

HC SURGICAL SPECIALISTS LIMITED

Incorporated in the Republic of Singapore

Registration No. 201533429G

EARLY REDEMPTION AND TERMINATION OF THE INVESTMENT AGREEMENT

*Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as that in the Company's announcements dated 29 July 2019, 15 August 2019 and 22 August 2019 in relation to the issuance of a convertible bond and grant of an option to subscribe for new ordinary shares in the capital of the Company ("**Transaction**") (the "**Announcements**").*

Further to the Announcements, the Board of Directors of HC Surgical Specialists Limited wishes to announce that the Company and the Investor have today entered into an early redemption and termination deed (the "**Deed**") in respect of the Transaction, and mutually agreed to the early redemption of the Convertible Bond, the cancellation of the Option and the termination of the Investment Agreement. The redemption also allows the Company to reduce its financing cost.

The Company shall redeem the Convertible Bond on 27 April 2020 or such later date as the Company and Investor may mutually agree to ("**Early Redemption Date**"), at the redemption price equal to the aggregate principal amount of the Convertible Bond, together with unpaid interest accrued (at a rate of 5.5% per annum) thereon up to the Early Redemption Date, pursuant to the conditions of the Convertible Bond. Based on an Early Redemption Date of 27 April 2020, the redemption price is S\$5,187,602.74. The Company intends to fund this through a combination of bank borrowings and/or internal cash resources.

The use of proceeds from the Transaction was to be used to finance the Group's business expansion and to grow the existing business. Notwithstanding the redemption of the Convertible Bond, the Directors are of the opinion that after taking into consideration the Group's present banking facilities, the working capital available to the Group is sufficient to meet its present requirements.

The Deed is not expected to have any material impact on the consolidated earnings per share or net tangible assets per share of the Group for the current financial year ending 31 May 2020.

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders of the Company are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board

Dr. Heah Sieu Min

Executive Director and Chief Executive Officer

17 April 2020

About HC Surgical Specialists Limited

HC Surgical Specialists Limited (the “Company”) was incorporated on 1 September 2015 in Singapore and listed on Catalist of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 3 November 2016. The Company, its subsidiaries and associated company are a medical services group primarily engaged in the provision of endoscopic procedures, including gastroscopies and colonoscopies, and general surgery services with a focus on colorectal procedures across a network of 17 clinics located throughout Singapore.

This announcement has been prepared by the Company and reviewed by the Company’s sponsor, Novus Corporate Finance Pte. Ltd. (the “Sponsor”) in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (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.