

## **HC SURGICAL SPECIALISTS LIMITED**

Incorporated in the Republic of Singapore

Registration No. 201533429G

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## **INTERESTED PERSON TRANSACTION – TENANCY AGREEMENT ENTERED INTO WITH CH HILLFORD INVESTMENTS PTE. LTD. (“CHHI”)**

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### **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**”) wishes to announce that its subsidiary, HC (Hillford) Pte. Ltd. (“**HCHF**”) has on 8 December 2016 signed a tenancy agreement (the “**Tenancy Agreement**”) with CHHI. Pursuant to the Tenancy Agreement, CHHI will lease 182 Jalan Jurong Kechil #01-66 The Hillford Singapore 596152 (the “**Premise**”) to HCHF for a term of three (3) years, including a two (2) weeks’ rent-free period.

CHHI is 50% owned by Dr. Heah Sieu Min (“**HSM**”), Executive Director and Chief Executive Officer, and 50% owned by Dr. Chia Kok Hoong (“**CKH**”), Executive Director and Chief Operating Officer, of the Company. As at the date of signing the Tenancy Agreement, HSM and CKH are also the controlling shareholders of the Company with direct interest of 43.73% and 23.75% respectively.

Accordingly, the Tenancy Agreement would constitute an Interested Person Transaction (“**IPT**”) under Chapter 9 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst (“**Catalist Rules**”).

HCHF will operate in the Premise under the name of “HC Endoscopy & Piles Centre (Hillford)”, pending successful incorporation of the sole proprietorship, which will be 100% owned by HCHF.

### **2. TENANCY AGREEMENT AS IPT AND RULE 916(1) OF THE CATALIST RULES**

The rental for the Premise payable for the duration of the lease is S\$255,948.39, representing approximately 11.89% of the Group’s latest audited net tangible assets (“**NTA**”). The latest audited NTA as at 31 May 2016 was S\$2,151,784.

The lease is for a period not exceeding 3 years, with an effective commencement date of 9 December 2016 and the terms of the Tenancy Agreement are supported by an independent valuation report dated 28 November 2016 from Premas Valuers & Property Consultants Pte Ltd (“**Valuation Report**”). The market rental indicated in the Valuation

Report is S\$7,300 per month. The rental payable under the Tenancy Agreement is S\$7,200 per month, which is below the valuation in the Valuation Report.

Accordingly, the Tenancy Agreement and the lease thereunder will not require the approval of the shareholders of the Company as exempted under Catalist Rule 916(1).

### 3. DETAILS OF THE TENANCY AGREEMENT

Under the Tenancy Agreement, the Premise occupies a floor area of 603 square feet. The rental is arrived based on the Valuation Report and negotiation between the parties to the Tenancy Agreement. A security deposit equivalent to one month's rent of S\$7,200 shall be maintained with CHHI.

The Tenancy Agreement includes a two (2) weeks' rent-free period from 9 December 2016 to 22 December 2016.

### 4. RATIONALE FOR THE TENANCY AGREEMENT

The Company intends to operate an endoscopy and piles centre in the Premise. In addition, as the rental under the Tenancy Agreements is lower than the market rate as indicated in the Valuation Report, the entry into the Tenancy Agreement will result in cost-savings for the Group.

### 5. CURRENT TOTAL VALUE OF IPTS

Save for the interested person transactions as disclosed in pages 125 to 130 of the offer document dated 25 October 2016, the value of all IPTs conducted during the financial year ending 31 May 2017 ("FY2017") is as follows:-

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
CHHI <sup>(1)</sup>	255,948	-
Total	255,948	-

Note:

(1) CHHI is 50% owned by HSM and 50% owned by CKH. As such CHHI is the associate of each HSM and CKH

Save as disclosed above, there are no other IPT above S\$100,000 for FY2017.

## **6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the other Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Tenancy Agreement, save for their shareholdings in the Company.

## **7. DOCUMENTS FOR INSPECTION**

Copies of the Tenancy Agreement and the Valuation Report are available for inspection during normal business hours at the registered office of the Company for a period of three (3) months from the date of this announcement.

By Order of the Board

Dr. Heah Sieu Min  
Executive Director and Chief Executive Officer

Date: 8 December 2016

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HC Surgical Specialists Limited (the "Company") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "SGX-ST") on 3 November 2016. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor").

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"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr Thomas Lam, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.