

FOR IMMEDIATE RELEASE**HC Surgical Specialists Posts S\$2.1 million
Profit to Shareholders for HY2023****HY2023 RESULTS HIGHLIGHTS**

- Revenue was S\$10.1 million in HY2023
- HY2023 Profit to Shareholders was S\$2.1 million
- Declares interim dividend of S\$0.01 per ordinary share

Singapore, 12 January 2023 – Catalyst-listed HC Surgical Specialists Limited (SGX:1B1) (“HCSS”, or collectively with its subsidiaries, the “Group”) announced its financial results for the half year ended 30 November 2022 (“HY2023”) today.

Financial Overview (Group)

S\$' million	HY2023	HY2022	Change %
Revenue	10.12	10.41	-2.8%
Gross Profit*	8.73	9.00	-3.0%
Profit Attributable to Owners of the Company	2.05	4.64	-55.8%
Earnings Per Share (S\$ cents)	1.38	3.12	-55.8%

**Gross Profit is calculated as Revenue - change in inventories – inventories, consumables and surgery expenses.*

The Group’s HY2023 profit to shareholders was lower mainly due to non-operational items, including (i) fair value loss on financial assets at fair value through profit or loss (“FVTPL”) of S\$0.90 million (HY2022: fair value gain of S\$0.69 million), (ii) allowance for impairment loss on goodwill of S\$0.50 million, and (iii) loss on modification of financial liability of S\$0.32 million; offset by fair value gain on derivative financial

instruments (“**DFI**”) of approximately S\$0.28 million and gain on divestment in a financial asset at FVTPL of S\$0.12 million.

Other income decreased by approximately S\$0.27 million due to lower grants (including the Jobs Support Scheme and Rental Support Scheme) of S\$0.36 million; which was partially offset by gain on divestment of a financial asset at FVTPL of S\$0.12 million.

Fair value loss on financial assets at FVTPL of approximately S\$0.90 million was due to (i) the decrease in share price of Medinex Limited (“**Medinex**”) in which the Company holds a direct interest of 22.66% and a deemed interest of 9.39% of Medinex’s total issued share capital. In HY2022, the fair value gain on financial assets at FVTPL of approximately S\$0.69 million arose primarily due to (i) the increase in share price of Medinex; (ii) the increase in share price of Singapore Paincare Holdings Limited (“**SPCH**”) in which the Company holds a direct interest of 3.31% of SPCH’s total issued share capital; and (iii) fair value gain on Acumen Holdings Pte. Ltd..

Fair value gain on DFI of approximately S\$0.28 million arose mainly due to the re-measurement of fair value for put option of a subsidiary.

Employee benefits expenses decreased by approximately S\$0.21 million mainly due to lower provision of bonus for the current financial period.

Other expenses increased by approximately S\$0.93 million in HY2023 due to allowance for impairment loss on goodwill of S\$0.50 million; loss on modification of S\$0.32 million on the deferred consideration payable for the acquisition of an additional 49.0% equity interest in Jason Lim Endoscopy and Surgery Pte. Ltd. (“**JLES**”) in August 2021. Finance cost increased by approximately S\$0.19 million due to deemed interest expense on the deferred consideration payable for the acquisition of JLES.

As a result of the aforementioned, the Group recorded a profit attributable to owners of the Company of S\$2.05 million in HY2023.

Dividend

The Directors are declaring an interim dividend of 1.0 Singapore cents payable on 13 March 2023.

Annotating on the Group's HY2023 results, Chief Executive Officer of HCSS, Dr. Heah Sieu Min said, ***"HY2023 saw a period of returning to normalcy, as COVID-19 cases dropped, 100% of workers are allowed to go back to office, borders are opened, and people are travelling again.***

Patient safety will always remain at the top of our priority by strict adherence to the guidelines from the Ministry of Health. We are also glad to declare an interim dividend of S\$0.01 per ordinary share as a token of appreciation to our shareholders, who have continued to support us."

Moving Forward

The Group obtained its medical licence from the Ministry of Health for its new Siglap endoscopy centre located along East Coast Road in December 2022.

Dr. Heah Sieu Min added, ***"The Group will continue to expand its network of specialists and centres, and look for potential acquisitions to attain its long-term growth targets. Bearing in mind the current economic climate of inflation, we shall be vigilant and focus on patient safety and care, improve operating efficiencies in a bid to contain costs."***

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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. HCSS and its subsidiaries 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.

Issued By : HC Surgical Specialists Limited

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This press release has been prepared by the Company and reviewed by the Company’s sponsor, Novus Corporate Finance Pte. Ltd. (the “Sponsor”), in compliance with Rule 226(2)(b) 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 and 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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