

HC SURGICAL SPECIALISTS LIMITED

Incorporated in the Republic of Singapore

Registration No. 201533429G

ACQUISITION OF AN ADDITIONAL 16.67% OF THE ISSUED AND PAID-UP SHARE CAPITAL IN MEDICAL SERVICES @ TAMPINES PTE. LTD.

1. INTRODUCTION

The Board of Directors (the "**Board**") of HC Surgical Specialists Limited (the "**Company**" and together with its subsidiaries and associated company, the "**Group**") is pleased to inform shareholders that it has today, entered into a sale and purchase agreement ("**SPA**") for, and completed the acquisition of, an additional 16.67% of the total issued and paid-up share capital of the Company's subsidiary, Medical Services @ Tampines Pte. Ltd. ("**MST**") for a total purchase consideration of S\$30,000 which was paid in cash ("**Purchase Consideration**"), from Dr. Lau Boon Kwang (the "**Vendor**") (the "**Acquisition**").

As at the date of this announcement, MST has an issued and paid-up share capital of S\$555,695 comprising 555,695 ordinary shares. Immediately prior to the Acquisition, the Company held 83.33% of the total issued shares in MST. The Vendor is independent from the Company's Directors, Chief Executive Officer and controlling shareholders and their respective associates. Following the completion of the Acquisition, MST has become a 100% subsidiary of the Company. MST was incorporated on 17 March 2010 in the Republic of Singapore and operates an endoscopy and radiology clinic.

Based on the audited accounts of MST for the financial year ended 31 May 2019, the profit before tax of MST was approximately S\$271,000 and the net tangible asset and net asset value of MST as at 31 May 2019 was S\$179,000.

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

2. PURCHASE CONSIDERATION

The total Purchase Consideration of S\$30,000 has been paid in full to the Vendor upon the signing of the SPA.

The Purchase Consideration was arrived at on a willing buyer willing seller basis, taking into account the future potential of MST and the synergistic benefits for the Group. The Acquisition has been funded from the Company's internal cash.

3. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

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

By Order of the Board

Dr. Heah Sieu Min
Executive Director and Chief Executive Officer

10 September 2019

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 and its subsidiaries 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 15 clinics located throughout Singapore.

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”) in accordance with Rules 226(2)(b) and 753(2) 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. 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 Ms. Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).