premises is for a further period of three years from 1 July 2019 to 30 June 2022, at the rental rate of S\$10,000 per month (exclusive of maintenance fees).

The rental for the Premises, payable for the duration of the renewed lease, of S\$360,000 had represented approximately 3.69% of the Group's audited net tangible assets as at 31 December 2018 of approximately S\$9.75 million, and would warrant a disclosure under Catalyst Rule 905(1). The audit committee of the Company is of the view that the terms of the Tenancy Agreement is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

The remaining rental for the Premises, payable for the remaining duration of the renewed lease from 1 November 2020 to 30 June 2022, of S\$200,000, represents approximately 2.83% of the Group's audited net tangible assets (attributable to owners of the Company) as at 31 March 2020 of S\$7.07 million.

The Company had on 10 November 2020 obtained an independent valuation report from Premas Valuers & Property Consultants Pte Ltd dated 10 November 2020 ("**Valuation Report**"). The rental rate of S\$10,000 per month is below the open market rental value of S\$10,660 per month, based on the Valuation Report.

Accordingly, the Tenancy Agreement and the lease thereunder will not require the approval of the shareholders of the Company as it does not cross the threshold under Catalyst Rule 906(1) and is exempted under Catalyst Rule 916(1).

3. RATIONALE FOR THE TENANCY AGREEMENT

The Premises is located in the City Hall area which is within 100 meters from City Hall MRT station. The agreed rental rate for the Premises is lower than the prevailing market rate which is supported by an independent valuation.

4. TOTAL VALUE OF IPTS

Information of all IPTs for the financial period from 1 January 2019 to 31 March 2020 (excluding transactions of a value of less than S\$100,000) are set out below:

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) (S\$'000)
Low Mui Keow, Valerie (Lu Mei Jiao, Valerie) ⁽¹⁾	1,008	-
HC Surgical Specialists Limited & Shinex Capital Pte. Ltd. ⁽²⁾	626	-
JK Group Services Pte. Ltd. ⁽³⁾	150	-
Dr. Heah Sieu Min ⁽⁴⁾	144	-
HC Surgical Specialists Limited ⁽⁵⁾	140	-

Notes:-

- (1) The purchase consideration for the acquisition of 100% equity interest in Ark Leadership & Learning Pte. Ltd. ("Ark LL") from Low Mui Keow, Valerie (sister of Ms. Jessie Low Mui Choo, the Executive Director and Chief Executive Officer of the Company), of which S\$600,000 of the purchase consideration has been paid to Low Mui Keow, Valerie. Please refer to the circular dated 15 April 2019 and the announcements made by the Company on 26 March 2019, 24 April 2019, 30 April 2019 and 6 May 2019 for more details.
- (2) The aggregate value of the Company's equity participation and shareholder's loan to the joint venture entity, Zenmedic Capital Pte. Ltd., as announced by the Company on 2 May 2019 and 9 May 2019. The joint venture was entered into with, among others, the Company's controlling shareholders, HC Surgical Specialists Limited and Shinex Capital Pte. Ltd. Please refer to the announcements for more details.
- (3) Rental of the Premises from JK, which is 90% owned by Mr. Karunanithi S/O Letchumanan (spouse of Ms. Jessie Low Mui Choo, the Executive Director and Chief Executive Officer of the Company) and 10% owned by Ms. Jessie Low Mui Choo.
- (4) Provision of business support services by the Company's subsidiary, Medinex Corporate Services Pte. Ltd., to personal companies owned by Dr. Heah Siew Min, a controlling shareholder of the Company.

- (5) Provision of pharmaceutical services and business support services by the Company's subsidiaries, Nex Healthcare Pte. Ltd. and Medinex Healthcare Pte. Ltd., respectively, to HC Surgical Specialists Limited, a controlling shareholder of the Company.

Accordingly, the aggregate value of all interested person transactions (excluding transactions of a value of less than S\$100,000) entered into by the Group and Ms. Jessie Low Mui Choo and her associates for the financial period from 1 January 2019 to 31 March 2020 is S\$1,158,000 (of which shareholders' approval had been previously obtained for the acquisition of Ark LL for a total purchase consideration of S\$1,008,000).

The current total for all IPTs for the current financial year ending 31 March 2021 ("FY2021") (excluding transactions of a value of less than S\$100,000) is S\$120,000, being the rental amount for the Premises for FY2021.

Accordingly, the current total of all interested person transactions (excluding transactions of a value of less than S\$100,000) entered into by the Group and Ms. Jessie Low Mui Choo and her associates for FY2021 is S\$120,000.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their interests in the Company and as disclosed in this announcement, none of the Directors or controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Tenancy Agreement.

7. DOCUMENTS FOR INSPECTION

Copies of the Tenancy Agreement and the Valuation Report are available for inspection during normal business hours at the registered office of the Company for a period of three (3) months from the date of this announcement.

By Order of the Board

Jessie Low Mui Choo
Executive Director and Chief Executive Officer

11 November 2020

Medinex Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 7 December 2018. The initial public offering of the Company was sponsored by Novus Corporate Finance Pte. Ltd. (the "**Sponsor**").

This announcement has been prepared by the Company and reviewed by the Sponsor, in compliance with Rule 226(2)(b) of the SGX-ST Listing Manual Section B: Rules of Catalist.

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.

The contact person for the Sponsor is Mr. Pong Chen Yih, Chief Operating Officer, at 9 Raffles Place, #17-05 Republic Plaza Tower 1, Singapore 048619, telephone (65) 6950 2188.