

HC SURGICAL SPECIALISTS LIMITED

Incorporated in the Republic of Singapore

Registration No. 201533429G

INCORPORATION OF A SUBSIDIARY KNOWN AS “HC (MING) PTE. LTD.”

Further to its announcement on 31 May 2019 on the proposed acquisition of 25.0% of the entire issued share capital in Medistar Services Pte. Ltd. (“**Medistar**”) (“**Proposed Acquisition**”), the Board of Directors (the “**Board**”) of HC Surgical Specialists Limited (“the **Company**”) and together with its subsidiaries and associated companies, the “**Group**”) wishes to announce that the Company, together with Medistar, have incorporated a subsidiary in Singapore known as HC (Ming) Pte. Ltd. (“**HC Ming**”) for the provision of medical services.

Information on Medistar

Medistar operates a general practitioner clinic, The Ming Clinic, at Camden Medical Centre. Pursuant to the Proposed Acquisition, Medistar will be a 25.0% associated company of the Company and Dr. Lai Junxu will own 5.0% of the total issued share capital of Medistar, following the completion of the Proposed Acquisition. Dr. Pang Heng Mun Roger, Dr. Tan Hooi Hwa and Dr. Wong Yik Mun will remain as shareholders of Medistar with an aggregate equity stake of 70.0%.

Rationale

HC Ming will set up an endoscopy centre within The Ming Clinic, bringing the Group’s network of endoscopy centres to ten thereby expanding the Group’s presence in the central area in Singapore as well as developing and growing the range of medical services provided by the Group.

Subscription Arrangement

HC Ming was incorporated on 6 June 2019 in the Republic of Singapore with a total issued and paid-up capital of S\$10.00 comprising 10 ordinary shares at S\$1.00 each. The shareholding details are as follows:-

- (a) Company: S\$8, equivalent to 80.0% of the total issued share capital in HC Ming; and
- (b) Medistar: S\$2, equivalent to 20.0% of the total issued share capital in HC Ming.

As such, HC Ming is a subsidiary of the Company upon its incorporation. The Company’s effective shareholding interest in HC Ming will increase to 85.0% upon the completion of the Proposed Acquisition.

Appointment of Directors in HC Ming

The board of directors of HC Ming will comprise Dr. Heah Sieu Min, the Company's Executive Director and Chief Executive Officer (who will also be chairman of the board of directors of HC Ming) and Dr. Chia Kok Hoong, the Company's Executive Director and Medical Director.

Financial Impact

The subscription of shares in HC Ming by the Company was funded through the Group's internal resources and is not expected to have any material impact on the net tangible assets per share and/or earnings per share of the Group for the financial year ending 31 May 2020.

Directors' and Substantial Shareholders' Interests

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the incorporation of HC Ming, save for their shareholdings in the Company.

By Order of the Board

Dr. Heah Sieu Min
Executive Director and Chief Executive Officer

6 June 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 16 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. Ling Yuet Shan, Manager, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).