

**FOR IMMEDIATE RELEASE**

**HC Surgical Specialists 3Q2019 Profit to Owners Increased 402.5%  
from Operating and Non-Operating Items**

**RESULTS HIGHLIGHTS**

- Revenue rose 7.6% to S\$4.18 million mainly from its new and existing subsidiaries
- 3Q2019 Profit to Owners of the Company increased 402.5% year-on-year to S\$4.54 million (S\$3.8 million is from non-operating items and S\$0.7 million is from operating items)
- The Group's recent exclusive collaboration with AIA Singapore is expected to generate additional revenue stream

Singapore, 09 April 2019 – Catalyst-listed HC Surgical Specialists Limited (SGX:1B1) (“HCSS”, or collectively with its subsidiaries and associated companies, the “Group”) today announced its financial results for the three months ended 28 February 2019 (“3Q2019”).

During 3Q2019, the Group recorded an increase of S\$0.30 million or approximately 7.6% in revenue as compared to the corresponding quarter, mainly due to the revenue contributions from its new and existing subsidiaries - the higher revenue contributions from new subsidiaries acquired after 3Q2018 include Jason Lim Endoscopy and Surgery Pte. Ltd. (“JLES”) that commenced operations in August 2018 and Medical Services @ Tampines Pte. Ltd. (“MST”) of which an additional 50.0% equity interest was acquired in September 2018.

### Financial Overview

S\$' million	3Q2019	3Q2018	Change %	9M2019	9M2018	Change %
Revenue	4.18	3.89	7.6	12.65	11.59	9.2
Gross Profit*	3.73	3.51	6.1	11.37	10.47	8.6
Profit to Attributable to Owners of the Company	4.54	0.90	402.5	6.70	3.36	99.5
Earnings Per Share (S\$ cents)	3.05	0.61	400	4.50	2.25	100

\*Gross Profit is calculated as Revenue - change in inventories - inventories and consumables used.

Additionally, the Group recorded other items of income due to fair value gain on financial assets at fair value through profit or loss ("FVTPL") of S\$2.9 million, which come forth due to recognition of financial assets at FVTPL in 3Q2019 following a reclassification in line with the adoption of SFRS(I)s; the gain on disposal of investment in an associate of S\$0.29 million related to the disposal of 4 million MediNex Ltd's ("MediNex") shares held by the Company pursuant to MediNex's IPO; and the gain from deemed disposal in associates of S\$0.75 million related to dilution in the Company's shareholding in MediNex mainly as a result of MediNex's IPO share placement and remeasurement of previously held equity interest in MST in 3Q2019 upon the acquisition of additional 50% equity interest in September 2018.

During the quarter, the shares of profits of an associate decreased by S\$0.30 million as compared to 3Q2018, due to Medinex's one-off IPO expenses incurred in the quarter.

As a consequence of the aforementioned, the Group's profit to owners of the company surged by S\$3.64 million or approximately 402.5% from S\$0.90 million in 3Q2018 to S\$4.54 million in 3Q2019.

Annotating on the Group's 3Q2019 results, Chief Executive Officer of HCSS, Dr. Heah Sieu Min said, ***"During the financial quarter, we delivered a commendable performance with a sterling bottom line as we continue to be on track for our growth trajectory and secure steady revenue contributions bolstered by our existing and newly acquired clinics. Our strategic acquisitions advertently reflected our success on the financial front and we look forward to unlocking greater value for our shareholders in the forthcoming quarter."***

### **Moving Forward**

During the current financial year, the Group welcomed on board new subsidiaries - JLES and MST. The Group will continue its expansion efforts in getting more specialists on board and aims to expand its footprint regionally.

On 1 April 2019, the Group announced its exclusive collaboration with AIA Singapore Private Limited in an effort to promote screening for early detection of colorectal cancer, the number 1 cancer for men and number 2 cancer for women in Singapore. This is a huge leap taken in response to the government's calling to have a healthy lifestyle and in a bid to contain the increasing trend in healthcare costs, to ensure sustainability in the long run. The Group believes that this will be an additional revenue stream and will continue to strengthen its core competencies to provide quality healthcare services to all its patients.

Dr. Heah Sieu Min added, ***"We are constantly pursuing new opportunities in the healthcare sector amid the sizeable network of specialists and clinics we have across Singapore. Our continuous expansion efforts in actively seeking potential collaborations have borne fruit as we continue our momentum into 4Q2019 and entered into an exclusive collaboration with AIA Singapore that undeniably blends well with our motto 'Early Detection, Early Cure'. Representing as AIA Singapore's Sole Screening Service Provider for colorectal cancer – most common cancer in Singapore, we see a hoard of opportunities within this meaningful initiative and aim to reduce the number of colorectal cancer cases, while propelling our Company to greater heights with the interests of patients' health at heart. Edging forward, we are reinforcing our position in the healthcare industry, as we extend our footprint locally and regionally to promote our quality healthcare services and treatment options in the region."***

– End –



Incorporated in the Republic of Singapore  
Registration No. 201533429G

#### 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](http://www.hcsurgicalspecialists.com).

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This press release has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this press release.

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