

HC SURGICAL SPECIALISTS LIMITED

Incorporated in the Republic of Singapore

Registration No. 201533429G

INTERESTED PERSON TRANSACTION – RENEWAL OF TENANCY AGREEMENT WITH CHEE AND HEAH SURGICAL ASSOCIATES PTE. LTD. (“CHSA”)

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 wholly-owned subsidiary, Heah Sieu Min (Mt E) Pte. Ltd. (“**HME**”) has on 12 January 2023 renewed its tenancy agreement (the “**Tenancy Agreement**”) with CHSA. Pursuant to the Tenancy Agreement, CHSA will lease approximately half of the entire clinic space at 3 Mount Elizabeth #12-06 Mount Elizabeth Hospital Singapore 228510 (the “**Premises**”) to HME for a term of three (3) years.

CHSA is 50% owned by Dr. Heah Sieu Min (“**HSM**”), the Executive Director and Chief Executive Officer, of the Company. As at the date of signing the Tenancy Agreement, HSM is also the controlling shareholder of the Company with a direct interest of 42.98% of the Company’s shares.

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 Catalist (“**Catalist Rules**”).

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

The existing tenancy agreement between HME and CHSA for the Premises is for a period of three years from 1 January 2020 to 31 December 2022, at a rental rate of S\$13,307 per month.

The rental for the Premises payable for the duration of the renewed lease is S\$493,200, being a rental rate of S\$13,700 per month, representing approximately 7.08% of the Group’s latest audited net tangible assets (“**NTA**”). The latest audited NTA as at 31 May 2022 was S\$6,963,000.

The renewed lease is for a period not exceeding 3 years, with an effective commencement date of 1 January 2023 and the terms of the Tenancy Agreement are

supported by an independent valuation report dated 3 January 2023 from GB Global Pte Ltd (“**Valuation Report**”), as set out in paragraph 3 of this announcement.

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

3. DETAILS OF THE TENANCY AGREEMENT

Under the Tenancy Agreement, the Premises occupied by HME is approximately half of the total floor area of 1,195 square feet. The monthly rental rate of S\$13,700 was arrived at after taking into consideration the Valuation Report, which valued the monthly market rental of the Premises at S\$27,400.

4. RATIONALE FOR THE TENANCY AGREEMENT

The Premises is located in the Orchard area and is one of the largest private healthcare centres in Singapore.

HME has been operating in the Premises under the name of “Heah Colorectal Endoscopy & Piles Centre” since 2007. The Company is of the view that it is in the Group’s interest to continue its operations in the Premises following the renewal of the Tenancy Agreement.

5. CURRENT TOTAL VALUE OF IPTS

The current value of all IPTs, excluding any transaction below S\$100,000, with HSM and his associates for the financial year ending 31 May 2023 (“**FY2023**”) is S\$349,842.

The current value of all IPTs for FY2023, excluding any transaction below S\$100,000, is as follows:-

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$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 S\$100,000)
Heah Sieu Min (RVP) Pte. Ltd. (“ RVP ”) ⁽¹⁾	S\$46,200	-
CHSA ⁽²⁾	S\$162,042	-
CH Hillford Investments Pte. Ltd. (“ CHHI ”) ⁽³⁾	S\$48,525	-
CH Investment Holdings Pte. Ltd. (“ CHIH ”) ⁽¹⁾	S\$141,600	-
Farrer Park Holdings Pte. Ltd. (“ FPH ”) ⁽³⁾	S\$60,276	-
G 7 Investment Holdings Pte. Ltd. (“ G7 ”) ⁽³⁾	S\$60,000	-
Total	S\$518,643	-

Notes:

(1) RVP and CHIH are 100% owned by HSM. As such, they are the associates of HSM.

(2) CHSA is 50% owned by HSM. As such, CHSA is the associate of HSM.

(3) CHHI, FPH and G7 are 100% owned by Dr. Chia Kok Hoong (“**CKH**”), the Executive Director and Medical Director, of the Company. As such, they are associates of CKH.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed, none of the other Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Tenancy Agreement, other than 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: 12 January 2023

About HC Surgical Specialists Limited

HC Surgical Specialists Limited (the “Company”) 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, its subsidiaries and associated company 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 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 announcement has not been examined or approved by the SGX-ST and 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 Mr. Pong Chen Yih, Chief Operating Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.