

FOR IMMEDIATE RELEASE

HC Surgical Specialists Posts S\$3.85 million Profit to Shareholders for FY2024

FY2024 RESULTS HIGHLIGHTS

- Revenue was S\$18.8 million in FY2024
- FY2024 Profit to Shareholders was S\$3.85 million
- Total dividend (interim dividend of S\$0.007 per ordinary share & proposed final dividend of S\$0.007 per ordinary share) will be S\$0.014 per ordinary share

Singapore, 25 July 2024 – Catalyst-listed HC Surgical Specialists Limited (SGX:1B1) (“HCSS”, or collectively with its subsidiaries, the “Group”) announced its financial results for the full year ended 31 May 2024 (“FY2024”) today.

Financial Overview (Group)

S\$' million	FY2024	FY2023	Change %
Revenue	18.81	19.08	-1.4%
Gross Profit*	15.96	16.45	-3.0%
Profit Attributable to Owners of the Company	3.85	2.92	31.8%
Earnings Per Share (S\$ cents)	2.53	1.96	29.1%

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

The Group’s FY2024 revenue stayed relatively stable as compared to FY2023. Nevertheless, the Group had managed to increase its profit attributable to owners of the company from S\$2.92 million to S\$3.85 million.

Other income decreased by approximately S\$0.25 million mainly due to lower grants, non-existence of (i) a gain on divestment of a financial asset at fair value through profit or loss (“**FVTPL**”) and (ii) compensation income receivable from the non-controlling interest of Julian Ong Endoscopy & Surgery Pte. Ltd. that occurred in the full year ended 31 May 2023 (“**FY2023**”).

Fair value gain on financial assets at FVTPL of approximately S\$0.17 million was due to (i) the increase 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%; and (ii) the fair value gain on HSN Healthcare Pte. Ltd.; and was partially offset by (i) the decrease in share price of Singapore Paincare Holdings Limited (“**SPCH**”) in which the Company holds a direct interest of 2.44%; and (ii) the decrease in share price of Aoxin Q & M Dental Group Limited (“**Aoxin**”) in which the Company holds a direct interest of 0.34%. In FY2023, the fair value loss on financial assets at FVTPL of approximately S\$1.74 million arose primarily due to the decrease in share prices of Medinex, SPCH and Aoxin.

Employee benefits expense increased by approximately S\$0.31 million due to higher provision of bonus, higher salaries from annual increment and higher headcount for the current financial year.

Fair value loss on derivative financial instruments of approximately S\$0.62 million arose mainly due to the re-measurement of fair value for (i) put option of a subsidiary; and (ii) forward purchase contract of associates.

Other expenses decreased by approximately S\$0.71 million mainly due to (i) a decrease in professional fees of S\$0.16 million incurred for the current financial year; (ii) allowance for impairment loss on goodwill of S\$0.68 million incurred in FY2023; and (iii) loss on modification of deferred consideration for Jason Lim Endoscopy and Surgery Pte. Ltd. of S\$0.32 million incurred in FY2023, which is partially offset by (i) allowance for impairment loss on investment in an associate of S\$0.24 million; and (ii) loss allowance for receivables from an associate and a joint venture of an aggregate amount of S\$0.24 million incurred in FY2024.

The Company’s share of results of an associate in FY2024 of approximately negative S\$88,000 arose from the Company’s share of losses of Total Orthopaedics Pte. Ltd..

As a result of the aforementioned, the Group recorded an increase in profit attributable to owners of the Company of 31.8% or S\$3.85 million in FY2024 as compared to S\$2.92 million in FY2023.

Dividend

The Directors are recommending a final dividend of 0.70 Singapore cents, subject to shareholders' approval at the forthcoming annual general meeting to be convened. Prior to this, the Group had also paid an interim dividend of Singapore 0.70 cents per ordinary share in March 2024. In aggregate, the total dividend for FY2024 will amount to 1.40 Singapore cents per share.

Annotating on the Group's FY2024 results, Chief Executive Officer of HCSS, Dr. Heah Sieu Min said, ***"FY2024 revenue remains stable as compared to FY2023, as our core operations remained profitable. We will continue to focus on our core competencies and look for opportunities for expansion."***

Moving Forward

In April 2024, the Group welcomed on board two more orthopaedic specialists, Dr. Huang Yilun and Dr. Hamid Rahmatulla Bin Abd Razak under Total Orthopaedics Pte. Ltd..

Dr. Heah Sieu Min added, ***"FY2024 marked the year in which the Group expanded into a new segment – orthopaedics. Within a short span of a year, we had 3 experienced orthopaedic surgeons and 3 conveniently located centres. We believe it will complement seamlessly with our endoscopy and surgery business, to provide a more holistic specialist care for our patients. We will continue to expand our network of specialists and centres both locally and regionally when and where the opportunity arises. We remain vigilant and shall continue to focus on patient care and safety, while improving operational efficiencies."***



Incorporated in the Republic of Singapore
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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 18 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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