

HC SURGICAL SPECIALISTS LIMITED

Incorporated in the Republic of Singapore

Registration No. 201533429G

PROPOSED ACQUISITION OF 51% OF THE ISSUED SHARE CAPITAL OF CHIRURGIA PTE. LTD.

1. INTRODUCTION

The Board of Directors (the "**Board**") of HC Surgical Specialists Limited (the "**Company**" and together with its subsidiaries, the "**Group**") is pleased to inform shareholders that it has today, entered into a sale and purchase agreement ("**SPA**") with Dr. Lee Lip Seng ("**Dr. Lee**") for the proposed acquisition of 51% of the total issued and paid-up share capital of Chirurgia Pte. Ltd. ("**Chirurgia**") (the "**Sale Shares**") for a total purchase consideration of S\$1,228,000 (the "**Purchase Consideration**") (the "**Proposed Acquisition**"), details as set out in paragraph 4 of this announcement.

As at the date of this announcement, Chirurgia has a paid-up share capital consisting of 1,000 ordinary shares of S\$1.00 each. Immediately prior to the Proposed Acquisition, Dr. Lee holds 100% of the total issued shares in Chirurgia. Dr. Lee is independent from the Company's Directors, Chief Executive Officer and controlling shareholders and their respective associates. Following the completion of the Proposed Acquisition, Chirurgia will be a 51% subsidiary of the Company and will continue to be helmed by Dr. Lee.

The Proposed Acquisition is not expected to have any material impact on the consolidated earnings per share ("**EPS**") or net tangible assets ("**NTA**") per share of the Group for the current financial year ending 31 May 2026.

2. INFORMATION ON CHIRURGIA

Chirurgia was incorporated on 31 July 2022 in the Republic of Singapore and operates out of a clinic called "LS Lee Surgery" in Mount Elizabeth Novena Hospital. The principal activity of Chirurgia is the provision of minimally invasive surgery and treatment of gallbladder diseases, which offers synergy with the Group's general surgery and endoscopy services.

Based on the unaudited management accounts of Chirurgia for the twelve months ended 30 June 2025, the net profit before tax of Chirurgia was approximately S\$495,000. As at 30 June 2025, the net tangible asset value and the net asset value of Chirurgia were both S\$1,241,000. There is no open market value available for Chirurgia.

3. RATIONALE FOR THE PROPOSED ACQUISITION

The Proposed Acquisition is intended to broaden the Group's spectrum of medical services, supporting the Group's long-term growth strategy and strengthening the Group's presence in Singapore.

Dr. Lee is an experienced hepatopancreatobiliary ("**HPB**") surgeon, specialising in minimally invasive surgery (laparoscopic and robotic surgery) for the treatment of liver, pancreatic and biliary, gallbladder diseases and cancers. He obtained his medical degree from Royal College of Surgeons in Ireland in 2005, completed his Surgery Specialist Training at both Changi

General Hospital and Singapore General Hospital in 2013, and his Clinical Fellowship Training in Minimally Invasive Surgery (Laparoscopic and Robotic Surgery) in Korea in 2015. Prior to leaving for private practice, he served as the Director of the HPB Service at Changi General Hospital.

4. PRINCIPAL TERMS OF THE SPA

4.1 Purchase Consideration

The Purchase Consideration is payable in full to Dr. Lee in cash upon the commencement of his employment, which is intended to occur on or around 7 April 2026 or such other date as agreed between Dr. Lee and the Company.

The Purchase Consideration was arrived at on a willing-buyer willing-seller basis, taking into account the future potential of Chirurgia, the synergistic benefits for the Group, and Dr. Lee's expertise and industry reputation. The Purchase Consideration will be funded through internal cash resources.

4.2 Additional Sale Shares

Subject to completion, Dr. Lee agrees to sell to the Company, and the Company will enter into a separate sale and purchase agreement, to buy the remaining 49% of the total issued and paid-up share capital in Chirurgia from Dr. Lee (the "**Additional Sale Shares**") at a later stage, with completion of the proposed acquisition of the Additional Sale Shares to occur by 30 November 2029, or such other date to be agreed between Dr. Lee and the Company. The sale amount would be an amount that is (a) 9 times the unaudited profit after tax of Chirurgia for the twelve months ending on 31 March 2029, after adjustments to exclude expenses incurred in the form of facility fees paid to the Company adjusted for the relevant tax impact ("**Adjusted PAT**"), multiplied by 0.49; or (b) 10 times the Adjusted PAT if the Adjusted PAT is S\$1 million or more, multiplied by 0.49 (the "**Second Consideration**").

The formula for the Second Consideration was arrived at based on arm's length commercial discussions between Dr. Lee and the Company, after considering factors such as the potential earnings of, and the synergies between Chirurgia, Dr. Lee and the Group. The Company may elect to pay a portion of the Second Consideration by way of issuance of the Company's shares, details of which are subject to discussions at the point of negotiations for the sale and purchase of the Additional Sale Shares.

The Company will make further announcement(s) with regards to the purchase of Additional Sale Shares upon the execution of the separate sale and purchase agreement at the relevant time, as may be required under the Singapore Exchange Securities Trading Limited (the "**Exchange**") Listing Manual Section B: Rules of the Catalist (the "**Catalist Rules**").

5. THE EMPLOYMENT

Dr. Lee will be employed by the Company as a specialist surgeon, in the areas of his expertise, subject to the terms and conditions of a service agreement, and as part of his employment, he shall manage Chirurgia (the "**Employment**").

Pursuant to the Employment, Dr. Lee shall manage Chirurgia for an initial period of ten years commencing on or around 7 April 2026.

Further to discussions and taking into account the Purchase Consideration, the rationale and the long-term view behind the Proposed Acquisition, Dr. Lee has further agreed to, at the

Company's option, re-purchase the Sale Shares and/or the Additional Sale Shares, and pay the Company certain sums in the event that he resigns, is terminated for cause or is unable to continue with the Employment in situations such as ill health.

6. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

Based on the Group's latest announced unaudited financial statements for the six months ended 30 November 2025 ("HY2026"), the relative figures of the Proposed Acquisition computed on the bases set out in Rule 1006 of the Catalist Rules are as follows:

Catalist Rule	Relative Figures
1006(a)	
The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable
1006(b)	
The net profits ⁽¹⁾ attributable to the assets acquired, compared with the Group's net profits.	2.97% ⁽²⁾
1006(c)	
The aggregate value of the consideration given, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares ⁽³⁾ .	2.16% ⁽³⁾
1006(d)	
The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable
1006(e)	
The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable

Notes:

- (1) "Net profits" means profit or loss before income tax and non-controlling interests.
- (2) Computed based on 51% of the unaudited net profits attributable to Chirurgia for the six-month period from 1 July 2025 to 31 December 2025, which amounts to approximately S\$133,000. The unaudited net profits of the Group for HY2026 was S\$4,470,000.
- (3) The Purchase Consideration utilised for calculating the relative figure under Rule 1006(c) is S\$1,228,000, and based on the market capitalisation of the Company of approximately S\$56,871,638, which is determined by multiplying the number of ordinary shares in the issued share capital (excluding treasury shares) of the Company of 153,375,507 shares by the volume weighted average price of such shares transacted on the market day preceding the date of the SPA of S\$0.3708 per Share.

Based on the relative figures computed above, the Proposed Acquisition constitutes a non-discloseable transaction under Chapter 10 of the Catalist Rules. However, as the Second Acquisition may be partially satisfied by the issuance of the Consideration Shares at the Company's election, this announcement is made pursuant to Rule 1009 of the Catalist Rules. As the value of the Second Consideration cannot be determined as at the date of this announcement, the Company will make any further announcement(s) as may be required under the Catalist Rules at the relevant time.

7. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The pro forma financial effects of the Proposed Acquisition on the Group are set out below and are purely for illustrative purposes. The pro forma financial effects of the Proposed Acquisition on the Group's NTA per share and EPS are based on the Group's audited financial statements for the financial year ended 31 May 2025.

(a) NTA per share

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Proposed Acquisition on the NTA per share of the Group as at 31 May 2025, as if the Proposed Acquisition was completed on 31 May 2025, are as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA attributable to equity holders of the Company (S\$'000)	17,557,000	16,962,000
Number of ordinary shares in issue (excluding treasury shares) ('000)	153,375,507	153,375,507
NTA per share (Singapore cents)	11.45	11.06

(b) EPS

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Proposed Acquisition on the EPS of the Group as at 31 May 2025, as if the Proposed Acquisition was completed on 1 June 2024, are as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
Profit attributable to equity holders of the Company (S\$'000)	8,439,000	8,692,000
Number of ordinary shares in issue (excluding treasury shares) ('000)	153,375,507	153,375,507
EPS (Singapore cents)	5.50	5.67

Note: For comparative and illustrative purposes, the number of ordinary shares before and after the Proposed Acquisition used to derive both the Group's NTA per share and EPS were computed based on 153,375,507 ordinary shares (excluding treasury shares) of the Company as at the date of this announcement.

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition, other than through their respective shareholdings in the Company (if any).

9. SERVICE CONTRACTS

No directors are proposed to be appointed to the Board in connection with the Proposed Acquisition.

10. DOCUMENT FOR INSPECTION

A copy of the SPA is available for inspection during normal business hours at the Company's registered office at 9 Raffles Place, #26-01 Republic Plaza Tower 1, Singapore 048619, during normal business hours for three months from the date of this announcement.

By Order of the Board

Dr. Heah Sieu Min
Executive Director and Chief Executive Officer

6 April 2026

About HC Surgical Specialists Limited

HC Surgical Specialists Limited (the “**Company**”) was incorporated on 1 September 2015 in Singapore and listed on the Catalist of the Singapore Exchange Securities Trading Limited 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 18 clinics located throughout Singapore.

This announcement has been reviewed by the Company’s sponsor, Novus Corporate Finance Pte. Ltd. (the “**Sponsor**”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**Exchange**”) and the Exchange 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 7 Temasek Boulevard, #04-02 Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.