

HC SURGICAL SPECIALISTS LIMITED

Incorporated in the Republic of Singapore

Registration No. 201533429G

ENTRY INTO A JOINT VENTURE AGREEMENT

The Board of Directors (the "**Board**") of HC Surgical Specialists Limited (the "**Company**" and together with its subsidiaries, the "**Group**") is pleased to inform shareholders that it has today, entered into a joint venture agreement ("**JV Agreement**") with Paincare Center Pte. Ltd. ("**PCC**"), the Company's 51% owned subsidiary, HMC Medical Pte. Ltd. ("**HMC**"), Chee Hsing Gary Andrew and Lee Peng Khoo (collectively the "**Parties**"), with the objective to establish a joint venture company for the provision of medical services in the area of pain management and related procedures. PCC is in the business of management and provision of healthcare services.

The rationale for the joint venture is to expand the range of medical services provided by the Group.

Pursuant to the JV Agreement, the Parties intend to incorporate a joint venture company, Horizon Paincare Pte. Ltd. ("**HPPL**"), in the Republic of Singapore, with each of PCC and HMC subscribing to new shares of HPPL in the following manner:

- (a) PCC: 60 shares in HPPL for a total cash consideration of S\$60, equivalent to 60.0% of the total issued share capital in HPPL; and
- (b) HMC: 40 shares in HPPL for a total cash consideration of S\$40, equivalent to 40.0% of the total issued share capital in HPPL.

Each of PCC and HMC shall appoint a director on the board of HPPL at the point of incorporation, and the chairman of the board of directors of HPPL shall be the director appointed by PCC.

The subscription of the shares in HPPL by HMC will be funded by HMC's internal resources, and is not expected to have any material impact on the consolidated net tangible assets per share or consolidated earnings per share of the Group for the financial year ending 31 May 2019.

None of the directors of the Company or controlling shareholders of the Company has any interest, direct or indirect, in this transaction, other than through their shareholdings (if any) in the Company.

By Order of the Board

Dr. Heah Sieu Min
Executive Director and Chief Executive Officer

13 November 2018

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 (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 15 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**") for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. 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 Jennifer Tan, Senior Manager, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).