

FOR IMMEDIATE RELEASE

HC Surgical Hikes Up Stake In Julian Ong Endoscopy & Surgery

Highlights

- **HC Surgical to acquire an additional 19% stake in Julian Ong Endoscopy & Surgery Pte. Ltd. for S\$3.8 million**
- **Total consideration to be funded via issuance of 1,760,000 new shares at S\$0.5388/share and approximately S\$2.8 million in cash**
- **With this acquisition, it will boost the Group's stake in Julian Ong Endoscopy & Surgery to 70% and fortify the Group's relationship with the talented specialist Dr. Julian Ong.**

Singapore, 3 September 2019 – Catalyst-listed **HC Surgical Specialists Limited (SGX:1B1) ("HCSS"**, or collectively with its subsidiaries and associated companies, the **"Group"** or the **"Company"**) is delighted to declare that it has today, entered into a sale and purchase agreement with Julian Ong Surgery Pte. Ltd. (the **"Vendor"**) for an additional 19% of the total issued and paid-up share capital of the Company's subsidiary, Julian Ong Endoscopy & Surgery Pte. Ltd. (**"JOES"**) (the **"Proposed Acquisition"**).

The Proposed Acquisition is in line with the Group's long-term plans for growth, and will motivate Dr. Julian Ong (**"Dr. Ong"**), having commenced his employment with the Group since 1 April 2017 to further improve the profitability of JOES. The total Purchase Consideration of S\$3,795,000 will be satisfied in the form of S\$2,846,712 in cash and the remaining in the form of 1,760,000 new shares in the share capital of the Company (the **"Consideration Shares"**), at an issue price of S\$0.5388 for each Consideration Share, calculated based on the volume weighted average price of the Company's shares on 30 August 2019.



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Chief Executive Officer of HCSS, Dr. Heah Sieu Min said, ***“Dr. Ong is a talented specialist who has proven to be very popular with patients. We are excited to be part of his growth journey as we fortify our relationship with Dr. Ong through this acquisition. We will continue to execute on our corporate strategy in looking out for young talented specialists like Dr. Ong, providing them with the necessary support and platform for growth.”***

Subject to completion of the Proposed Acquisition, the Company will also enter into a separate sale and purchase agreement to buy the remaining 30% of the total issued and paid-up share capital in JOES from the Vendor and Dr. Julian Ong (the "**Additional Sale Shares**") at a later stage, with completion of the proposed acquisition of the Additional Sale Shares to occur by 31 October 2021 or such other date to be agreed between the Vendor, Dr. Julian Ong and the Company, at an amount that is ten times the audited profit after tax of JOES for the financial year ending 31 May 2021, multiplied by 0.30.

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About HC Surgical Specialists Limited

HC Surgical Specialists Limited (“HCSS”) 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 and its subsidiaries and associated company (the “Group”) is 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 16 clinics located throughout Singapore.

For more information, please visit HCSS’ website at www.hcsurgicalspecialists.com.



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

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