

## IMPORTANT NOTICE

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| <b>NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO U.S. PERSONS</b> |
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**IMPORTANT: You must read the following disclaimer before continuing.** The following disclaimer applies to the attached supplemental information memorandum. You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached supplemental information memorandum. In accessing the attached supplemental information memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

**Confirmation of Your Representation:** In order to be eligible to view the attached supplemental information memorandum or make an investment decision with respect to the notes, investors must not be a U.S. person (within the meaning of Regulation S under the Securities Act (as defined below)). The attached supplemental information memorandum is being sent at your request and by accepting the e-mail and accessing the attached supplemental information memorandum, you shall be deemed to have represented to us (1) that you are not resident in the United States nor a U.S. person, as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") nor are you acting on behalf of a U.S. person, the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the U.S. and, to the extent you purchase the notes described in the attached supplemental information memorandum, you will be doing so pursuant to Regulation S under the Securities Act, and (2) that you consent to delivery of the attached supplemental information memorandum and any amendments or supplements thereto by electronic transmission. By accepting this document, if you are an investor in Singapore, you (A) represent and warrant that you are either an institutional investor as defined under Section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), a relevant person as defined under Section 275(2) of the SFA or persons to whom an offer is being made, as referred to in Section 275(1A) of the SFA, and (B) agree to be bound by the limitations and restrictions described herein.

The attached document has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of RHT Health Trust Manager Pte. Ltd. (in its capacity as trustee-manager of RHT Health Trust) (the "**Issuer**"), DBS Bank Ltd. or Deutsche Bank AG, Singapore Branch or any person who controls any of them nor any of their respective directors, officers, employees, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version. We will provide a hard copy version to you upon request.

**Restrictions:** The attached document is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the notes described therein.

***NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF NOTES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.***

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of the Issuer, DBS Bank Ltd. or Deutsche Bank AG, Singapore Branch to subscribe for or purchase any of the notes described therein, and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act).

The attached supplemental information memorandum or any materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the dealers or any affiliate of the dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the dealers or such affiliate on behalf of **the Issuer** in such jurisdiction. The attached supplemental information memorandum may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

You are reminded that you have accessed the attached supplemental information memorandum on the basis that you are a person into whose possession this supplemental information memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. **If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the notes described therein.**

**Actions that You May Not Take:** If you receive this document by e-mail, you should not reply by email to this document, and you may not purchase any notes by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

**YOU ARE NOT AUTHORISED TO, AND YOU MAY NOT, FORWARD OR DELIVER THE ATTACHED SUPPLEMENTAL INFORMATION MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH SUPPLEMENTAL INFORMATION MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED SUPPLEMENTAL INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

**You are responsible for protecting against viruses and other destructive items.** If you receive this document by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



## RHT HEALTH TRUST MANAGER PTE. LTD.

(in its capacity as trustee-manager of RHT Health Trust)  
(Incorporated in the Republic of Singapore on 22 July 2011)  
(UEN/Company Registration No.: 201117555K)

### **\$500,000,000 MULTICURRENCY MEDIUM TERM NOTE PROGRAMME (THE "MTN PROGRAMME")**

This Supplemental Information Memorandum is a supplement to, and is to be read together with, the information memorandum dated 5 December 2014 (the "Information Memorandum") relating to the MTN Programme.

This Supplemental Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Supplemental Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of notes (the "Notes") to be issued from time to time by RHT Health Trust Manager Pte. Ltd. (in its capacity as trustee-manager of RHT Health Trust ("RHT") (the "Issuer") pursuant to the MTN Programme may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act (Chapter 289 of Singapore) (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, (iii) where the Notes are initially acquired pursuant to an offer in reliance of Section 274 or 275 of the SFA, pursuant to, and in accordance with the conditions of, Section 276 of the SFA and any other applicable provision of the SFA, or (iv) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six (6) months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or (in the case of such corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of such trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) pursuant to Section 276(7) of the SFA; or
- (v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Application has been made to the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the listing and quotation of the MTN Programme and application will be made to the SGX-ST for permission to deal in and quotation for any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. There is no assurance that the application to the SGX-ST for permission to deal in, and for the listing and quotation of the Notes of any Series (as defined in the Information Memorandum) will be approved. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST are not to be taken as an indication of the merits of the Issuer, RHT and their respective subsidiaries (as defined as defined in the Information Memorandum) and associated companies (if any), the MTN Programme or such Notes.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer

form) delivered within the United States to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in certain transactions exempt from the registration requirements of the Securities Act.

*Arrangers*



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## NOTICE

DBS Bank Ltd. and Deutsche Bank AG, Singapore Branch (together, the "**Arrangers**") have been authorised by the Issuer to arrange the S\$500,000,000 Multicurrency Medium Term Note Programme (the "**MTN Programme**") described herein. Under the MTN Programme, the Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes (the "**Notes**") denominated in Singapore dollars and/or any other currencies.

This Supplemental Information Memorandum contains information with regard to the Issuer, RHT, their respective subsidiaries (if any), the MTN Programme and the Notes. The Supplemental Information Memorandum contains all information with regard to the Issuer, RHT and the Group (as defined in the Information Memorandum) and to the Notes which is material in the context of the Programme or the issue and offering of the Notes, all the information in the Supplemental Information Memorandum is true, accurate, complete and not misleading in all material respects, the opinions, expectations and intentions of the Issuer expressed in the Supplemental Information Memorandum have been carefully considered, are and will be based on all relevant considerations and facts known to the Issuer existing at the date of its issue and are and will be fairly, reasonably and honestly held by the Issuer; that there are and will be no other facts the omission of which in the said context would or is likely to make any such information or expression misleading in any material respect.

Notes may be issued in Series having one or more issue dates and the same maturity date, and on identical terms (including as to listing) except (in the case of Notes other than Variable Rate Notes (as described under the section titled "*Summary of the MTN Programme*") for the issue dates, issue prices and/or the dates of the first payment of interest, or (in the case of variable rate notes) for the issue prices and rates of interest. Each Series may be issued in one or more Tranches (as defined in the Information Memorandum) on the same or different issue dates. The Notes will be issued in bearer form and may be listed on a stock exchange. The Notes will initially be represented by either a Temporary Global Note (as defined in the Information Memorandum) or a Permanent Global Note (as defined in the Information Memorandum) which will be deposited on the issue date with either CDP (as defined in the Information Memorandum) or a common depository on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") or otherwise delivered as agreed between the Issuer and the relevant Dealer (as defined in the Information Memorandum). Subject to compliance with all relevant laws, regulations and directives, the Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer and may be subject to redemption or purchase in whole or in part. The Notes may bear interest at a fixed, floating, variable or hybrid rate or may not bear interest or may be such other notes as may be agreed between the Issuer and the relevant Dealer. The Notes may be repayable at par, at a specified amount above or below par or at an amount determined by reference to a formula, in each case with terms as specified in the Pricing Supplement (as defined in the Information Memorandum) issued in relation to each Series or Tranche of Notes. Details applicable to each Series or Tranche of Notes will be specified in the applicable Pricing Supplement which is to be read in conjunction with this Supplemental Information Memorandum.

The maximum aggregate principal amount of the Notes to be issued, when added to the aggregate principal amount of all Notes outstanding (as defined in the Trust Deed (as defined in the Information Memorandum)) shall be S\$500,000,000 (or its equivalent in any other currencies) or such higher amount as may be increased pursuant to the terms of the Programme Agreement (as defined in the Information Memorandum).

No person has been authorised to give any information or to make any representation other than those contained in this Supplemental Information Memorandum (read with the Information Memorandum) and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, either of the Arrangers, any of the Dealers, the Trustee (as defined in the Information Memorandum) or the Paying Agents (as defined in the Information Memorandum). Save as expressly stated in this Supplemental Information Memorandum (read with the Information Memorandum), nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Issuer, RHT or any of their respective subsidiaries or associated companies (if any). Neither this Supplemental Information Memorandum (read with the Information Memorandum) nor any other document or information (or any part thereof) delivered or supplied under or in relation to the MTN Programme may be used for the purpose of, and does not constitute an offer of, or solicitation or invitation by or on behalf of the Issuer, either of the Arrangers, any of the Dealers, the Trustee or the Paying Agents to subscribe for or purchase, the Notes in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. The distribution and publication of this Supplemental Information Memorandum or any such other document or information and the offer of the Notes in certain jurisdictions may be restricted by law. Persons who distribute or publish this Supplemental Information Memorandum or any such other document or information or into whose possession this Supplemental Information Memorandum or any such other document or information comes are required to inform themselves about and to observe any such restrictions and all applicable laws, orders, rules and regulations.

Neither this Supplemental Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the MTN Programme shall be deemed to constitute an offer of, or an invitation by or on behalf of the Issuer, either of the Arrangers, any of the Dealers, the Trustee or the Paying Agents to subscribe for or purchase, any of the Notes.

This Supplemental Information Memorandum and any other documents or materials in relation to the issue, offering or sale of the Notes have been prepared solely for the purpose of the initial sale by the relevant Dealers of the Notes from time to time to be issued pursuant to the MTN Programme. This Supplemental Information Memorandum and such other documents or materials are made available to the recipients thereof solely on the basis that they are persons falling within the ambit of Section 274 and/or Section 275 of the SFA and may not be relied upon by any person other than persons to whom the Notes are sold or with whom they are placed by the relevant Dealers as aforesaid or for any other purpose. Recipients of this Supplemental Information Memorandum shall not reissue, circulate or distribute this Supplemental Information Memorandum or any part thereof in any manner whatsoever.

Neither the delivery of this Supplemental Information Memorandum (or any part thereof) nor the issue, offering, purchase or sale of the Notes shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of the Issuer, RHT or any of their respective subsidiaries or associated companies (if any) or in the information herein since the date hereof or the date on which this Supplemental Information Memorandum has been most recently amended or supplemented.

The Arrangers, the Dealers, the Trustee and the Paying Agents have not separately verified the information contained in this Supplemental Information Memorandum. None of the Issuer, the Arrangers, any of the Dealers, the Trustee, the Paying Agents or any of their respective officers or employees is making any representation or warranty expressed or implied as to the merits of the Notes or the subscription for, purchase or acquisition thereof, the creditworthiness or financial condition or otherwise of the Issuer, RHT or their respective subsidiaries or associated

companies (if any). Further, none of the Arrangers, the Dealers, the Trustee or the Paying Agents makes any representation or warranty as to the Issuer, RHT or their respective subsidiaries or associated companies (if any) or as to the accuracy, reliability or completeness of the information set out herein (including the legal and regulatory requirements pertaining to Sections 274, 275 and 276 or any other provisions of the SFA) and the documents which are incorporated by reference in, and form part of, this Supplemental Information Memorandum.

Neither this Supplemental Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the MTN Programme or the issue of the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, either of the Arrangers, any of the Dealers, the Trustee or the Paying Agents that any recipient of this Supplemental Information Memorandum or such other document or information (or such part thereof) should subscribe for or purchase any of the Notes. A prospective purchaser shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and the creditworthiness of the Issuer, RHT and their respective subsidiaries and associated companies (if any), and obtain its own independent legal or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Issuer or RHT. Accordingly, notwithstanding anything herein, none of the Issuer, either of the Arrangers, any of the Dealers, the Trustee, the Paying Agents or any of their respective officers, employees or agents shall be held responsible for any loss or damage suffered or incurred by the recipients of this Supplemental Information Memorandum or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Supplemental Information Memorandum or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any purchase or acquisition of any of the Notes by a recipient of this Supplemental Information Memorandum or such other document or information (or such part thereof).

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated by reference in, and to form part of, this Supplemental Information Memorandum (read together with the Information Memorandum): (1) any annual reports, audited consolidated accounts of RHT and its subsidiaries and associated companies (if any) or unaudited quarterly or full year consolidated financial statements of RHT and its subsidiaries and associated companies (if any) and (2) any supplement or amendment to this Supplemental Information Memorandum issued by the Issuer. This Supplemental Information Memorandum (read with the Information Memorandum) is to be read in conjunction with all such documents which are incorporated by reference herein and, with respect to any series or tranche of Notes, any Pricing Supplement in respect of such series or tranche. Any statement contained in this Supplemental Information Memorandum or in a document deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Supplemental Information Memorandum to the extent that a statement contained in this Supplemental Information Memorandum or in such subsequent document that is also deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Supplemental Information Memorandum. Copies of all documents deemed incorporated by reference herein are available for inspection during normal business hours at the specified office of the Principal Paying Agent (as defined in the Information Memorandum).

To the fullest extent permitted by law, none of the Arrangers, the Dealers, the Trustee or the Paying Agents accept any responsibility for the contents of this Supplemental Information Memorandum or for any other statement, made or purported to be made by the Arrangers, a Dealer, the Trustee or any of the Paying Agents or on its behalf in connection with the Issuer, RHT, the Group and the MTN



Programme or the issue and offering of the Notes. Each of the Arrangers, each Dealer, the Trustee and each Paying Agent accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Supplemental Information Memorandum or any such statement.

Any purchase or acquisition of the Notes is in all respects conditional on the satisfaction of certain conditions set out in the Programme Agreement and the issue of the Notes by the Issuer pursuant to the Programme Agreement. Any offer, invitation to offer or agreement made in connection with the purchase or acquisition of the Notes or pursuant to this Supplemental Information Memorandum shall (without any liability or responsibility on the part of the Issuer, either of the Arrangers, any of the Dealers, the Trustee or the Paying Agents) lapse and cease to have any effect if (for any other reason whatsoever) the Notes are not issued by the Issuer pursuant to the Programme Agreement.

The attention of recipients of this Supplemental Information Memorandum is drawn to the restrictions on resale of the Notes set out under the section titled "*Subscription, Purchase and Distribution*".

Any person(s) who is invited to purchase or subscribe for the Notes or to whom this Supplemental Information Memorandum is sent shall not make any offer or sale, directly or indirectly, of any Notes or distribute or cause to be distributed any document or other material in connection therewith in any country or jurisdiction except in such manner and in such circumstances as will result in compliance with any applicable laws and regulations.

It is recommended that persons proposing to subscribe for or purchase any of the Notes consult their own legal and other advisers before purchasing or acquiring the Notes.

**The unaudited consolidated financial statements of RHT and its subsidiaries as at and for the quarter and full year ended 31 March 2017 has not been audited or subject to any review by the auditors of RHT. There can be no assurance that if such financial information had been audited or reviewed that there would be no change in the financial information and that such changes would not be material. Consequently, such financial information should not be relied upon by potential purchasers to provide the same quality of information associated with information that has been subject to an audit or a full review. Potential investors must exercise caution when using such data to evaluate RHT's business, financial condition, results of operations and prospects. See "*Risk Factors – Risks associated with an investment in the notes - The consolidated financial statements of RHT and its subsidiaries as at and for the quarter and full year ended 31 March 2017 have not been audited or reviewed*". The Arranger and Dealers have not independently verified such information and can give no assurance that this information is accurate, truthful or complete.**

**Prospective purchasers of Notes are advised to consult their own tax advisers concerning the tax consequences of the acquisition, ownership or disposition of the Notes.**

**Prospective investors should pay attention to the risk factors set out in the section titled "*Risk Factors*".**

## AMENDMENTS TO THE INFORMATION MEMORANDUM

The Information Memorandum shall be amended as follows:

1. by deleting the definition of “CCPS Put Option” appearing in the section entitled “Definitions” appearing on page 8 of the Information Memorandum in its entirety
2. by deleting the definition of “CCPS Subscription Agreement” appearing in the section entitled “Definitions” appearing on page 8 of the Information Memorandum in its entirety
3. by deleting the definition of “Consolidated FDI Policy” appearing in the section entitled “Definitions” appearing on page 9 of the Information Memorandum in its entirety and substituting for the following:  
  
“Consolidated FDI Policy”: The consolidated foreign direct investment policy issued by the Government of India through the Consolidated FDI Policy Circular of 2016, dated June 7, 2016 consolidating, subsuming and superseding all previous press notes, press releases and clarifications on foreign direct investment
4. by deleting the definition of “FHTL Call Option” appearing in the section entitled “Definitions” appearing on page 10 of the Information Memorandum in its entirety
5. by deleting the definition of “FHTL Put Option” appearing in the section entitled “Definitions” appearing on page 10 of the Information Memorandum in its entirety
6. by deleting the definition of “Latest Practicable Date” appearing in the section entitled “Definitions” appearing on page 13 of the Information Memorandum in its entirety and substituting for the following:  
  
“Latest Practicable Date”: 15 May 2017
7. by deleting the definition of “RGAM” appearing in the section entitled “Definitions” appearing on page 16 of the Information Memorandum in its entirety
8. by deleting the definition of “RGAM India” appearing in the section entitled “Definitions” appearing on page 16 of the Information Memorandum in its entirety
9. by deleting the section entitled "The Issuer" appearing on pages 68 to 119 of the Information memorandum in its entirety and substituting therefor the following:

### “THE ISSUER

#### RHT HEALTH TRUST

##### 1. Overview of RHT Health Trust

###### History and Background

RHT Health Trust (“RHT”) is the first business trust with an initial portfolio comprising healthcare assets in India to be listed on the Main Board of the SGX-ST. RHT was constituted on 29 July 2011 under the laws of the Republic of Singapore and registered on 25 September 2012 under the Business Trusts Act, Chapter 31A of Singapore. RHT was listed on the SGX-ST on 19 October 2012.

RHT’s investment mandate is principally to invest in medical and healthcare assets and services in Asia, Australasia and emerging markets in the rest of the world. RHT may also develop medical

and healthcare assets. It is expected that the medical services will be provided directly by RHT or in collaboration with third parties.

As at the Latest Practicable Date, RHT had a market capitalisation of S\$778.1 million.

RHT's Portfolio (as defined herein) comprises 12 clinical establishments held by RHT ("**Operating Clinical Establishments**"), two hospitals managed and operated by RHT ("**Operating Hospitals**") and four clinical establishments to be developed ("**Greenfield Clinical Establishments**"). RHT's Portfolio was valued at ₹52,039 million (approximately S\$1,121 million)<sup>1</sup>.

The significant events, awards and accolades of RHT from the commencement of operations to the Latest Practicable Date are set out below.

### Significant Events

| Date          | Event                                                                                        |
|---------------|----------------------------------------------------------------------------------------------|
| October 2012  | Listing of RHT on the SGX-ST                                                                 |
| May 2013      | Official Launch of the Gurgaon Clinical Establishment                                        |
| January 2014  | Groundbreaking ceremony for the Ludhiana Greenfield Clinical Establishment site              |
| May 2014      | Completion of the acquisition of the Mohali Clinical Establishment                           |
| July 2015     | Issuance of S\$60 million 4.5% Fixed Rate Notes Due 2018                                     |
| February 2016 | Completion of the acquisition of land for the expansion of the Mohali Clinical Establishment |
| October 2016  | Completion of the disposal of 51.0% economic interest in FHTL                                |

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<sup>1</sup> Based on the SGD:INR rate of SGD1:INR46.43 as at 31 March 2017. The appraised value of each of the portfolio assets by the Independent Valuer is as at 31 March 2017.

## Selected Notable Awards & Accolades

| Clinical Establishment          | Awards / Accolades                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Anandpur Clinical Establishment | <ul style="list-style-type: none"><li>- NABH Accredited</li><li>- No. 2 Best Hospital in Multi-specialty category in Kolkata in a survey conducted by AC Nielson for The Week Magazine</li><li>- Received the prestigious National Energy Conservation Award from the President of India</li><li>- Received CII Energy Management Award</li></ul>                                                                                                                                                                                                                                                                                               |
| BG Road Clinical Establishment  | <ul style="list-style-type: none"><li>- NABH Accredited</li><li>- Awarded the Joint Commission International (JCI) accreditation for the third term in a row in May 2014</li><li>- Recognised by the Medical Travel Quality Alliance (MTQUA) and ranked third amongst Top 20 hospitals across the globe in its annual rankings</li><li>- Awarded as the “Best Medical Tourism Hospital” at the Karnataka Tourism Awards 2016.</li></ul>                                                                                                                                                                                                         |
| Mulund Clinical Establishment   | <ul style="list-style-type: none"><li>- NABH Accredited</li><li>- JCI Accreditation</li><li>- First NABH accredited Blood Bank in India</li><li>- Stars of the Industry Healthcare Leadership Award 2014 (Best Patient Safety)</li><li>- FICCI Healthcare Award (Operational Excellence)</li><li>- FICCI ‘Special Jury Recognition Award’.</li><li>- Won 3 awards at the prestigious Asian Hospital Management Awards, 2014 in categories of ‘Human Resources’ and ‘Patient Safety’</li><li>- Awarded the “Best Hospital Unit in Cardiac Care” and the “Best Medical Tourism Facility” at the CIMS Healthcare Excellence Awards 2016.</li></ul> |
| Mohali Clinical Establishment   | <ul style="list-style-type: none"><li>- NABH Accredited</li><li>- JCI Accreditation</li><li>- Won ‘Best Multispecialty Hospital (Non Metro)’ Award during the first edition of “Doc N Doc Gammex Saviour Awards”.</li><li>- CII Healthcare Award for Commitment to Excellence, Energy Management Award.</li><li>- Award for “Quality beyond Accreditation” 2014 by the Association of Healthcare Providers, India</li><li>- Ranked no. 2 as best multi-specialty hospital in respective city, The Week Magazine Awards</li></ul>                                                                                                                |
| Gurgaon Clinical Establishment  | <ul style="list-style-type: none"><li>- Won two awards under “Process Innovation” and “Safety” categories of Frost and Sullivan’s Project Evaluation &amp; Recognition Programme 2015</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

| <b>Clinical Establishment</b>        | <b>Awards / Accolades</b>                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                      | <ul style="list-style-type: none"> <li>- No. 2 globally on '30 Most Technologically Advanced Hospitals in the World' by topmastersinhealthcare.com</li> </ul>                                                                                                                                                                                                                            |
| Shalimar Bagh Clinical Establishment | <ul style="list-style-type: none"> <li>- NABH Accredited</li> <li>- Received a 3 Star Green Rating for Integrated Habitat Assessment rating by The Energy and Resources Institute</li> </ul>                                                                                                                                                                                             |
| Noida                                | <ul style="list-style-type: none"> <li>- Won "Comprehensive Neurosciences Service Provider of the Year" award at Frost and Sullivan's Annual India Healthcare Excellence Awards 2015</li> <li>- FICCI "Private Sector Hospital" Award 2011</li> <li>- Receive the National Energy Award in 2011 – 2<sup>nd</sup> Prize</li> <li>- FICCI Health Poster Presentation Award 2011</li> </ul> |
| Kalyan                               | <ul style="list-style-type: none"> <li>- NABH Accredited</li> </ul>                                                                                                                                                                                                                                                                                                                      |
| Amritsar                             | <ul style="list-style-type: none"> <li>- NABH Accredited</li> </ul>                                                                                                                                                                                                                                                                                                                      |

### ***The Trustee-Manager and Fortis***

RHT is managed by RHT Health Trust Manager Pte. Ltd. (the "**Trustee-Manager**"), which is an indirect wholly-owned subsidiary of Stellant Capital Advisory Services Private Limited ("**Stellant**"). Stellant is a Category I Merchant Banker registered with Securities and Exchange Board of India (SEBI). Stellant is an indirect wholly-owned subsidiary of Fortis Healthcare Limited ("**Fortis**"). Fortis, a leading integrated healthcare delivery service provider in India with a track record of over 13 years, has an interest in approximately 29.6% of the issued Units in RHT as at the Latest Practicable Date. The healthcare verticals of Fortis primarily comprise hospitals, diagnostics and day care specialty facilities.

To demonstrate the commitment of Fortis to RHT, Fortis had on 18 September 2012 also granted a right of first refusal to RHT ("**ROFR**") over any proposed offer by Fortis or any of its subsidiaries to sell, transfer or otherwise dispose of any interest in any medical and healthcare infrastructure and facilities within the scope of RHT's investment mandate ("**Relevant Asset**"). As Fortis continues to capitalise on its existing experience in building, operating and acquiring hospitals to continue its growth, RHT's potential acquisition pipeline of assets via the ROFR may grow as the number of Relevant Assets increases.

## RHT'S PORTFOLIO

The Portfolio of RHT comprises 12 Operating Clinical Establishments, two Operating Hospitals and four Greenfield Clinical Establishments located across India. Certain information on the Portfolio is set out as follows:

| Assets                                   | Current / Proposed Care Type at Fortis Hospital | Operational Beds as at 31 March 2017 | Installed Bed Capacity | Potential Bed Capacity | Approximate Land Size (acres) | Approximate / Planned Built-up Area as at 31 March 2017 (sq ft) | Hospital Services Company Holding the Assets | Appraised value by the Independent Valuer (INR million) | Appraised value by the Independent Valuer (\$ million) <sup>(2)</sup> |
|------------------------------------------|-------------------------------------------------|--------------------------------------|------------------------|------------------------|-------------------------------|-----------------------------------------------------------------|----------------------------------------------|---------------------------------------------------------|-----------------------------------------------------------------------|
| <b>Operating Clinical Establishments</b> |                                                 |                                      |                        |                        |                               |                                                                 |                                              |                                                         |                                                                       |
| <b>Amritsar</b>                          | Secondary and Tertiary                          | 155                                  | 166                    | 89                     | 4.60                          | 145,948                                                         | IHL                                          | 1,550                                                   | 33.38                                                                 |
| <b>Anandpur</b>                          | Tertiary                                        | 200                                  | 373                    | N.A.                   | 1.49                          | 295,038                                                         | IHL                                          | 2,550                                                   | 54.92                                                                 |
| <b>BG Road</b>                           | Quaternary                                      | 255                                  | 258                    | 197                    | 2.93                          | 357,447                                                         | IHL                                          | 4,500                                                   | 96.92                                                                 |
| <b>Faridabad</b>                         | Secondary                                       | 210                                  | 210                    | N.A.                   | 5.07                          | 177,330                                                         | IHL                                          | 1,200                                                   | 25.84                                                                 |
| <b>Gurgaon<sup>(3)</sup></b>             | Tertiary                                        | 268                                  | 450                    | 550                    | 10.70                         | 711,140                                                         | FHTL                                         | 10,045                                                  | 216.34                                                                |
| <b>Jaipur</b>                            | Tertiary                                        | 245                                  | 320                    | N.A.                   | 6.68                          | 343,648                                                         | EHSSIL                                       | 4,960                                                   | 106.82                                                                |
| <b>Kalyan</b>                            | Tertiary                                        | 49                                   | 52                     | N.A.                   | 0.45                          | 25,881                                                          | IHL                                          | 220                                                     | 4.74                                                                  |
| <b>Malar</b>                             | Secondary and Tertiary                          | 151                                  | 178                    | N.A.                   | 0.67                          | 107,922                                                         | FHML                                         | 1,240                                                   | 26.71                                                                 |
| <b>Mohali</b>                            | Tertiary                                        | 346                                  | 355                    | 500                    | 13.72                         | 464,851                                                         | EHSSHL                                       | 4,446                                                   | 95.75                                                                 |
| <b>Mulund</b>                            | Quaternary                                      | 288                                  | 567                    | N.A.                   | 8.15                          | 348,105                                                         | IHL                                          | 6,830                                                   | 147.10                                                                |

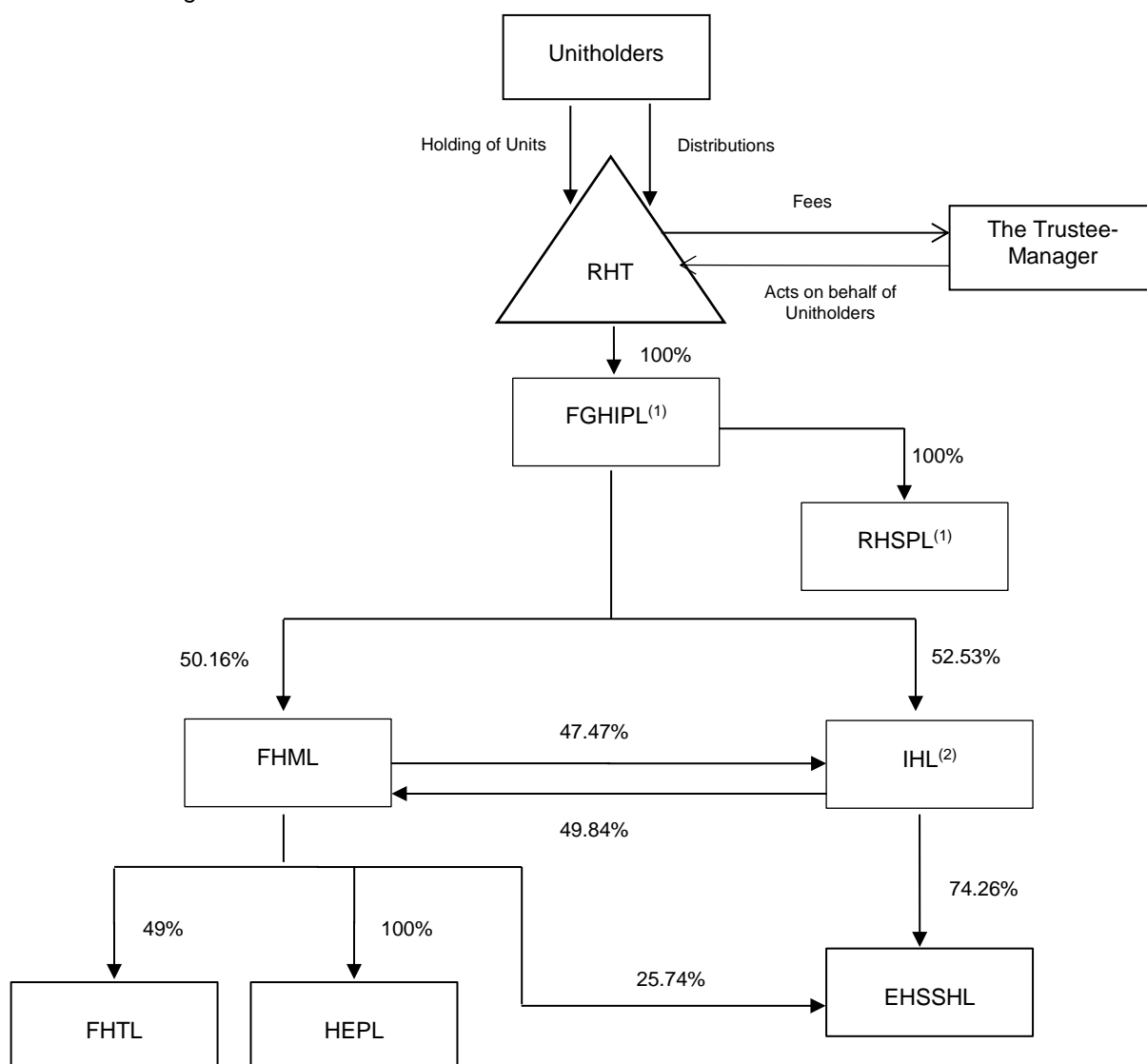
| Assets                                    | Current / Proposed Care Type at Fortis Hospital | Operational Beds as at 31 March 2017 | Installed Bed Capacity | Potential Bed Capacity | Approximate Land Size (acres) | Approximate / Planned Built-up Area as at 31 March 2017 (sq ft) | Hospital Services Company Holding the Assets | Appraised value by the Independent Valuer (INR million) | Appraised value by the Independent Valuer (\$ million) <sup>(2)</sup> |
|-------------------------------------------|-------------------------------------------------|--------------------------------------|------------------------|------------------------|-------------------------------|-----------------------------------------------------------------|----------------------------------------------|---------------------------------------------------------|-----------------------------------------------------------------------|
| Noida                                     | Quaternary                                      | 191                                  | 200                    | 31                     | 5.54                          | 271,568                                                         | IHL                                          | 6,260                                                   | 134.82                                                                |
| Shalimar Bagh <sup>(3)</sup>              | Tertiary                                        | 200                                  | 350                    | N.A.                   | 7.34                          | 388,641                                                         | FHTL                                         | 4,435                                                   | 95.51                                                                 |
| <b>Operating Hospitals</b>                |                                                 |                                      |                        |                        |                               |                                                                 |                                              |                                                         |                                                                       |
| Nagarbhavi                                | Secondary                                       | 45                                   | 62                     | 43                     | 0.5                           | 31,500                                                          | FHML                                         | 920                                                     | 19.81                                                                 |
| Rajajinagar                               | Secondary                                       | 48                                   | 52                     | N.A.                   | 0.25                          | 19,361                                                          | KHL                                          | 400                                                     | 8.61                                                                  |
| <b>Greenfield Clinical Establishments</b> |                                                 |                                      |                        |                        |                               |                                                                 |                                              |                                                         |                                                                       |
| Ludhiana                                  | Quaternary                                      | N.A.                                 | N.A.                   | 79                     | 0.48                          | 92,835                                                          | HEPL                                         | 1,250                                                   | 26.92                                                                 |
| Chennai                                   | Quaternary                                      | N.A.                                 | N.A.                   | 45                     | 0.30                          | 38,072                                                          | HEPL                                         | 266                                                     | 5.73                                                                  |
| Hyderabad                                 | Tertiary                                        | N.A.                                 | N.A.                   | 400                    | 4.00                          | 400,000                                                         | HEPL                                         | 345                                                     | 7.42                                                                  |
| Greater Noida                             | Tertiary                                        | N.A.                                 | N.A.                   | 350                    | 4.89                          | 350,000                                                         | IHL                                          | 622                                                     | 13.41                                                                 |

**Notes:**

- (1) The appraised value of each of the portfolio assets by the Independent Valuer as at 31 March 2017.
- (2) Based on the SGD:INR rate of SGD1:INR46.43 as at 31 March 2017.
- (3) The Gurgaon Clinical Establishment and the Shalimar Bagh Clinical Establishment are held by FHTL, which RHT has a 49.0% interest in. The valuations stated in the table above have been adjusted for RHT's 49.0% interest.

## 2. Structure of the RHT Group

The following diagram illustrates the relationship among the RHT Group, the Trustee-Manager and the Unitholders:



### Notes:

- (1) In addition to the equity shares held in RHT's Indian subsidiaries (namely Escorts Heart and Super Specialty Hospital Limited ("**EHSSHL**"), Fortis Health Management Limited ("**FHML**") Fortis Hospotel Limited ("**FHTL**"), Hospitalia Eastern Private Limited ("**HEPL**") and International Hospital Limited ("**IHL**"), Fortis Global Healthcare Infrastructure Pte. Ltd. ("**FGHIPL**") and RHT Health Trust Services Pte. Ltd. ("**RHSPL**") have also subscribed for debt instruments (including compulsorily convertible debentures ("**CCDs**") and non-convertible bonds ("**NCBs**") in RHT's Indian subsidiaries.
- (2) The Indian subsidiaries make periodic interest payments on the CCDs and NCBs in favour of FGHIPL and RHSPL respectively.

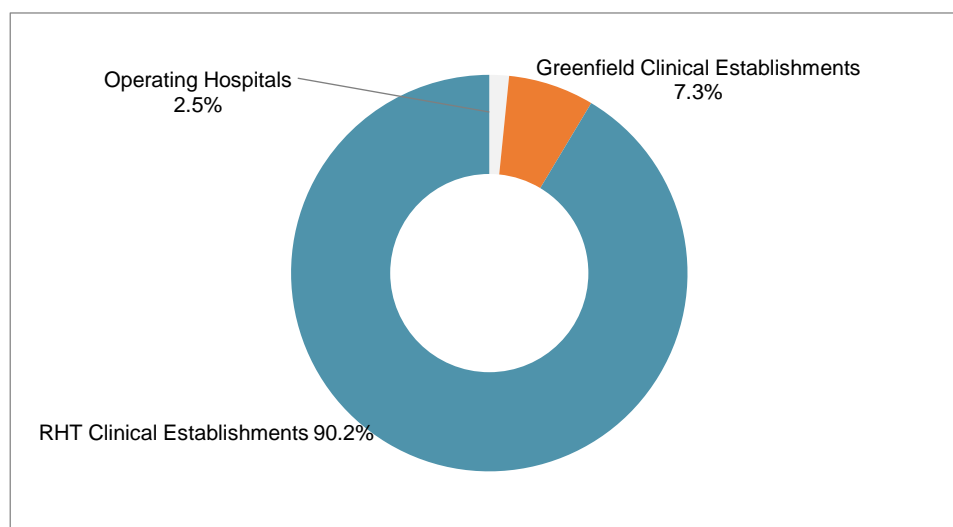


### 3. Competitive Strengths

#### (1) Stable Portfolio with a Revenue Model that provides Upside Exposure with Stabilised Returns

As at the Latest Practicable Date, RHT has 12 Operating Clinical Establishments which are income-generating. These 12 Operating Clinical Establishments account for 90.2% of the total valuation of the Portfolio (see “Overview of RHT Health Trust – RHT’s Portfolio” for further details), providing RHT with stable income-generating assets. RHT also has upside growth potential by way of the development of the Greenfield Clinical Establishments.

#### Portfolio Valuation for FY2017<sup>(1)(2)</sup>



Notes:

- (1) Weighted by portfolio valuation.
- (2) Portfolio valuation for FY2017, based on the valuation of the Independent Valuer in INR as at 31 March 2017.

Under each Hospital and Medical Services Agreement, the Hospital Services Company receives a quarterly Base Service Fee which is increased periodically and revised upwards for any capital expansion for any upgrade or expansion of the Fortis Hospital or the services provided by the Hospital Services Company. In addition, the Hospital Services Company receives a Variable Service Fee based on 7.5% of the Operating Income of the Fortis Operating Company at the respective Fortis Hospital (see “Business and Portfolio — Overview of the Hospital and Medical Services Agreements” for further details).

Such a fee structure has provided RHT with stabilised returns while offering RHT the opportunity to participate in the operational growth of the relevant hospital. The Base Service Fee received by RHT from its listing in October 2012 till 31 March 2017 has accounted for more than 68%<sup>2</sup> of the total Service Fees.

The Trustee-Manager believes that RHT has the potential to enjoy strong organic growth by capitalising on Fortis’ expertise and experience in managing and operating the Fortis Hospitals at the Operating Clinical Establishments, supported by the strong underlying growth in the industry.

<sup>2</sup> Includes 100% of FHTL’s service income from 1 April 2016 to 12 October 2016 and 49.0% share of results from 13 October 2016 to 31 March 2017.

## (2) Leveraging off Fortis' Established Operating Track Record in India

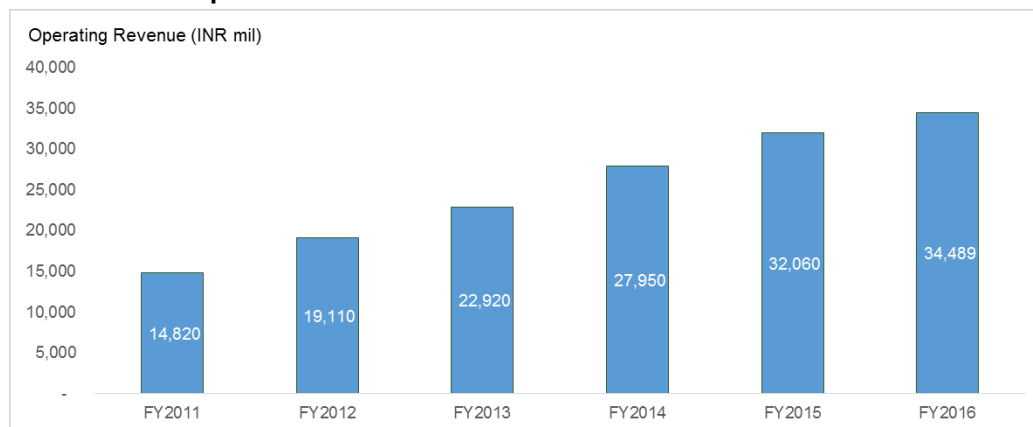
Pursuant to the Hospital and Medical Services Agreements, Fortis operates all of the Operating Clinical Establishments in RHT's Portfolio.

Fortis Healthcare Limited is a leading integrated healthcare delivery service provider in India. The healthcare verticals of the company primarily comprise hospitals, diagnostics and day care specialty facilities.

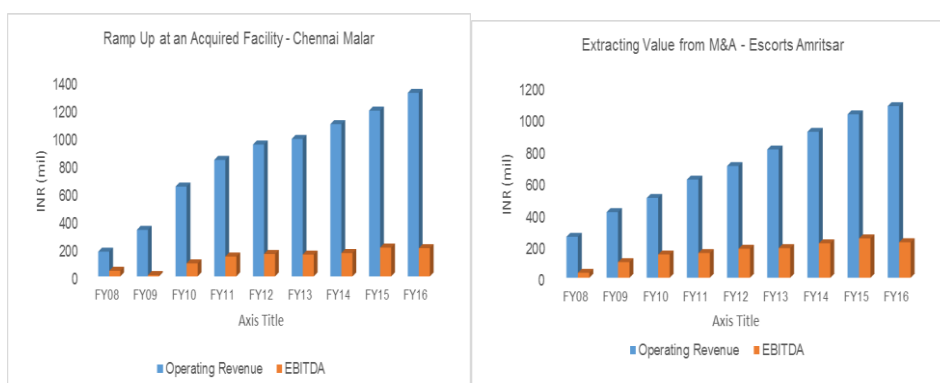
Fortis has received accreditations and certifications for certain of its hospitals from the Joint Commission International ("**JCI**") based in the United States of America, National Accreditation Board for Hospitals and Healthcare Providers ("**NABH**") in India, National Accreditation Board for Testing and Calibration Laboratories ("**NABL**") in India and the International Organisation for Standardisation ("**ISO**") Standards 9001 and 14001.

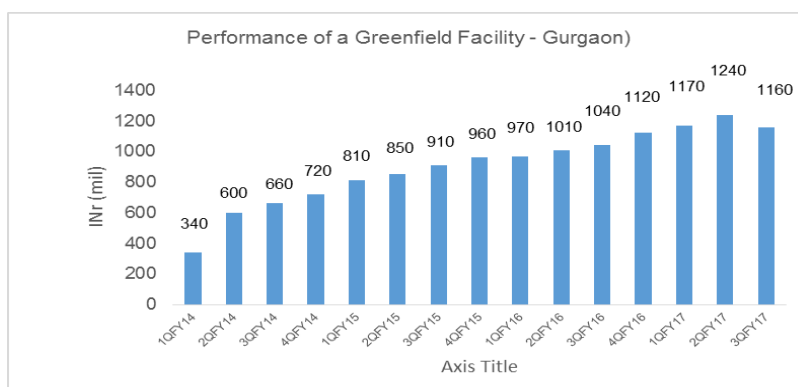
Revenue from the Indian healthcare business grew at a CAGR of 18.4% from FY2011 to FY2016, driven by successful divestitures of key international assets at a premium, calibration of growth and expansion plans, enhancing operational performance, improving occupancy, and its continued focus on high-end healthcare services and specialisation mix. Please refer to the chart below for an overview of the business performance of Fortis from FY2011 to FY2016 on an annual basis.

### Fortis India Hospital Business Historical Performance



Fortis also has a strong track record in acquiring and managing healthcare assets as well building up newly developed greenfield facilities. Please refer to the diagrams below for indicators of the Sponsor's track record in managing acquired as well as greenfield assets.





**(3) Ability to Capitalise on Growing Demand for Private Healthcare Services**

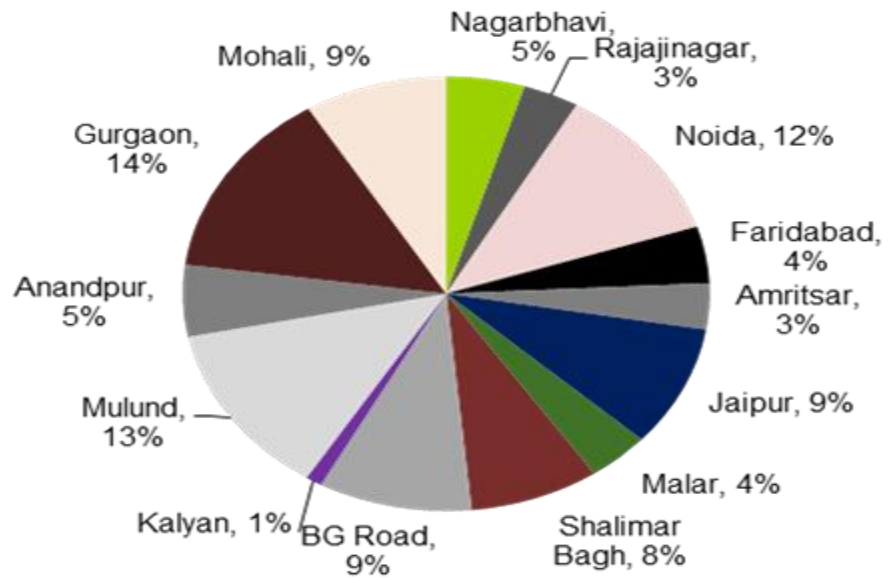
India is the second most populous country in the world. This large and growing population would provide a sizable base for healthcare services in India. India also recorded GDP growth of 7.6% in 2015 and GDP growth of 7.8% is expected for 2019, according to data from the World Bank. Rising GDP per capita and national income is expected to translate into higher healthcare spending in India. Data from the World Bank indicates that healthcare expenditure as a percentage of total GDP has risen from 1.1% in 2010 to 1.4% in 2014.

The number of Operational Beds at 11 of the 12 Operating Clinical Establishments is lower than the Installed Bed Capacity, and allows for expansion of the number of Operational Beds without the construction of a new building and with minimal capital expenditure. In addition, the four Greenfield Clinical Establishments have available space for the construction and addition of 874 beds which would allow for an increased Installed Bed Capacity. For example, development is underway to expand the BG Road Clinical Establishment to include an oncology and organ transplant specialty block with a planned Potential Bed Capacity of 200. The expansion is expected to complete in 2H2017.

The Trustee-Manager believes that it is well-placed to capitalise on the growing healthcare sector in India because of its ability to increase capacity in its 12 Operating Clinical Establishments. Any such expansions and/or proposed capital expenditure will be undertaken in consultation with Fortis, which has a track record in developing healthcare facilities.

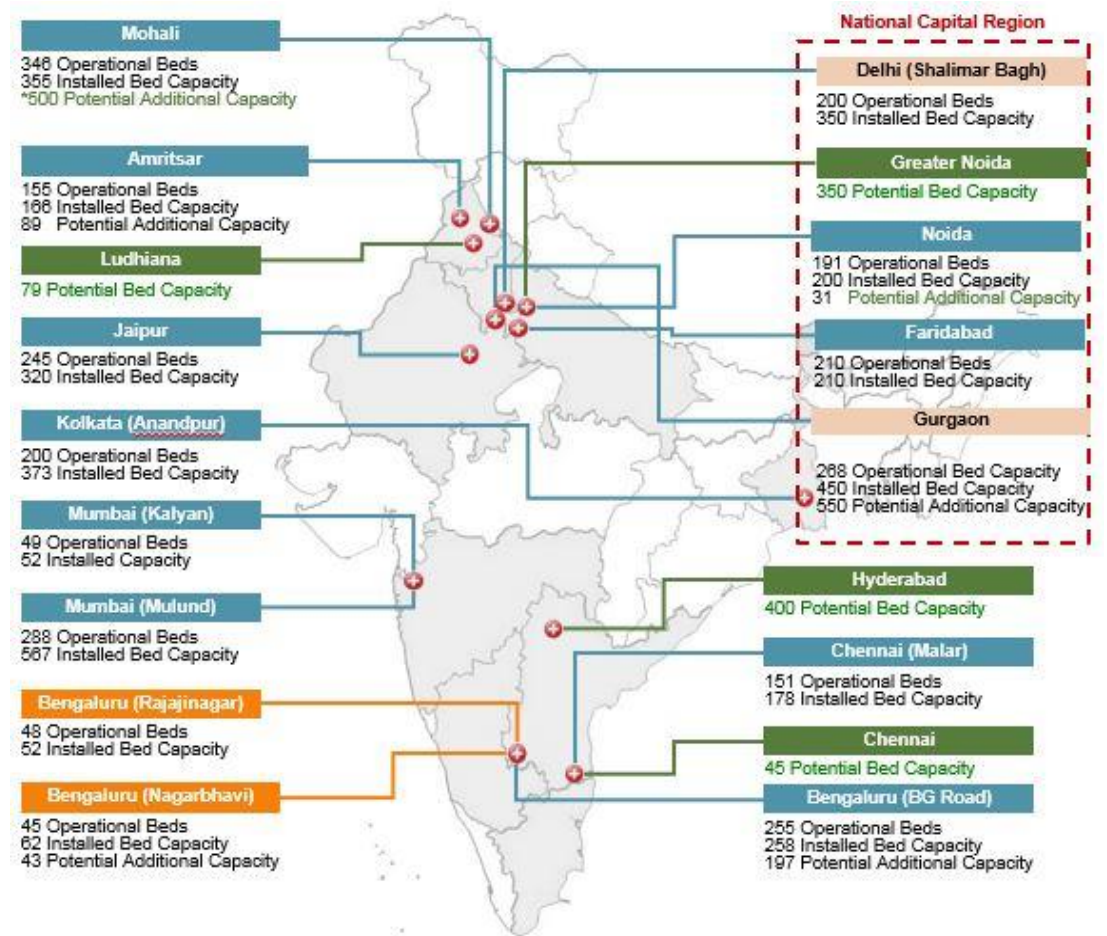
**(4) Diversified Portfolio of Quality Assets and Services**

RHT has a diversified portfolio of assets and services where no single asset accounts for more than 15.0% of RHT’s revenue. Please refer to the chart below for a breakdown of the revenue contributions of the following Clinical Establishments for FY2017:



Furthermore, the Operating Clinical Establishments, the Operating Hospitals and the Greenfield Clinical Establishments are located across ten major cities in India. These cities are generally major Indian hubs such as Amritsar, Bengaluru, Delhi, Faridabad, Gurgaon, Kolkata, Mumbai and Chennai.

The Operating Clinical Establishments, the Operating Hospitals and the Greenfield Clinical Establishments are generally also in close proximity to local population centres, key residential districts and major transportation nodes.



## (5) Capital Structure Provides Debt Headroom for Growth

As at 31 March 2017, RHT has a relatively low Gearing of 20.5% with net borrowings of S\$181.5 million. Whilst RHT has voluntarily adopted and incorporated into the RHT Trust Deed a Gearing limit of 60%, and the Trustee-Manager has a target Gearing policy of between 30% to 40%, and there is accordingly substantial headroom for RHT to borrow funds to finance potential acquisitions or developments for its Portfolio.

## 4. Strategy

RHT is established with the key objectives of providing Unitholders with an attractive rate of return for their investment through stable and regular distributions to Unitholders and to achieve long term growth in distributions and net asset value ("**NAV**").

### (1) Acquisition Growth Strategy

The Trustee-Manager sources for and intends to acquire assets, in accordance with RHT's investment mandate, with the objective of enhancing distributions to Unitholders. This involves the consideration of certain factors, including yield accretion, potential for future earnings and capital appreciation, and increase in portfolio diversification (both in the diversification of location and geography of the portfolio and in the prospective operator of the asset).

In sourcing for acquisition opportunities, the Trustee-Manager's acquisition strategy is influenced by, amongst other things, the following two considerations:

- **Network of contacts:** The Trustee-Manager believes that the experience and network of contacts of Fortis will provide it with access to investment opportunities in the healthcare industry and in healthcare-related assets; and
- **Right of first refusal:** RHT has been granted a right of first refusal by Fortis over potential disposals by Fortis of its medical and healthcare infrastructure and facilities.

In evaluating acquisition opportunities, the Trustee-Manager expects to take into consideration the following:

- **Operator:** The Trustee-Manager, when acquiring medical and healthcare assets and services, will take into account the strengths of the operator or proposed operator, including its capabilities, expertise, corporate profile and track record.
- **Impact on distributions:** The Trustee-Manager will seek to acquire assets with the objective of maintaining or enhancing RHT's distributions per Unit. The potential to add value through selective enhancement works to assets being acquired will also be assessed.
- **Location:** The Trustee-Manager will evaluate properties in strategic locations near transportation hubs and with high population catchment areas. In the long term, the Trustee-Manager will also seek to diversify the geography of its assets to minimise the risks associated with a geographical concentration of assets in India.

## **(2) Capital and Financial Risk Management Strategy**

### ***Capital structure of RHT and its assets***

The Trustee-Manager intends to employ an appropriate mix of debt and equity to finance the acquisition of medical and healthcare assets and asset enhancements. Maintaining an appropriate mix of debt and equity should provide sufficient flexibility to RHT to implement its growth strategies, taking into account the returns to Unitholders and RHT's risk exposure.

As and when appropriate, the Trustee-Manager may consider diversifying its sources of debt financing with the objective of minimising the overall cost of capital of RHT, for example, by accessing the debt capital markets through the issuance of bonds to optimise RHT's debt maturity profile. The Trustee-Manager may also pursue growth opportunities that may require raising additional equity capital through the issue of new Units.

The Trustee-Manager has a target Gearing policy of between 30.0% to 40.0%.

### ***Hedging***

Based on RHT's current Portfolio and in order to manage the currency risk involved in investing in assets in India, the Trustee-Manager has adopted currency risk management strategies in relation to cash flows and/or debt obligations. The Trustee-Manager's current hedging policy is to enter into one-year forward contracts on a semi-annual basis for 50% of the distributions to be paid out each period, with the objective of enhancing the stability of distributions to Unitholders.

The Trustee-Manager from time to time may utilise currency hedging strategies to manage the risks associated with changes to currency fluctuations.

The Trustee-Manager's investment strategy includes investing in Asia and Australasia and emerging markets in the rest of the world, which includes markets outside of India. If RHT invests outside of India, the Trustee-Manager will assess, at the appropriate time, such currency risks and consider the adoption of necessary currency risk management measures to manage its cash flows.

## **(3) Active Asset Management and Enhancement Strategy**

This strategy involves implementing pro-active measures to enhance the returns from RHT's existing and future portfolio in consultation with the current or prospective operator(s) of the assets. Such measures may include upgrading, enhancements, refurbishments and reconfiguration of the medical and healthcare assets in RHT's portfolio to enhance and maximise their operational efficiency and competitiveness. The Trustee-Manager also intends to work closely with hospital operators to identify and implement any potential cost savings in the provision of OPD Services, Radio Diagnostic Services and other resource sharing initiatives without compromising on the quality of services provided.

## **(4) Development Strategy**

The Trustee-Manager intends to expand RHT's portfolio of medical and healthcare assets and services through the development of new blocks or wings at its existing

Operating Clinical Establishments where there is capacity, as well as developing its Greenfield Clinical Establishments. RHT's Portfolio has capacity for another 942 Operational Beds to be added without the construction of a new building and with minimal capital expenditure. If construction were undertaken at the existing Operating Clinical Establishments, it is expected that the Installed Bed Capacity can be increased by an additional 1,410 beds (excluding the development of the Greenfield Clinical Establishments).

In addition, the Greenfield Clinical Establishments will have the capacity to add at least another 874 installed beds upon their completion.

## 5. Business and Portfolio

### Key Information on RHT's Portfolio

RHT's Portfolio comprises 12 Operating Clinical Establishments, two Operating Hospitals and four Greenfield Clinical Establishments located across India. As at 31 March 2017, the Portfolio of RHT was valued at ₹52,039 million (S\$1,121 million)<sup>3</sup>.

There are operational hospitals ("**Fortis Hospitals**") providing secondary, tertiary and quaternary healthcare services to patients, in various specialised fields, including cardiac sciences, neurosciences, orthopaedics, renal sciences, gastroenterology and oncology at the Operating Clinical Establishments. A 15-year hospital and medical services agreement ("**Hospital and Medical Services Agreement**") has been entered into in respect of each Operating Clinical Establishment. Pursuant to each Hospital and Medical Services Agreement, each Hospital Services Company:

- (i) provides specific out-patient and day care medical and healthcare services and radiology and imaging diagnostic services to patients at the Fortis Hospital, for and on behalf of the Fortis Operating Company;
- (ii) maintains and operates an Operating Clinical Establishment to allow the Fortis Operating Company to run a Fortis Hospital for providing healthcare services to patients, and
- (iii) establishes and provides services and facilities which are ancillary to the operation and management of a hospital,

(collectively, "**Clinical Establishment Services**").

at the Operating Clinical Establishments, for and behalf of the Fortis Operating Companies, who run the Fortis Hospitals for providing healthcare services to the patients, at the relevant Operating Clinical Establishments. Please refer to "*Business – Overview of the Hospital and Medical Services Agreements*" for more information.

The two Operating Hospitals managed and operated by RHT are located in Rajajinagar and Nagarbhavi in Bangalore. These are secondary hospitals in highly populated areas with low cost of acquisition and capital assets. No Hospital and Medical Services Agreement has been entered into in respect of these hospitals given the short term leasehold periods and given that these hospitals are managed and operated by RHT, unlike the hospitals at the Operating Clinical Establishments which are managed and

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<sup>3</sup> Based on the SGD:INR rate of SGD1:INR46.43 as at 31 March 2017. The appraised value of each of the portfolio assets by the Independent Valuer is as at 31 March 2017.

operated by Fortis. The two Operating Hospitals are secondary hospitals serving the lower to middle class segment in the sub-urban areas where they are located.

The Greenfield Clinical Establishments are located in Chennai, Ludhiana, Hyderabad and Greater Noida. Development on the Ludhiana Greenfield Clinical Establishment has commenced.

***Portfolio***

The appraised value of each of the portfolio assets by the Independent Valuer in S\$ is calculated using the SGD:INR rate of SGD1:INR46.43 as at 31 March 2017. The service income for each of the Operating Clinical Establishments (unaudited) is calculated using the SGD:INR rate of SGD1:INR48.39, which was the average rate for FY2017.



## Operating Clinical Establishments

### Amritsar Clinical Establishment



The Amritsar Clinical Establishment operates as a multi-specialty hospital, and is located in the north eastern part of Amritsar. The hospital commenced operations in 2003 and its key specialties are cardiac sciences, neurosciences, urology and nephrology, medical and surgical gastroenterology, medical and surgical oncology, orthopaedics and joint replacement.

|                                                                              |                                                         |
|------------------------------------------------------------------------------|---------------------------------------------------------|
| <b>Address</b>                                                               | Plot 21, Khasra X3, Majitha Verka Bypass Road, Amritsar |
| <b>Nature of Interest</b>                                                    | Freehold                                                |
| <b>Hospital Services Company</b>                                             | International Hospital Limited                          |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                                  |
| <b>Name of Fortis Hospital</b>                                               | Fortis Escorts Hospital, Amritsar                       |
| <b>Care Type</b>                                                             | Secondary and Tertiary                                  |
| <b>Approximate Land Size (acres)</b>                                         | 4.6                                                     |
| <b>Approximate Built-up Area (sq ft)</b>                                     | 145,948                                                 |
| <b>Operational Beds as at 31 March 2017</b>                                  | 155                                                     |
| <b>Installed Bed Capacity as at 31 March 2017</b>                            | 166                                                     |
| <b>Occupancy<sup>4</sup> for FY2017</b>                                      | 88%                                                     |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 1,550                                                   |
| <b>Service income (\$\$ m)</b>                                               | 3.78                                                    |

<sup>4</sup> Occupancy level measured against Operational Bed capacity

## Anandpur Clinical Establishment



The Anandpur Clinical Establishment is operated as a super specialty tertiary hospital, and it is located on the Eastern Metropolitan Bypass Road, approximately 9.0 km from the city centre. The key specialties of the hospital are cardiology and cardiac surgery, urology and nephrology, neurosciences, orthopaedics, renal sciences, emergency care and critical care.

|                                                                              |                                                                                                   |
|------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| <b>Address</b>                                                               | Premises No 730, P.S. Tiljala, Sector K, East Kolkata Area Development Project, Anandpur, Kolkata |
| <b>Nature of Interest</b>                                                    | 99 years leasehold commencing August 2005 with an option to renew for another 99 years            |
| <b>Hospital Services Company</b>                                             | International Hospital Limited                                                                    |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                                                                            |
| <b>Name of Fortis Hospital</b>                                               | Fortis Hospital, Anandpur, Kolkata                                                                |
| <b>Care Type</b>                                                             | Tertiary                                                                                          |
| <b>Approximate Land Size (acres)</b>                                         | 1.49                                                                                              |
| <b>Approximate Built-up Area (sq ft)</b>                                     | 295,038                                                                                           |
| <b>Operational Beds as at 31 March 2017</b>                                  | 200                                                                                               |
| <b>Installed Bed Capacity as at 31 March 2017</b>                            | 373                                                                                               |
| <b>Occupancy for FY2017</b>                                                  | 88%                                                                                               |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 2,550                                                                                             |
| <b>Service income (S\$ m)</b>                                                | 6.07                                                                                              |

## BG Road Clinical Establishment



The BG Road Clinical Establishment is operated as a super specialty hospital and is located on Bannerghatta Road, opposite the Indian Institute of Management, Bengaluru. The hospital commenced operations in 2006. Its key specialties are cardiac care, neurosciences, orthopaedics, renal care and gynaecology. It was awarded the JCI accreditation in February 2008, 20 months after its inception. It was also accredited by NABL. In 2013, it was ranked as the world's 4<sup>th</sup> best hospital for international medical travel by the Medical Travel and Health Tourism Quality Alliance.

|                                                                              |                                               |
|------------------------------------------------------------------------------|-----------------------------------------------|
| <b>Address</b>                                                               | Bannerghatta Road, Bangalore                  |
| <b>Nature of Interest</b>                                                    | Freehold                                      |
| <b>Hospital Services Company</b>                                             | International Hospital Limited                |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                        |
| <b>Name of Fortis Hospital</b>                                               | Fortis Hospital, Bannerghatta Road, Bengaluru |
| <b>Care Type</b>                                                             | Quaternary                                    |
| <b>Approximate Land Size (acres)</b>                                         | 2.93                                          |
| <b>Approximate Built-up Area (sq ft)</b>                                     | 357,447                                       |
| <b>Operational Beds as at 31 March 2017</b>                                  | 255                                           |
| <b>Installed Bed Capacity as at 31 March 2017</b>                            | 258                                           |
| <b>Occupancy for FY2017</b>                                                  | 73%                                           |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 4,500                                         |
| <b>Service income (S\$ m)</b>                                                | 10.35                                         |

### Expansion of BG Road Clinical Establishment

Work is currently underway to expand the BG Road Clinical Establishment to include an oncology specialty block with a planned Potential Bed Capacity of 200. The expansion is expected to be completed in 2H2017.

## Faridabad Clinical Establishment



The Faridabad Clinical Establishment is operated as a multi-specialty secondary hospital, and is located on Neelam Bata Road in the New Industrial Township in Faridabad. The hospital was established in 1982 and its key specialties are cardiac sciences, neurosciences, orthopaedics, gynaecology, emergency services and gastroenterology.

|                                                                              |                                                      |
|------------------------------------------------------------------------------|------------------------------------------------------|
| <b>Address</b>                                                               | Neelam Bata Road, New Industrial Township, Faridabad |
| <b>Nature of Interest</b>                                                    | Freehold                                             |
| <b>Hospital Services Company</b>                                             | International Hospital Limited                       |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                               |
| <b>Name of Fortis Hospital</b>                                               | Fortis Escorts Hospital, Faridabad                   |
| <b>Care Type</b>                                                             | Secondary                                            |
| <b>Approximate Land Size (acres)</b>                                         | 5.07                                                 |
| <b>Approximate Built-up Area (sq ft)</b>                                     | 177,330                                              |
| <b>Operational Beds as at 31 March 2017</b>                                  | 210                                                  |
| <b>Installed Bed Capacity as at 31 March 2017</b>                            | 210                                                  |
| <b>Occupancy for FY2017</b>                                                  | 84%                                                  |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 1,200                                                |
| <b>Service income (S\$ m)</b>                                                | 4.90                                                 |



## Gurgaon Clinical Establishment



The Gurgaon Clinical Establishment is operated as a multi-specialty tertiary hospital, located in Sector 44, Gurgaon. The hospital commenced operations in 2013 and its key specialties are trauma, paediatrics, oncology, cardiac sciences, gynaecology and orthopaedics. The Gurgaon Clinical Establishment was awarded a Four Star rating by TERI GRIHA (Green Rating for Integrated Habitat Assessment).

|                                                                                          |                                  |
|------------------------------------------------------------------------------------------|----------------------------------|
| <b>Address</b>                                                                           | Sector 44, Gurgaon               |
| <b>Nature of Interest</b>                                                                | Freehold                         |
| <b>Hospital Services Company</b>                                                         | Fortis Hospotel Limited          |
| <b>Interest of RHT in Hospital Services Company</b>                                      | 49.0%                            |
| <b>Name of Fortis Hospital</b>                                                           | Fortis Escorts Hospital, Gurgaon |
| <b>Care Type</b>                                                                         | Tertiary                         |
| <b>Approximate Land Size (acres)</b>                                                     | 10.7                             |
| <b>Approximate Built-up Area (sq ft)</b>                                                 | 711,922                          |
| <b>Operational Beds as at 31 March 2017</b>                                              | 268                              |
| <b>Installed Bed Capacity as at 31 March 2017</b>                                        | 450                              |
| <b>Occupancy for FY2017</b>                                                              | 67%                              |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)<sup>^</sup></b> | 10,045                           |
| <b>Service income (S\$ m)<sup>*</sup></b>                                                | 24.66                            |

<sup>^</sup> The Gurgaon Clinical Establishment is held by FHTL, which RHT has a 49.0% interest in. The valuations stated in the table above have been adjusted for RHT's 49.0% interest.

<sup>\*</sup> Includes 100% of Gurgaon Clinical Establishment's service income from 1 April 2016 to 12 October 2016 and 49.0% share of results from 13 October 2016 to 31 March 2017.

## Jaipur Clinical Establishment



The Jaipur Clinical Establishment is operated as a multi-specialty tertiary hospital, and is located on the main road of Jawahar Lal Nehru Marg in Malviya Nagar, Jaipur. The hospital commenced operations in 2007 and its key specialties are cardiac sciences, orthopaedics, neurosciences, renal sciences, gynaecology and gastrointestinal diseases. The Jaipur Clinical Establishment was awarded Six Sigma Healthcare Excellence Awards in 2013 for Best Hospital in Patient Care, Best Hospital in Patient Safety and Best Hospital in Quality Initiatives.

|                                                                              |                                                     |
|------------------------------------------------------------------------------|-----------------------------------------------------|
| <b>Address</b>                                                               | Malviya Nagar, Jawahar Lal Nehru Marg, Jaipur       |
| <b>Nature of Interest</b>                                                    | 99-years leasehold commencing 24 November 1999      |
| <b>Hospital Services Company</b>                                             | Escorts Heart and Super Specialty Institute Limited |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                              |
| <b>Name of Fortis Hospital</b>                                               | Fortis Escorts Hospital, Jaipur                     |
| <b>Care Type</b>                                                             | Tertiary                                            |
| <b>Approximate Land Size (acres)</b>                                         | 6.68                                                |
| <b>Approximate Built-up Area (sq ft)</b>                                     | 343,648                                             |
| <b>Operational Beds as at 31 March 2017</b>                                  | 245                                                 |
| <b>Installed Bed Capacity as at 31 March 2017</b>                            | 320                                                 |
| <b>Occupancy for FY2017</b>                                                  | 67%                                                 |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 4,960                                               |
| <b>Service income (S\$ m)</b>                                                | 10.80                                               |

## Kalyan Clinical Establishment



The Kalyan Clinical Establishment is operated as a multi-specialty tertiary hospital, and is located off Agra Road in Kalyan, Mumbai. The hospital commenced operations in 2007 and its key specialties are cardiac care, orthopaedics, neurology and renal sciences.

|                                                                              |                                                 |
|------------------------------------------------------------------------------|-------------------------------------------------|
| <b>Address</b>                                                               | Aadeshwar Park, Bail Bazar Kalyan (West), Thane |
| <b>Nature of Interest</b>                                                    | Freehold                                        |
| <b>Hospital Services Company</b>                                             | International Hospital Limited                  |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                          |
| <b>Name of Fortis Hospital</b>                                               | Fortis Kalyan Hospital, Mumbai                  |
| <b>Care Type</b>                                                             | Tertiary                                        |
| <b>Approximate Land Size (acres)</b>                                         | 0.45                                            |
| <b>Approximate Built-up Area (sq ft)</b>                                     | 25,881                                          |
| <b>Operational Beds as at 31 March 2017</b>                                  | 49                                              |
| <b>Installed Bed Capacity as at 31 March 2017</b>                            | 52                                              |
| <b>Occupancy for FY2017</b>                                                  | 88%                                             |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 220                                             |
| <b>Service income (S\$ m)</b>                                                | 1.12                                            |

## Malar Clinical Establishment



The Malar Clinical Establishment is operated as a multi-specialty secondary and tertiary hospital, and is located on Gandhi Nagar First Main Road, Adyar, Chennai. The hospital was established in 1992 and its key specialties are cardiac sciences, neurosciences, orthopaedics, renal sciences and gynaecology.

|                                                                              |                                                    |
|------------------------------------------------------------------------------|----------------------------------------------------|
| <b>Address</b>                                                               | 111, First Main Road, Gandhi Nagar, Adyar, Chennai |
| <b>Nature of Interest</b>                                                    | Freehold                                           |
| <b>Hospital Services Company</b>                                             | Fortis Health Management Limited                   |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                             |
| <b>Name of Fortis Hospital</b>                                               | Fortis Malar Hospital                              |
| <b>Care Type</b>                                                             | Secondary and Tertiary                             |
| <b>Approximate Land Size (acres)</b>                                         | 0.67                                               |
| <b>Approximate Built-up Area (sq ft)</b>                                     | 107,922                                            |
| <b>Operational Beds as at 31 March 2017</b>                                  | 151                                                |
| <b>Installed Bed Capacity as at 31 March 2017</b>                            | 178                                                |
| <b>Occupancy for FY2017</b>                                                  | 61%                                                |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 1,240                                              |
| <b>Service income (S\$ m)</b>                                                | 4.14                                               |



## Mohali Clinical Establishment



The Mohali Clinical Establishment is operated as a multi-specialty hospital, and is located in Sector 62 of Mohali, a city close to Chandigarh in northwest India, and was acquired by the RHT Group on 7 May 2014.

The hospital commenced operations in June 2001 and its key specialties are cardiac sciences, orthopaedics and joint replacement, neurosciences, renal care, medical and surgical gastroenterology, and medical and surgical oncology. It also provides emergency trauma care services, and serves as a “hub” for a number of smaller, secondary hospitals in the surrounding areas. The hospital includes a super specialty cardiac center equipped to provide advanced cardiac treatments for all forms of heart disease, a cancer institute, a general multi-specialty hospital, and the Fortis Inn rehabilitation center designed to provide “step-down” care to patients based outside the Mohali area to help them fully recover from surgery, as well as accommodation for visitors, including attendants and patients’ relatives. Acquisition of an additional plot of land adjoining the Mohali Clinical Establishment was completed in February 2016, which will allow for the expansion of the Mohali Clinical Establishment to increase the Installed Bed Capacity by another 500 beds.

|                                                                              |                                                    |
|------------------------------------------------------------------------------|----------------------------------------------------|
| <b>Address</b>                                                               | Sector 62, Phase VIII, SAS Nagar, Mohali 160 062   |
| <b>Nature of Interest</b>                                                    | Freehold                                           |
| <b>Hospital Services Company</b>                                             | Escorts Heart and Super Specialty Hospital Limited |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                             |
| <b>Name of Fortis Hospital</b>                                               | Fortis Hospital, Mohali                            |
| <b>Care Type</b>                                                             | Tertiary                                           |
| <b>Approximate Land Size (acres)</b>                                         | 13.43                                              |
| <b>Approximate Built-up Area (sq ft)</b>                                     | 464,851                                            |
| <b>Operational Beds as at 31 March 2017</b>                                  | 346                                                |
| <b>Installed Bed Capacity as at 31 March 2017</b>                            | 355                                                |
| <b>Occupancy for FY2017</b>                                                  | 80%                                                |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 4,446                                              |
| <b>Service income (S\$ m)</b>                                                | 10.13                                              |

## Mulund Clinical Establishment



The Mulund Clinical Establishment is a multi-specialty quaternary hospital, and is located on the Goregaon Mulund Link Road in the north eastern part of Mumbai. The hospital was established in 2002 and its key specialties are cardiac sciences, oncology, neurosciences, orthopaedics and gynaecology. In FY2014, the Mulund Clinical Establishment won the FICCI Healthcare award for Operational Excellence.

|                                                                              |                                                                                                                                                 |
|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Address</b>                                                               | Village Nahur, Bhandup (W), Mumbai                                                                                                              |
| <b>Nature of Interest</b>                                                    | Right to operate and manage the land and building for 20 years with effect from 17 December 2009, with an option to renew for another 20 years. |
| <b>Hospital Services Company</b>                                             | International Hospital Limited                                                                                                                  |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                                                                                                                          |
| <b>Name of Fortis Hospital</b>                                               | Fortis Mulund Hospital, Mumbai                                                                                                                  |
| <b>Care Type</b>                                                             | Quaternary                                                                                                                                      |
| <b>Approximate Land Size (acres)</b>                                         | 8.15                                                                                                                                            |
| <b>Approximate Built-up Area (sq ft)</b>                                     | 348,105                                                                                                                                         |
| <b>Operational Beds as at 31 March 2017</b>                                  | 288                                                                                                                                             |
| <b>Installed Bed Capacity as at 31 March 2017</b>                            | 567                                                                                                                                             |
| <b>Occupancy for FY2017</b>                                                  | 80%                                                                                                                                             |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 6,830                                                                                                                                           |
| <b>Service income (S\$ m)</b>                                                | 14.91                                                                                                                                           |

### Other Information

Pursuant to a business transfer agreement with Fortis Hospitals Limited (“**FHsL**”), IHL holds the rights to use the land on which the Mulund Clinical Establishment is situated. Title to the land and the building where the Mulund Clinical Establishment is situated is held by Merind Limited (“**Merind**”).

Pursuant to a novated management and operation agreement with, *inter alia*, Merind (“**Novated O&M Agreement**”), IHL has the right to exclusively run, manage and operate the Fortis Mulund Hospital, Mumbai and carry out other ancillary facilities for a period of

20 years from 17 December 2009, which is automatically renewable for further term(s) of 20 years each unless terminated by IHL in writing. IHL also has the option to purchase the land with the Fortis Mulund Hospital, Mumbai building ("**Mulund Option**") from Merind at any time during the term of the Novated O&M Agreement, subject to, *inter alia*, the requisite approval from the Collector of the Mumbai Sub-urban District ("**Mumbai Collector**"), for a consideration of ₹1,020.0 million. No additional amount would be payable by IHL for such transfer as the interest free deposit paid by FHsL under the terms of the Novated O&M Agreement will be adjusted towards consideration for the transfer.

Please refer also to "*Risk Factors – Risks Relating to RHT's Portfolio – There is no assurance that the right to operate and manage the Fortis Hospital at the Mulund Clinical Establishment will continue. Further, there is no assurance that the land and buildings on which Mulund Clinical Establishment is operating will be transferred to IHL*".

## Noida Clinical Establishment



The Noida Clinical Establishment is operated as a multi-specialty quaternary hospital located in Sector 62, Noida. The hospital was established in 2004 and its key specialties are cardiac sciences, gynaecology, neurosciences, orthopaedics, renal sciences, gastroenterology and oncology services.

|                                                                              |                                              |
|------------------------------------------------------------------------------|----------------------------------------------|
| <b>Address</b>                                                               | Block — B, Sector 62, Noida                  |
| <b>Nature of Interest</b>                                                    | 90 years leasehold commencing 2 January 1996 |
| <b>Hospital Services Company</b>                                             | International Hospital Limited               |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                       |
| <b>Name of Fortis Hospital</b>                                               | Fortis Hospital, Noida                       |
| <b>Care Type</b>                                                             | Quaternary                                   |
| <b>Approximate Land Size (acres)</b>                                         | 5.54                                         |
| <b>Approximate Built-up Area (sq ft)</b>                                     | 271,568                                      |
| <b>Operational Beds as at 31 March 2017</b>                                  | 191                                          |
| <b>Installed Bed Capacity as at 31 March 2017</b>                            | 200                                          |
| <b>Occupancy for FY2017</b>                                                  | 84%                                          |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 6,260                                        |
| <b>Service income (S\$ m)</b>                                                | 13.39                                        |



## Shalimar Bagh Clinical Establishment



The Shalimar Bagh Clinical Establishment is operated as a multi-specialty hospital. It is located in Shalimar Bagh in the northern part of Delhi. The hospital was established in 2010 and its key specialties are cardiac sciences, neurosciences, renal sciences, orthopaedics, obstetrics and gynaecology. The Shalimar Bagh Clinical Establishment has already received a Three Star rating by TERI GRIHA (Green Rating for Integrated Habitat Assessment).

|                                                                              |                                              |
|------------------------------------------------------------------------------|----------------------------------------------|
| <b>Address</b>                                                               | Block A, Shalimar Bagh, New Delhi            |
| <b>Nature of Interest</b>                                                    | Perpetual leasehold commencing December 2003 |
| <b>Hospital Services Company</b>                                             | Fortis Hospotel Limited                      |
| <b>Interest of RHT in Hospital Services Company</b>                          | 49.0%                                        |
| <b>Name of Fortis Hospital</b>                                               | Fortis Hospital, Shalimar Bagh               |
| <b>Care Type</b>                                                             | Tertiary                                     |
| <b>Approximate Land Size (acres)</b>                                         | 7.34                                         |
| <b>Approximate Built-up Area (sq ft)</b>                                     | 388,641                                      |
| <b>Operational Beds as at 31 March 2017</b>                                  | 200                                          |
| <b>Installed Bed Capacity as at 31 March 2017</b>                            | 350                                          |
| <b>Occupancy for FY2017</b>                                                  | 75%                                          |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 4,435                                        |
| <b>Service income (\$\$ m)</b>                                               | 14.54                                        |

^ The Shalimar Bagh Clinical Establishment is held by FHTL, which RHT has a 49.0% interest in. The valuations stated in the table above have been adjusted for RHT's 49.0% interest.

\* Includes 100% of Shalimar Bagh Clinical Establishment's service income from 1 April 2016 to 12 October 2016 and 49.0% share of results from 13 October 2016 to 31 March 2017.

## Operating Hospitals

### Nagarbhavi Operating Hospital



The Nagarbhavi Operating Hospital operates under the name Fortis Hospital, Nagarbhavi in Bengaluru, where it provides a range of specialised secondary healthcare, including non-invasive cardiac sciences, neurosciences, orthopaedics, renal sciences, gastro-enterology and oncology (chemotherapy only) services.

|                                                                              |                                                    |
|------------------------------------------------------------------------------|----------------------------------------------------|
| <b>Address</b>                                                               | No. 23, 80 Feet Road, Guru Krupa Layout, Bengaluru |
| <b>Nature of Interest</b>                                                    | 15 years lease commencing 15 March 2012            |
| <b>Hospital Services Company</b>                                             | Fortis Health Management Limited                   |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                             |
| <b>Name of Fortis Hospital</b>                                               | Fortis Hospital, Nagarbhavi, Bengaluru             |
| <b>Care Type</b>                                                             | Secondary                                          |
| <b>Approximate Land Size (acres)</b>                                         | 0.5                                                |
| <b>Approximate Built-up Area (sq ft)</b>                                     | 31,500                                             |
| <b>Operational Beds as at 31 March 2017</b>                                  | 45                                                 |
| <b>Installed Bed Capacity as at 31 March 2017</b>                            | 62                                                 |
| <b>Occupancy for FY2017</b>                                                  | 74%                                                |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 920                                                |

## Rajajinagar Operating Hospital



The Rajajinagar Operating Hospital operates under the name Fortis Hospital, Rajajinagar in Bengaluru, where it provides a range of specialised secondary healthcare, including non-invasive cardiac sciences, neurosciences, orthopaedics, renal sciences, gastro-enterology and oncology (chemotherapy only) services.

|                                                                              |                                                                                                                                              |
|------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Address</b>                                                               | No. 111, West of Chord Road, Opposite Rajajinagar, 1 <sup>st</sup> Block Junction, Bengaluru                                                 |
| <b>Nature of Interest</b>                                                    | Nine years eleven months lease commencing 1 April 2016 (Old Block)<br>Nine years eleven months lease commencing 1 September 2012 (New Block) |
| <b>Hospital Services Company</b>                                             | International Hospital Limited                                                                                                               |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                                                                                                                       |
| <b>Name of Fortis Hospital</b>                                               | Fortis Hospital, Rajajinagar, Bengaluru                                                                                                      |
| <b>Care Type</b>                                                             | Secondary                                                                                                                                    |
| <b>Approximate Land Size (acres)</b>                                         | 0.25                                                                                                                                         |
| <b>Approximate Built-up Area (sq ft)</b>                                     | 19,361                                                                                                                                       |
| <b>Operational Beds as at 31 March 2017</b>                                  | 48                                                                                                                                           |
| <b>Installed Bed Capacity as at 31 March 2017</b>                            | 52                                                                                                                                           |
| <b>Occupancy for FY2017</b>                                                  | 56%                                                                                                                                          |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 400                                                                                                                                          |

## **Greenfield Clinical Establishments**

### **Ludhiana Greenfield Clinical Establishment**

The proposed hospital at the Ludhiana Greenfield Clinical Establishment will be located on Mall Road, one of the prime commercial roads in Ludhiana.

The Ludhiana Greenfield Clinical Establishment is currently being developed into a quaternary hospital offering mother and child and cosmetic and aesthetic surgery services. The groundbreaking ceremony was held on 16 January 2014, and the development is expected to be completed in 2H2017.

|                                                                              |                                    |
|------------------------------------------------------------------------------|------------------------------------|
| <b>Address</b>                                                               | Plot No.13, Mall Road, Ludhiana    |
| <b>Nature of Interest</b>                                                    | Freehold                           |
| <b>Hospital Services Company</b>                                             | Hospitalia Eastern Private Limited |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                             |
| <b>Proposed Care Type</b>                                                    | Quarternary                        |
| <b>Approximate Land Size (acres)</b>                                         | 0.48                               |
| <b>Planned Built-up Area (sq ft)</b>                                         | 92,835                             |
| <b>Potential Bed Capacity as at 31 March 2017</b>                            | 79                                 |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 1,250                              |

### **Chennai Greenfield Clinical Establishment**

The Chennai Greenfield Clinical Establishment will be located on First Main Road, Gandhi Nagar, and will be an expansion to the Malar Clinical Establishment. This project is in the development phase and the expansion is pending approval of the local state authorities.

|                                                                              |                                                    |
|------------------------------------------------------------------------------|----------------------------------------------------|
| <b>Address</b>                                                               | 111, First Main Road, Gandhi Nagar, Adyar, Chennai |
| <b>Nature of Interest</b>                                                    | Freehold                                           |
| <b>Hospital Services Company</b>                                             | Hospitalia Eastern Private Limited                 |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                             |
| <b>Proposed Care Type</b>                                                    | Quarternary                                        |
| <b>Approximate Land Size (acres)</b>                                         | 0.3                                                |
| <b>Planned Built-up Area (sq ft)</b>                                         | 38,072                                             |
| <b>Potential Bed Capacity as at 31 March 2017</b>                            | 45                                                 |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 266                                                |

### **Hyderabad Greenfield Clinical Establishment**

The Hyderabad Greenfield Clinical Establishment is located on the Kukatpally-Madhapur main road. The Hyderabad Greenfield Establishment is currently at a preliminary



development stage. The proposed development is pending the approval of the Hyderabad Metropolitan Development Authority.

|                                                                              |                                                            |
|------------------------------------------------------------------------------|------------------------------------------------------------|
| <b>Address</b>                                                               | 41/14, Khanamet village, Serilingampally Mandal, Hyderabad |
| <b>Nature of Interest</b>                                                    | 33-year leasehold (pending execution of lease deed)        |
| <b>Hospital Services Company</b>                                             | Hospitalia Eastern Private Limited                         |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                                     |
| <b>Proposed Care Type</b>                                                    | Tertiary                                                   |
| <b>Approximate Land Size (acres)</b>                                         | 4.0                                                        |
| <b>Planned Built-up Area (sq ft)</b>                                         | 400,000                                                    |
| <b>Potential Bed Capacity as at 31 March 2017</b>                            | 400                                                        |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 345                                                        |

### **Greater Noida Greenfield Clinical Establishment**

The Greater Noida Greenfield Clinical Establishment is located on Plot No. 2C, Sector Knowledge Park III, Greater Noida Industrial Development Area, Greater Noida. The Greater Noida Greenfield Clinical Establishment is currently at the preliminary planning stage.

|                                                                              |                                                                                                  |
|------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Address</b>                                                               | Plot No. 2C, Sector Knowledge Park III, Greater Noida Industrial Development Area, Greater Noida |
| <b>Nature of Interest</b>                                                    | 90-year leasehold commencing 24 December 2004                                                    |
| <b>Hospital Services Company</b>                                             | International Hospital Limited                                                                   |
| <b>Interest of RHT in Hospital Services Company</b>                          | 100.0%                                                                                           |
| <b>Proposed Care Type</b>                                                    | Tertiary                                                                                         |
| <b>Approximate Land Size (acres)</b>                                         | 4.89                                                                                             |
| <b>Planned Built-up Area (sq ft)</b>                                         | 350,000                                                                                          |
| <b>Potential Bed Capacity as at 31 March 2017</b>                            | 350                                                                                              |
| <b>Appraised Value by the Independent Valuer as at 31 March 2017 (INR m)</b> | 622                                                                                              |

## Expansion, Development and Asset Enhancement Plans

As at 31 March 2017, the Trustee-Manager has three expansion and development plans in its pipeline, namely, the expansions of the BG Road Clinical Establishment and the Mohali Clinical Establishment and the development of the Ludhiana Greenfield Clinical Establishment. The estimated costs of expansion and development (as the case may be) is as follows:

|                                             |                                                 |
|---------------------------------------------|-------------------------------------------------|
| BG Road Clinical Establishment:             | □1,700.8 million (S\$37.1 million) <sup>5</sup> |
| Mohali Clinical Establishment:              | □3,552.0 million (S\$77.5 million) <sup>5</sup> |
| Ludhiana Greenfield Clinical Establishment: | □880.0 million (S\$19.2 million) <sup>5</sup>   |

In May 2015, RHT entered into two Rupee denominated loan facilities of □1,700 million and □600 million with Axis Bank Limited for the expansion of the BG Road Clinical Establishment and the development of the Ludhiana Greenfield Clinical Establishment, respectively. The development of Ludhiana Greenfield Clinical Establishment is partially funded by interest-free commitment deposit from Fortis which is repayable following completion of the development.

The expansion of Mohali Clinical Establishment is still at the planning stage. The Trustee-Manager will explore funding options for the expansion of the Mohali Clinical Establishment once the building plans have been approved by the relevant authorities.

As at 31 March 2017, the asset enhancement initiatives of RHT up to the end of 2018 are estimated to total around □820 million (S\$17.9 million)<sup>5</sup>. The Trustee-Manager plans to fund these initiatives through issuances of Notes and/or cash flow from operations. These asset enhancement initiatives are in respect of:

- Amritsar Clinical Establishment;
- Jaipur Clinical Establishment;
- Mulund Clinical Establishment;
- Noida Clinical Establishment;
- Shalimar Bagh Clinical Establishment; and
- Nagarbhavi Operating Hospital.

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<sup>5</sup> Based on the SGD:INR rate of SGD1:INR45.82 as at the Latest Practicable Date

## Overview of the Hospital and Medical Services Agreements

Certain key terms and conditions of the Hospital and Medical Services Agreement entered into in respect of each Operating Clinical Establishment have been summarised as set out below.

### **Term**

The term of each Hospital and Medical Services Agreement is for an initial term of 15 years from the date on which the Hospital Services Company commences provision of the Clinical Establishment Services to the Fortis Operating Company. This term may be extended for another 15 years by the mutual consent of the parties ("**Term**").

However, the initial term for the provision of the Radio Diagnostic Services shall be three years and the Fortis Operating Company may, at its own discretion, by written notice no later than six months prior to the expiry of the three-year term, extend the arrangement for the provision of the Radio Diagnostic Services for such term and on such conditions as are mutually acceptable to the parties.

| Operating Clinical Establishment | Commencement of Clinical Establishment Services |
|----------------------------------|-------------------------------------------------|
| Amritsar                         | 1 April 2012                                    |
| BG Road                          | 17 October 2012                                 |
| Faridabad                        | 1 April 2012                                    |
| Gurgaon                          | 1 August 2012                                   |
| Jaipur                           | 1 April 2012                                    |
| Kalyan                           | 17 October 2012                                 |
| Kolkata                          | 17 October 2012                                 |
| Malar                            | 17 October 2012                                 |
| Mohali                           | 7 May 2014                                      |
| Mulund                           | 17 October 2012                                 |
| Noida                            | 1 April 2012                                    |
| Shalimar Bagh                    | 1 April 2012                                    |

### **Obligations of the Hospital Services Company**

Under the Hospital and Medical Services Agreement, the Hospital Services Company shall provide, *inter alia*, the following healthcare and medical and related services to the patients at each Fortis Hospital:

- (a) provide OPD Services, for and behalf of the Fortis Operating Company;
- (b) provide Radio Diagnostic Services, for and on behalf of the Fortis Operating Company;
- (c) maintain and operate the Clinical Establishment to allow the Fortis Operating Company to run the Fortis Hospital for providing healthcare services to patients; and
- (d) establish and set-up all services and facilities which are ancillary to the operation and management of a hospital, including a pharmacy, a cafeteria, a book shop, automated teller machines and other amenities for the convenience of patients and/or their attendants ("**Ancillary Services**").

The Ancillary Services shall be determined by the Hospital Services Company after good faith consultation and discussions with the Fortis Operating Company. The Hospital Services Company shall provide the Ancillary Services either by itself or by outsourcing

the provision of such Ancillary Services to third parties. The costs of outsourcing such Ancillary Services shall be borne by the Hospital Services Company or the relevant third party (as may be agreed between the Hospital Services Company and such third party). The Hospital Services Company shall also provide housekeeping and facility management services.

Other obligations of the Hospital Services Company include:

- (a) procuring, acquiring, installing, running, operating and maintaining (on a round the clock basis) at its own cost and expense, in good working condition all necessary fixtures, fittings, fixed assets, medical equipment and other assets (including any part thereof), as are necessary, required or desirable for establishing, maintaining and operating the Operating Clinical Establishment and to provide the Radio Diagnostic Services and the OPD Services at the Fortis Hospital;
- (b) recruiting and employing and/or contracting with all necessary medical and non-medical staff, consultants and employees, including, all necessary doctors, consultants, specialists, nurses, ward boys, technicians, management and administrative teams and staff etc. as it may, in its sole discretion, decide are necessary to provide the Clinical Establishment Services;
- (c) ensuring that the Operating Clinical Establishment is fully operational and functional at all times and ensuring uninterrupted supply and provision of all utility services like water, power and electricity and fuel; and
- (d) obtaining, keeping and maintaining subsisting throughout the term of the Hospital and Medical Services Agreement, all the approvals and licenses which are or which may at any time be required for or in connection with providing the Operating Clinical Establishment Services and approvals which may be required for construction / expansion / modification / upgrading of the Operating Clinical Establishment or any other super structure as may be required to be built on the Operating Clinical Establishment.

### ***Rights and Obligations of the Fortis Operating Company***

The Fortis Operating Company has the right to, at its own cost, expense and responsibility, (i) run and manage the affairs of the Fortis Hospital, and (ii) provide all additional healthcare services (over and above those provided by the Hospital Services Company), including without limitation, in-patient services and emergency services. The Fortis Operating Company shall be responsible (but shall not be obligated to), at its own cost and expense, for the commencement, running, managing and day-to-day funding of the operations of the Fortis Hospital and ancillary healthcare related facilities, including all clinical, medical, surgical and other healthcare related business. The Fortis Operating Company shall also provide administrative and non-healthcare related services (except those within the responsibility of the Hospital Services Company described above).

The Fortis Operating Company is entitled to outsource all or any part of the services required to be performed by it, provided that it shall continue to be primarily responsible for the performance of such services by the third party to whom such services have been outsourced.

***Fees payable to the Hospital Services Company for the Operating Clinical Establishments***

Each Fortis Operating Company shall pay to the respective Hospital Services Company the following fees for the Services:

- (a) the Service Fee; and
- (b) the Technology Renewal Fee.

**(a) Service Fee**

During the Term, the Fortis Operating Company will pay to the Hospital Services Company a service fee for the Clinical Establishment Services provided by the Hospital Services Company, comprising:

- a fixed fee (the “**Base Service Fee**”) for the provision of the Clinical Establishment Services, to be paid by the Fortis Operating Company on or before 11 Business Days after the end of each quarter; and
- a variable fee calculated based on 7.5% of the Operating Income of the Fortis Hospital for each quarter (the “**Variable Service Fee**”) to be paid by the Fortis Operating Company within 5 Business Days after the receipt by the Fortis Operating Company from the Hospital Services Company of the Variable Service Fee payable for that quarter,

(collectively, the “**Service Fee**”).

“**Operating Income**” is defined as the aggregate of all revenues billed by the Fortis Operating Company and derived at the respective Fortis Hospital from the provision of the healthcare services, net of all discounts, deductions, adjustments and waivers. These shall include without limitation, income from the room charges, operation theatre charges, procedure charges, drugs and consumables, medical and diagnostic services, but shall exclude service tax, sales tax or other government levies. However, it shall exclude other incomes such as interest, profit on sale of investments and assets and other such revenues or incomes which are not derived from the provision of healthcare services at the respective Fortis Hospital.

The Base Service Fee shall be increased by 3.0% (over the immediately preceding quarter’s Base Service Fee) at the beginning of each financial year. In addition, the Base Service Fee shall be revised upwards for any capital expenditure for any upgrade or expansion of the Operating Clinical Establishment / Clinical Establishment Services incurred by the Hospital Services Company or the parties mutually agreeing to increase the Retained TRF Amount (as defined below) from time to time.

***Adjustments to Service Fee Based on Audited Accounts***

Within 75 days from the end of each financial year, parties shall reconcile their respective audited accounts for that financial year and any difference in relation to the Service Fee paid by the Fortis Operating Company during the financial year and the Service Fee, as computed from the Operating Income of the Fortis

Operating Company based on such reconciled audited accounts ("**Amount Due**") shall be adjusted as follows:

- **Service Fee received is less than Amount Due:** the Fortis Operating Company shall, within 11 Business Days of the reconciliation, pay the balance to the Hospital Services Company as unpaid Service Fee.
- **Service Fee received is more than Amount Due:** the Fortis Operating Company shall set off such excess amount from the next quarterly payment of Service Fee due to be paid to the Hospital Services Company.

For the purposes of reconciling the accounts and determining the amounts payable/to be set off, only the absolute amounts excluding any interest which may be accrued thereon, shall be taken into consideration.

The Hospital Services Company shall be entitled to request the Fortis Operating Company to pay to the Hospital Services Company an amount equal to 60.0% of the Base Service Fee due and payable for the succeeding financial year as an advance Service Fee ("**Advance Service Fee**") which shall be paid by the Fortis Operating Company within five Business Days of receiving such request.

**(b) Technology Renewal Fee**

During the Term, the Fortis Operating Company shall maintain, in its own name, a technology renewal fund for funding the replacement, refurbishment and/or upgrade of radiology and other medical equipment owned or used by the Hospital Services Company ("**Technology Renewal Fund**"). Such amounts as the parties may deem necessary and agree upon from time to time shall be retained by the Fortis Operating Company for deposit into the Technology Renewal Fund on a quarterly basis ("**Retained TRF Amount**").

If the parties agree, the Hospital Services Company shall be entitled to draw on the Technology Renewal Fund to pay for expenditure incurred by the Hospital Services Company for the replacement of medical equipment owned and used by the Hospital Services Company (the "**Technology Renewal Fee**").

In the event that the balance available in the Technology Renewal Fund is lower than the amount required for such replacement, the Fortis Operating Company shall pay to the Hospital Services Company the balance amount required for such replacement ("**TRF Advance**"). The TRF Advance paid by the Fortis Operating Company shall be treated as an advance towards future Service Fees payable by the Fortis Operating Company to the Hospital Services Company. The Fortis Operating Company shall be entitled to set off any TRF Advance paid by it to the Hospital Services Company against the entire Retained TRF Amount in each quarter, until such time that the TRF Advance is paid off. No amounts shall be utilised from the Technology Renewal Fund without the prior written consent of the Hospital Services Company and other than for the purposes of replacing any medical equipment owned by the Hospital Services Company.

**Banker's Guarantee to secure obligations to pay the Service Fee**

Each Fortis Operating Company has provided to the respective Hospital Services Company a banker's guarantee from a reputed bank to secure the Fortis Operating Company's obligation to pay the Service Fee, for an amount equivalent to two months

of the actual annual Service Fee paid for the preceding financial year (or the forecast annual Service Fee in the case of the first financial year).

***Major capital expenditure and expansions (other than replacement or purchase of new radio diagnostic equipment)***

The Hospital Services Company shall be solely and exclusively responsible for all present and future investments and capital expenditures in the hospital for the purposes of additional construction, expansions of capacity and upgrades to the Operating Clinical Establishment and the fixtures, fittings, equipment and other assets owned by the Hospital Services Company at its own cost, and in a time bound manner or on the request of the Fortis Operating Company, subject to the mutual agreement between the parties in relation to the need for such expansion, construction and/or upgrade and increase in the Service Fee, if any.

The Fortis Operating Company shall pay the Commitment Deposit (as defined herein) to the Hospital Services Company. The "**Commitment Deposit**" is an interest-free refundable commitment deposit for such expansions of capacity and/or modification, which shall be equivalent to 25.0% of the estimated cost of such expansions of capacity and/or modification.

***Repairs and Maintenance***

The Hospital Services Company shall also carry out, at its own cost and expense, any repairs and maintenance as may be required in relation to the Operating Clinical Establishment and the fixtures, fittings, fixed assets, medical equipment and assets therein where:

- (a) any fixtures, fittings, fixed assets, medical equipment and other assets installed by the Hospital Services Company are required to be replaced; or
- (b) (i) the cost of any single job assignment in relation to repairs and maintenance exceeds  $\square$ 1.0 million per assignment and (ii) the aggregate costs in a financial year for all job assignments of less than  $\square$ 1.0 million per assignment undertaken by the Fortis Operating Company exceeds certain agreed repair and maintenance caps (to the extent such aggregate costs are in excess of the cap):

Notwithstanding the above, in the event of any damage being incurred to the premises at which the Operating Clinical Establishment is located which:

- (a) disrupts the operations of the Fortis Hospital as conducted prior to such damage;
- (b) in the reasonable opinion of the Fortis Operating Company needs urgent and immediate repairs; and
- (c) would require repairs and maintenance which would have to be undertaken by the Hospital Services Company,

then the Fortis Operating Company shall be entitled to, without obtaining the prior permission of the Hospital Services Company, carry out and undertake the necessary repairs and rectifications required. The Fortis Operating Company shall, upon becoming aware of such damage, immediately notify the Hospital Services Company of the damage.

## ***Insurance***

The Hospital Services Company shall, at its own cost and expense, procure, keep and maintain in full force and effect, all necessary and adequate insurance policies in accordance with generally acceptable industry practices in relation to:

- (a) the Operating Clinical Establishment and all fixtures, fittings, assets, and equipments (including all medical equipment and machinery) installed therein by the Hospital Services Company;
- (b) all liabilities incurred to third parties for acts of force majeure, accidental death and bodily injury and accidental damage to the Fortis Hospital arising from the provision of healthcare services, including the OPD Services and the Radio Diagnostic Services; and
- (c) any losses, damages, claims, demands, costs and expenses (including reasonable legal fees) which the Hospital Services Company may suffer or incur, as well as, all actions, suits and proceedings which it may face and all costs, charges and expenses relating thereto, arising from the provision of healthcare services (including OPD Services and Radio Diagnostic Services) provided by the Hospital Services Company at the hospital ("**Medical Liability Insurance**").

Notwithstanding the above, in relation to the Medical Liability Insurance, the Hospital Services Company may, if mutually agreed, request the Fortis Operating Company to procure the necessary insurance for and on behalf of the Hospital Services Company under the umbrella medical and professional liability insurance policy obtained by the Fortis Operating Company, and the Hospital Services Company shall reimburse the Fortis Operating Company 10.0% of the costs incurred by the Fortis Operating Company for procuring such umbrella insurance cover. In such an event, the Fortis Operating Company shall ensure that the Hospital Services Company is named and identified as a beneficiary under such umbrella insurance policy and is entitled to make a claim under the insurance policy itself without the prior consent of the Fortis Operating Company.

## ***Indemnities by the Fortis Operating Company under the Hospital and Medical Services Agreement***

Each Fortis Operating Company has indemnified each Hospital Services Company, its directors, agents, employees and representatives (each an "**Indemnified Party**") from all losses, damages, claims, demands, costs and expenses (including reasonable legal fees) which the Indemnified Party may suffer or incur, as well as all actions, suit, proceedings, claims and damages, which they may face and all costs, charges and expenses relating thereto, arising from the provision of healthcare services (including the OPD Services and Radio Diagnostic Services) provided at the hospital. The Fortis Operating Company and the Hospital Services Company agree that the Indemnified Party (where applicable) shall, prior to making any claim against the Fortis Operating Company, make best efforts to first recover the aforementioned losses through claims made under insurance policies obtained by the Hospital Services Company and/or the Fortis Operating Company and the Hospital Services Company shall take all steps reasonably required by the Fortis Operating Company to allow the Fortis Operating Company to recover the above losses from such insurance policy.

Each party has further indemnified the other party, its directors, agents, employees and representatives from and against all direct and actual losses, damages, claims, demands, costs and expenses (including reasonable legal fees) which the other party, its directors, agents, employees and representatives may suffer or incur, as well as, all actions, suits,



proceedings, claims and damages which they may face and all direct and actual costs, charges and expenses relating thereto, arising out of actions or any breach, violation or non-compliance on the part of the first party of its obligations, undertaking and representation and warranties under the Hospital and Medical Services Agreement or any fraudulent act or concealment on the part of the first party.

### ***Termination***

The Hospital and Medical Services Agreement may be terminated in the following events:

- (a) by the mutual consent of the Fortis Operating Company and the Hospital Services Company in writing, pre-authorized through resolutions passed by their respective board of directors;
- (b) by unilateral notice issued by one party in the event the other party is declared insolvent or upon the institution of winding up or liquidation proceedings against the other party; or
- (c) in the event there is a material breach of the agreement which is not cured within 60 Business Days after notice by the non-defaulting party, the non-defaulting party may terminate the agreement by giving no less than 180 days' notice to the defaulting party.

In the event of termination of the Hospital and Medical Services Agreement, the parties shall finalise the accounts up to the date of termination and pay the respective dues owed to either party within 30 Business Days from the date of termination of the Hospital and Medical Services Agreement. At the completion of the audit of the financial statements of the parties in the immediately succeeding financial year, the parties shall exchange such audited accounts and reconcile them within 21 Business Days thereof. Any difference between the amounts determined to be payable in the audited accounts and the actual amounts paid or settled upon termination shall be paid to the respective party within 21 Business Days after such reconciliation.

## **6. The Trustee-Manager**

The Trustee-Manager, RHT Health Trust Manager Pte. Ltd., was incorporated in Singapore under the Singapore Companies Act on 22 July 2011. It has an issued and paid-up capital of S\$1,255,557. Its registered office is at 9 Battery Road, #15-01 Straits Trading Building, Singapore 049910 and its principal place of business is at 302 Orchard Road, #18-01/02 Tong Building, Singapore 238862.

The Trustee-Manager is an indirect wholly-owned subsidiary of Stellant. Stellant is a Category I Merchant Banker registered with Securities and Exchange Board of India (SEBI) and is an indirect wholly-owned subsidiary of Fortis, which is a key integrated healthcare delivery service provider in India with a leading presence in hospital business and diagnostics.

## Board of Directors of the Trustee-Manager

The Board of Directors is entrusted with the responsibility for the overall management of the Trustee-Manager, and comprises seven members. The following table provides certain information regarding the Directors:

| Name                         | Designation                                                                  |
|------------------------------|------------------------------------------------------------------------------|
| Mr Ravi Mehrotra             | Executive Chairman and Executive Director                                    |
| Mr Gurpreet Singh Dhillon    | Executive Director and Chief Executive Officer                               |
| Mr Pawanpreet Singh          | Executive Director and Chief Financial Officer                               |
| Mr Peter Joseph Seymour Rowe | Chairman of the Audit and Risk Management Committee and Independent Director |
| Dr Yogendra Nath Mathur      | Lead Independent Director                                                    |
| Mr Sydney Michael Hwang      | Independent Director                                                         |
| Mr Eng Meng Leong            | Independent Director                                                         |

## Experience and Expertise of the Board of Directors

Certain information concerning the business and working experience of the Directors is set out below:

### Mr Ravi Mehrotra

Mr Ravi Mehrotra has been the Executive Chairman and Executive Director of the Trustee-Manager since 7 September 2012.

Mr Mehrotra has experience spanning over 30 years in the financial services sector both within India and internationally. He has with him, extensive experience in fund management, particularly in the areas of investment, as well as corporate banking and equities experience. Prior to his appointment at the Trustee-Manager, he was the Managing Director and Global Head of Retail & Intermediary Channels at PineBridge Investments (previously AIG Investments) as well as Global Head of Retail & Intermediary Channels at AIG Investments. As Managing Director and Regional Head, he was responsible for overseeing asset management companies in China, India, the Philippines and Taiwan. In addition, he had previously been the President and Chief Investment Officer (Equities) at Franklin Templeton Asset Management (India) as well as the Senior Vice President and Chief Investment Officer at Kothari Pioneer Asset Management. At the Bank of America in India, Mr Mehrotra was the Vice President in the Investment Banking and Treasury Group.

Mr Mehrotra graduated from the University of Mumbai with a Bachelor of Commerce. He also received a Post Graduate Diploma in Business Management from the Xavier Labour Relations Institute of Jamshedpur in India.

### Mr Gurpreet Singh Dhillon

Mr Gurpreet Dhillon is the Chief Executive Officer and Executive Director of the Trustee-Manager where he oversees all key operations and business development plans of RHT. Mr Dhillon currently serves as a Director on the Board of Fortis Global Healthcare Infrastructure Pte. Ltd. and RHT Healthtrust Services Pte. Ltd., both of which are wholly-owned subsidiaries of RHT.

Mr Dhillon is experienced in the fields of asset management and investments. He had played key advisory roles in real estate acquisitions across India and the United Kingdom

during his career in Religare Capital Markets, Plc, the investment banking arm of Religare Enterprises Limited, before he joined the Trustee-Manager in 2011. Mr Dhillon joined the Trustee-Manager as an Executive Director, before becoming the Chief Operating Officer in January 2013 and subsequently being appointed as the Chief Executive Officer.

Mr Dhillon graduated from the University of Essex with a Bachelor of Laws degree.

### **Mr Pawanpreet Singh**

Mr Pawanpreet Singh has been the Chief Financial Officer of the Trustee-Manager since 2011. He was also appointed as an Executive Director in January 2013, Mr Pawanpreet Singh has more than 20 years of experience in accounting and finance.

Prior to his appointment as CFO of the Trustee-Manager, Mr Singh spent most his career working in the healthcare sector in India. Between 2011 and 2005, Mr Singh held the position of Corporate Controller of Finance in Fortis where he played a key role in its IPO Offering, rights and issuance of convertible bonds. He was also the CFO of Super Religare Laboratories Limited where he played an active role in its business development plans.

Mr Singh holds a Bachelor of Commerce (Honours) degree from Punjab University, Chandigarh. He is currently a member of the Institute of Chartered Accountants of India as well as the Institute of Costs & Works Accountants of India.

### **Dr Yogendra Nath Mathur**

Dr Yogendra Nath Mathur joined the Board of the Trustee-Manager as Lead Independent Director on 7 September 2012.

Prior to his appointment, Dr Mathur spent a large part of his career with the United Nations Children's Fund ("**UNICEF**"), where he held key positions. He was a member of the Country Management Team of UNICEF, which is the management team that oversees and guides the work the UNICEF carries out in India. Dr Mathur also sat on the Central Review Board of UNICEF, which oversees the recruitment of professionals in the organisation. During his time at UNICEF, Dr Mathur was actively involved in social development and welfare initiatives, particularly for women and children in Gujarat and the establishment of an immunisation programme and establishment of a disease surveillance system in Madhya Pradesh. Before joining UNICEF in 1989, Dr Mathur was employed by the Indian Council of Medical Research, New Delhi, India.

Dr Mathur holds a Bachelor of Medicine and a Bachelor of Surgery from Nagpur University. In addition, he received a Doctorate of Medicine (Preventive and Social Medicine) from the All-India Institute of Medical Sciences, New Delhi. Dr Mathur is currently the Secretary of the Maharaj Jagat Singh Medical Relief Society and RSSB Education & Environment Society.

### **Mr Peter Joseph Seymour Rowe**

Mr Peter Rowe sits on the Board of the Trustee Manager and is also the Chairman of the Audit and Risk Management Committee.

Mr Rowe brings with him over 35 years of experience in the financial services industry, particularly in the areas of fund management and compliance. He is currently a consultant at Herbert Smith Freehills ("**HSF**") where he had previously been made

Partner and was also appointed Head of the Financial Services Group. Apart from the Board of the Trustee-Manager, Mr Rowe sits the Board of other real estate management related companies in Australia, including his appointments as Chairman of the Managed Investments Scheme Compliance Committee within AMP Capital Investors Limited, as well as Chairman of UBS Grocon Real Estate Investment Management Pty Ltd.

Mr Rowe received a Diploma in Law from the Solicitors Admission Board of New South Wales, Australia.

### **Mr Eng Meng Leong**

Mr Eng Meng Leong is an Independent Director and serves on the Board of the Trustee-Manager as Chairman of the Remuneration Committee. Mr Eng brings with him expertise, spanning over 25 years, in the fields of taxation in Singapore and internationally. Mr Eng is also on the Board of Croesus Retail Asset Management Pte. Ltd., another listed business trust in Singapore.

Prior to his appointment with the Trustee-Manager in 2013, Mr Eng was the Director of Tax Services and Head of Financial Services in KPMG Tax Services Pte. Ltd. During his stint with KPMG, he played a key role in taxation works in relation to M&As, IPOs, compliance and corporate finance matters.

Mr Eng is currently a member of the Institute of Certified Public Accountants of Singapore and an accredited Tax Advisor of the Singapore Institute of Accredited Tax Professionals. He was also admitted as a member of the Institute of Chartered Accountants of England and Wales in 1982.

### **Mr Sydney Michael Hwang**

Mr Michael Hwang is an Independent Director and also Chairman of the Nominating Committee. Mr Hwang practices as an independent barrister, international arbitrator and is the Chief Justice of the Dubai International Financial Centre Courts.

Mr Hwang was formerly a Judicial Commissioner of the Supreme Court of Singapore and was also one of the first 12 Senior Counsel appointed in Singapore. His previous appointments include Partner and Head of Litigation and Arbitration at Allen & Gledhill, Commissioner of the UN Compensation Commission, President of the Law Society of Singapore and non-resident Chief Justice of the DIFC Courts.

Mr Hwang currently also sits on the Boards of various companies such as Singapore Dance Theatre Limited and YTL Starhill Global REIT Management Limited.

Mr Hwang holds an undergraduate and post graduate law degree from Oxford University and an Honorary Doctor of Laws degree from the University of Sydney. He is currently on the Advisory Boards of the Singapore International Arbitration Centre and the Hong Kong International Arbitration Centre.

## Executive Officers of the Trustee-Manager

The Executive Officers are entrusted with the responsibility for the daily operations of the Trustee-Manager. The following table sets forth information regarding the Executive Officers:

| Name                      | Designation                                    |
|---------------------------|------------------------------------------------|
| Mr Ravi Mehrotra          | Executive Chairman                             |
| Mr Gurpreet Singh Dhillon | Executive Director and Chief Executive Officer |
| Mr Pawanpreet Singh       | Executive Director and Chief Financial Officer |
| Ms Tan Suan Hui           | Head of Compliance/ Investor Relations         |

## Experience and Expertise of the Executive Officers

Mr Ravi Mehrotra, Mr Gurpreet Singh Dhillon and Mr Pawanpreet Singh are Directors of the Trustee-Manager. Details of their working experience are set out above in “The Trustee-Manager — Board of Directors of the Trustee-Manager — Experience and Expertise of the Board of Directors”.

### ***Ms Tan Suan Hui – Head of Compliance / Investor Relations***

Ms Tan Suan Hui is the Head of Compliance/Investor Relations of the Trustee-Manager. She joined the Trustee-Manager in 2011 where she undertakes compliance and investor relations activities of the Trustee-Manager.

Prior to joining the Trustee-Manager in July 2011, Ms Tan was Vice President of Business Development in the Listings department within SGX-ST. Her primary role at the Listings department, involved cultivating new listing candidates from various jurisdictions, including identifying suitable candidates, advising them with respect to eligibility and listing rule requirements, and guiding them through the listing process. She was also responsible for various product development activities which led to the launch of the FTSE ST Indices, as well as Global Depository Receipts on SGX-ST. During her time at the Listings functions, her geographical areas of responsibilities included countries in South-East Asia, India, Norway and other countries with a focus on the maritime and offshore sector.

Ms Tan’s career with the then Stock Exchange of Singapore (now known as Singapore Exchange Ltd or SGX-ST) began in 1996 in the regulatory department. Her responsibilities included reviewing applications for initial public offerings, as well as regulating listed companies which included the review of corporate activities undertaken by listed companies.

Ms Tan graduated with a Bachelor of Business Administration (Second Upper Honours) from the National University of Singapore in 1996.

## Roles and Responsibilities of the Trustee-Manager

The Trustee-Manager has the dual responsibility of safeguarding the interests of Unitholders, and managing the business conducted by RHT. The Trustee-Manager has general powers of management over the business and assets of RHT and its main responsibility is to manage RHT’s assets and liabilities for the benefit of the Unitholders as a whole.

The Trustee-Manager's responsibilities include setting the strategic direction of RHT and deciding on the acquisition, divestment or enhancement of assets of RHT in accordance with its stated investment mandate. Additionally, the Trustee-Manager is responsible for undertaking active management of RHT's assets to enhance the performance of the portfolio and undertaking capital and risk management strategies in order to maintain a strong balance sheet for RHT.

The Trustee-Manager is also obliged to exercise the degree of care and diligence required of a trustee-manager of a registered business trust ("**Due Care**") to comply with the applicable provisions of all relevant legislation, as well as the Listing Manual, and is responsible for ensuring compliance with the RHT Trust Deed and all relevant contracts entered into by the Trustee-Manager on behalf of RHT.

Furthermore, the Trustee-Manager will prepare business plans on a regular basis, which may contain proposals and forecasts on net income, capital expenditure, sales and valuations, explanations of major variances to previous forecasts, written commentary on key issues and any relevant assumptions. The purpose of these plans is to explain the performance of RHT's investments.

The Trustee-Manager, in exercising its powers and carrying out its duties as RHT's trustee-manager, is required to:

- treat Unitholders who hold Units in the same class fairly and equally;
- ensure that all payments out of the Trust Property of RHT are made in accordance with the BTA and the RHT Trust Deed;
- report to the Authority any contravention of the BTA or the Business Trusts Regulations by any other person that:
  - relates to RHT; and
  - has had, has or is likely to have, a material adverse effect on the interests of all Unitholders, or any class of Unitholders, as a whole, as soon as practicable after the Trustee-Manager becomes aware of the contravention;
- ensure that the Trust Property of RHT are properly accounted for; and
- ensure that the Trust Property of RHT are kept distinct from the property held in its own capacity.

The Board will meet regularly to review RHT's business activities and strategies pursuant to its then prevailing investment mandate against the RHT Trust Deed and compliance with any applicable legislation, regulations and guidelines.

The Trustee-Manager also has the following statutory duties under the BTA:

- at all times act honestly and exercise reasonable diligence in the discharge of its duties as RHT's trustee-manager in accordance with the BTA and the RHT Trust Deed;
- act in the best interests of all Unitholders as a whole and give priority to the interests of all Unitholders as a whole over its own interests in the event of a conflict between the interests of all the Unitholders as a whole and its own interests;

- not make improper use of any information acquired by virtue of its position as RHT's trustee-manager to gain, directly or indirectly, an advantage for itself or for any other person to the detriment of the Unitholders; and
- hold the Trust Property of RHT on trust for all Unitholders as a whole in accordance with the terms of the RHT Trust Deed.

Should the Trustee-Manager contravene any of the provisions setting out the aforesaid duties, it is:

- liable to all Unitholders as a whole for any profit or financial gain directly or indirectly made by it or any of its related corporations or for any damage suffered by all Unitholders as a whole as a result of the contravention; and
- be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$100,000.

While the Trustee-Manager is required to be dedicated to the conduct of the business of RHT, it is not prohibited from delegating its duties and obligations to third parties. Save for an instance of fraud, wilful default or breach of trust by the Trustee-Manager where the Trustee-Manager fails to exercise Due Care, it shall not incur any liability by reason of any error of law or any matter or thing done or suffered to be done or omitted to be done by it in good faith under the RHT Trust Deed. In addition, the Trustee-Manager shall be entitled, for the purpose of indemnity against any actions, costs, claims, damages, expenses, penalties or demands to which it may be put as trustee-manager, to have recourse to the Trust Property of RHT or any part thereof save where such action, cost, claim, damage, expense, penalty or demand is occasioned by the fraud, wilful default or breach of trust where the Trustee-Manager fails to exercise Due Care. The Trustee-Manager may, in managing RHT and in carrying out and performing its duties and obligations under the RHT Trust Deed, appoint such person to exercise any or all of its powers and discretions and to perform all or any of its obligations under the RHT Trust Deed, and shall not be liable for all acts and omissions of such persons provided that the Trustee-Manager exercised Due Care in selecting as well as monitoring such persons.

***The borrowing powers exercisable by the Trustee-Manager (acting in its capacity as trustee-manager of RHT) and how such borrowing powers may be varied***

Pursuant to the Memorandum of Association of the Trustee-Manager, the Trustee-Manager has all full rights, powers and privileges necessary to carry on or undertake any business or activity, do any act or enter into any transaction subject to the provisions of the Companies Act, the BTA and any other written law, in this case, the business of acting as trustee-manager of RHT.

Section 28(4) of the BTA prohibits the Trustee-Manager from borrowing on behalf of RHT unless the power of borrowing is conferred upon it by the RHT Trust Deed. The RHT Trust Deed empowers the Trustee-Manager to, whenever it considers it desirable in the interests of Unitholders to do so or for the purpose of enabling the Trustee-Manager to meet any contractual obligations or liabilities under or in connection with the trusts of the RHT Trust Deed or with any investment of RHT, or for the purpose of financing or facilitating the conduct, carrying on or in furtherance of any Authorised Businesses (as defined in the RHT Trust Deed) undertaken by RHT or for the purpose of financing or facilitating any distributions to Unitholders or financing the repurchase and/or redemption of Units by the Trustee-Manager or for any other purpose deemed desirable by the Trustee-Manager in connection with any Authorised Businesses undertaken by RHT or any investment of RHT, lend, borrow or raise monies (upon such terms and conditions as

it thinks fit, including, without limitation, raising monies by the issue of securities or the incurrence of borrowings involving the charging, mortgaging or creating security over all or any of the investments, assets or rights of RHT or by issuing debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Trustee-Manager, as trustee-manager of RHT) and enter into swap derivative transactions for the management of foreign exchange and/or interest rate risks and as otherwise permitted under the RHT Trust Deed. The Trustee-Manager may secure the repayment of such monies and interest costs and other charges and expenses in such manner and upon such terms and conditions as the Trustee-Manager may think fit and provide for such priority, subordination or sharing of any liabilities owing to RHT in such manner and upon such terms and conditions as the Trustee-Manager may think fit provided that the Trustee-Manager shall not be required to execute any instrument, lien, charge, pledge, hypothecation, mortgage or agreement in respect of the lending, borrowing or raising of monies which (in its opinion) would render RHT's liability to extend beyond it being limited to the Trust Property of RHT.

Any variation of the borrowing powers as contained in the RHT Trust Deed would require the approval of the Unitholders by way of an Extraordinary Resolution held at a Unitholders' general meeting convened in accordance with the RHT Trust Deed and such other regulatory approvals as may be required to vary the terms of the RHT Trust Deed.

### **Fees Payable to the Trustee-Manager**

The fees payable to the Trustee-Manager in respect of its services to RHT are set out below. The Trustee-Manager may direct that all or a portion of any fees payable to the Trustee-Manager be paid directly to any third parties.

#### ***Management Fee***

The Trustee-Manager is entitled under the RHT Trust Deed to the following management fee ("**Management Fee**"):

- a base fee ("**Base Fee**") calculated at 0.4% per annum of the value of the Trust Property (which has the definition ascribed to it in the Business Trusts Act); and
- a performance fee ("**Performance Fee**") calculated at 4.5% per annum of the Distributable Income (defined as the distributable amount determined by the Trustee-Manager in accordance with the terms of the RHT Trust Deed to be distributable for the relevant distribution period (pro-rated if applicable based on the number of months the relevant financial quarter bears to such distribution period)) for the relevant financial quarter,

and paid quarterly in arrears.

The Performance Fee in respect of each financial year shall be adjusted based on the audited consolidated accounts of RHT for the relevant financial year, and any balance of such fee due and payable to the Trustee-Manager or any refund due from the Trustee-Manager (as the case may be) shall be paid to or by the Trustee-Manager within 14 days of the completion of the audited financial statements for the relevant financial year. Any refund due from the Trustee-Manager shall be made in the form of cash regardless of whether or not the fee received by the Trustee-Manager was received in the form of cash or in Units.

Any increase in the rates set out above or any change in the formula for calculation of the Management Fee must be approved by an Extraordinary Resolution passed at a



Unitholders' meeting duly convened and held in accordance with the provisions of the RHT Trust Deed.

The Management Fee is payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect) at the prevailing market price.

### ***Trustee Fee***

Under the RHT Trust Deed, the Trustee-Manager is also entitled to a trustee fee amounting to 0.03% per annum of the value of the Trust Property, subject to a minimum of S\$15,000 per month, and paid quarterly.

The trustee fee is payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect) at the prevailing market price.

Any increase in the rates set out above or any change in the formula for calculation of the trustee fee must be approved by an Extraordinary Resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the RHT Trust Deed.

### ***Acquisition Fee and Divestment Fee***

Under the RHT Trust Deed, the Trustee-Manager is entitled to an acquisition fee ("**Acquisition Fee**") computed as follows:

- where Fortis Group or the Religare Group (as the case may be) has direct or indirect interests of more than 50.0% in any investment acquired directly or indirectly by RHT, 0.5% of the acquisition price of the investment (pro-rated if applicable to the proportion of RHT's interest in the investment acquired); and
- in all other cases, 1.0% of the acquisition price of any investment acquired directly or indirectly by RHT (pro-rated if applicable to the proportion of RHT's interest in the investment acquired).

Notwithstanding the above, in the event that any investment is held by the Religare Group as a nominee or in a fiduciary capacity or otherwise pursuant to any contractual obligation entered into in its ordinary course of business, the Acquisition Fee payable on the acquisition of such investment by RHT (if applicable) shall be 1.0% of the acquisition price of any investment acquired directly or indirectly by RHT (pro-rated if applicable to the proportion of RHT's interest in the investment acquired).

The Trustee-Manager is entitled to a divestment fee ("**Divestment Fee**") amounting to 0.5% of the sale price of any investment sold, transferred or otherwise disposed of by RHT, whether directly or indirectly (pro-rated if applicable to the proportion of RHT's interest in the investment sold, transferred or disposed).

The Acquisition Fee and the Divestment Fee are payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect) at the prevailing market price.

Any payment to third party agents or brokers in connection with the acquisition or divestment of any asset of RHT shall be paid by the Trustee-Manager to such persons out of the Trust Property of RHT, and not out of the Acquisition Fee or Divestment Fee received or to be received by the Trustee-Manager.

Any increase in the rates set out above or any change in the formula for calculation of the Acquisition Fee or Divestment Fee must be approved by an Extraordinary Resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the RHT Trust Deed.

### ***Development Fee***

The Trustee-Manager is entitled to receive a development management fee equivalent to 2.0% of the total project costs (excluding fees and expenses) incurred in undertaking (directly or indirectly) a Development Project on behalf of RHT (pro-rated if applicable to the interest of RHT in the project). "**Development Project**" means a project involving the development or redevelopment of medical and healthcare assets which are acquired or held by RHT. "**Project costs**" refers to the costs incurred in connection with the Development Project, including payments of additional premiums or amounts to regulatory authorities in connection with the development of the land, but shall exclude the purchase price of the land and financing costs relating to the Development Project.

The development fee is payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect) at the prevailing market price.

Any increase in the rates set out above or any change in the formula for calculation of the Trustee-Manager's development fee must be approved by an Extraordinary Resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the RHT Trust Deed.

### ***Asset Management Fee***

The Trustee-Manager is entitled to an asset management fee of 1.0% of the total Gross Revenue (defined as the revenue attributable to the investments forming part of the Trust Property whether held directly by the Trustee-Manager or indirectly held by the Trustee-Manager through a holding vehicle) for asset management services provided in respect of assets in the Trust Property, which is paid quarterly in arrears. Such asset management services include planning, co-ordinating and supervising addition and alterations and other maintenance works carried out on the buildings and assets, managing third party contractors, reviewing compliance with building and safety regulations and formulating maintenance budgets in respect of the relevant asset.

The asset management fee is payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect) at the prevailing market price. No asset management fee will be payable in respect of assets operated by Fortis Group.

Any increase in the rates set out above or any change in the formula for calculation of the Trustee-Manager's development fee must be approved by an Extraordinary Resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the RHT Trust Deed.

### ***Marketing Services Fee***

The Trustee-Manager is also entitled to a marketing services fee for securing new leases or renewal of leases (outside India) and/or service contracts with any person (other than

a member of Fortis Group) for a particular medical and healthcare asset (or part thereof) as follows:

- one month's gross rent and/or service fee (including service charges) for securing new leases and/or service contracts or renewal of leases and/or service contracts with a lease and/or contract term of less than five years; and
- two months' gross rent and/or service fee (including service charges) for securing new leases and/or service contracts or renewal of leases and/or service contracts with a lease and/or contract term of five years or more.

If a third party agent secures a lease (outside India) and/or service contract with any person (other than a member of the Sponsor Group) for a particular medical or healthcare asset (or part thereof) on behalf of RHT, the Trustee-Manager will be responsible for all marketing services fees payable to such third party agent, and the Trustee-Manager will be entitled to a marketing services fee of:

- 1.2 month's gross rent and/or service fee (including service charges) for securing new leases and/or service contracts or renewal of leases and/or service contracts with a lease and/or contract term of less than five years; and
- 2.4 months' gross rent and/or service fee (including service charges) for securing new leases and/or service contracts or renewal of leases and/or service contracts with a lease and/or contract term of five years or more.

For the avoidance of doubt, the marketing services fee includes all commission and fees payable to third party agents. The marketing services fee may be adjusted accordingly at the time of securing or renewal of a lease and/or service contract by the Trustee-Manager or a third party agent, to be consistent with and no higher than the prevailing market rates of such marketing services fee in the country where the asset is located.

The marketing services fee is payable to the Trustee-Manager in the form of cash and/or Units (as the Trustee-Manager may elect) at the prevailing market price.

Any increase in the rates set out above or any change in the formula for calculation of the Trustee-Manager's marketing services fee must be approved by an Extraordinary Resolution passed at a Unitholders' meeting duly convened and held in accordance with the provisions of the RHT Trust Deed.

### ***Retirement or Removal of the Trustee-Manager***

Under the BTA, the Trustee-Manager may be removed as trustee-manager of RHT, by the Unitholders by an Extraordinary Resolution, or it may resign as trustee-manager. Any removal or resignation of the Trustee-Manager must be made in accordance with the procedures that the Authority may prescribe. Any purported change of the trustee-manager of a Registered Business Trust is ineffective unless it is made in accordance with the BTA.

The Trustee-Manager will remain the trustee-manager of RHT until another person is appointed by:

- the Unitholders to be the trustee-manager of RHT; or
- by the court under Section 21(1) of the BTA to be the temporary trustee-manager of RHT,

and such appointment shall be effective from the date stated in the resolution of the Unitholders or court order as the effective date of the appointment of the replacement trustee-manager or temporary trustee-manager, as the case may be.

Pursuant to Section 21(1) of the BTA, on an application by the MAS or the Trustee-Manager or a Unitholder, the court may, by order, appoint a company that has consented in writing to serve as a temporary trustee-manager to be the temporary trustee-manager of RHT for a period of three months if the court is satisfied that the appointment is in the interest of the Unitholders.

The temporary trustee-manager of RHT is required, within such time and in accordance with such requirements as may be prescribed by MAS, to take steps to enable the Unitholders to appoint another person as the trustee-manager (not being a temporary trustee-manager) of RHT.”

10. by deleting the section entitled "Selected Financial Information" appearing on pages 120 to 133 of the Information Memorandum in its entirety.
11. by deleting the section entitled "Risk Factors" appearing on pages 134 to 169 of the Information Memorandum in its entirety and substituting therefor the following:

#### **“RISK FACTORS**

Prior to making an investment or divestment decision, prospective investors in or existing holders of the Notes should carefully consider all the information set forth in this Information Memorandum including the risk factors and uncertainties described below, before making any investment. The risk factors set out below do not purport to be complete or comprehensive of all the risk factors that may be involved in the businesses of the Issuer, RHT or the Group or any decision to purchase, own or dispose of the Notes. Additional risk factors which the Issuer is currently unaware of may also impair the businesses, financial condition, performance or prospects of the Issuer, RHT or the Group. If any or some combination of the following risk factors develop into actual events, the business, results of operations and financial condition of the Issuer, RHT or the Group could be materially and adversely affected. In such cases, the ability of the Issuer to comply with its obligations under the Notes may be adversely affected, and investors may lose all or part of their investments in the Notes.

#### **Limitations of this Information Memorandum**

This Information Memorandum does not purport to nor does it contain all information that a prospective investor in or existing holder of the Notes may require in investigating the Issuer, RHT or the Group, prior to making an investment or divestment decision in relation to the Notes issued under the MTN Programme.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the MTN Programme or the Notes (nor any part thereof) is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, any of the Dealers or either of the Arrangers that any recipient of this Information Memorandum or any such other document or information (or such part thereof) should subscribe for or purchase or sell any of the Notes. Each person receiving this Information Memorandum acknowledges that such person has not relied on the Issuer, RHT or any of their respective subsidiaries or associated companies (if any), any of the

Dealers or either of the Arrangers or any person affiliated with each of them in connection with its investigation of the accuracy or completeness of the information contained herein or of any additional information considered by it to be necessary in connection with its investment or divestment decision. Any recipient of this Information Memorandum contemplating subscribing for or purchasing or selling any of the Notes should determine for itself the relevance of the information contained in this Information Memorandum and any such other document or information (or any part thereof) and its investment or divestment should be, and shall be deemed to be, based solely upon its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer, RHT and the Group, the terms and conditions of the Notes and any other factors relevant to its decision, including the merits and risks involved. A prospective investor should consult with its legal, tax and financial advisers prior to deciding to make an investment in the Notes.

This Information Memorandum does not constitute any offer of, or an invitation to purchase, any Notes or any other securities in any jurisdiction in which such offer or invitation would be unlawful.

## **RISKS ASSOCIATED WITH AN INVESTMENT IN THE NOTES**

### ***There is no active trading market for the Notes***

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

### ***Fluctuation of market value of Notes issued under the MTN Programme***

The value of the Notes may fluctuate as a result of various factors, including (1) the market for similar securities, (2) general economic, political or financial conditions and (3) the Issuer's, RHT's or the Group's financial condition, results of operations and future prospects. Adverse economic developments, in Singapore, India as well as other countries in which the Issuer, RHT and/or their respective subsidiaries and/or associated companies (if any) operate or have business dealings, could have a material adverse effect on the operating results and/or the financial condition of the Issuer, RHT and their respective subsidiaries and/or associated companies (if any).

### ***Interest rate risk***

Noteholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the price of the Notes, resulting in a capital loss for the Noteholders. However, the Noteholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, the price of the Notes may rise. The Noteholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

### ***Inflation risk***

Noteholders may suffer erosion on the return of their investments due to inflation. Noteholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Notes. An unexpected increase in inflation could reduce the actual returns.

### ***Performance of contractual obligations by the Issuer is dependent on other parties***

The ability of the Issuer to make payments in respect of the Notes may depend upon the due performance by the other parties to the Programme Agreement, the Trust Deed, the Agency Agreement and the Agent Bank Agreement of their obligations thereunder including the performance by the Trustee, the Principal Paying Agent, the Non-CDP Paying Agent and/or the Agent Bank of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Issuer of its obligations to make payments in respect of the Notes, the Issuer may not, in such circumstances, be able to fulfil its obligations to the Noteholders and the Couponholders.

### ***The Notes may not be a suitable investment for all investors***

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained in this Information Memorandum or any applicable supplement to this Information Memorandum;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are complex financial instruments. Sophisticated investors generally do not purchase complex financial instruments as standalone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes, which are complex financial instruments, unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes

and the impact this investment will have on the potential investor's overall investment portfolio.

Where Global Notes are held in clearing systems, investors will need to rely on the relevant clearing system's standard procedures for transfer, payment and communication with the Issuer.

***Variable Rate Notes may have a multiplier or other leverage factor***

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

***Notes may be issued at a substantial discount or premium***

The market value of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

***The Notes may be subject to optional redemption by the Issuer***

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate that is as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

***The Issuer and/or the Group may not freely hedge the currency risks associated with Notes denominated in foreign currencies***

The majority of the Group's revenue is generally denominated in Indian rupees and the majority of the Group's operating expenses and related expenses are generally incurred in Indian rupees as well. As Notes issued under the MTN Programme can be denominated in currencies other than Indian rupees, the Issuer and/or the Group may be affected by fluctuations between the Indian rupee and such foreign currencies in meeting the payment obligations under such Notes and there is no assurance that the Issuer and/or the Group may be able to fully hedge the currency risks associated with such Notes denominated in foreign currencies.

***Singapore taxation***

The Notes to be issued from time to time under the MTN Programme during the period from the date of this Information Memorandum to 31 December 2018 are intended to be "qualifying debt securities" for the purposes of the ITA, subject to the fulfilment of certain conditions more particularly described in the section titled "*Singapore Taxation*". However, there is no assurance that such Notes will continue to enjoy the tax

concessions in connection therewith should the relevant tax laws be amended or revoked at any time.

***Where the Notes are represented by Global Notes and held by or on behalf of Euroclear, Clearstream, Luxembourg or CDP, holders of a beneficial interest in a Global Note must rely on their procedures***

Notes issued under the MTN Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depository for Euroclear and Clearstream, Luxembourg or lodged with CDP. Except in certain limited circumstances described in the relevant Global Note, investors will not be entitled to receive Definitive Notes. Euroclear, Clearstream, Luxembourg or CDP (as the case may be) will maintain records of their direct accountholders in relation to the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear, Clearstream, Luxembourg or CDP (as the case may be).

While the Notes are represented by one or more Global Notes, the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of the common depository for Euroclear and Clearstream, Luxembourg or to CDP (as the case may be) for distribution to their accountholders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear, Clearstream, Luxembourg or CDP (as the case may be) to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes. Other than in relation to Global Notes held by CDP, holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear or Clearstream, Luxembourg, as the case may be, to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the respective Global Notes to take enforcement action against the Issuer following an Event of Default (as defined in the Trust Deed) under the relevant Notes but will have to rely upon their rights under the Trust Deed.

***The Trustee may request Noteholders to provide an indemnity, security and/or pre-funding to its satisfaction***

In certain circumstances (pursuant to Condition 10 of the Notes), the Trustee may request the Noteholders to provide an indemnity, security and/or pre-funding to its satisfaction before it takes action on behalf of the Noteholders. The Trustee shall not be obliged to take any such action if not indemnified, secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity, security and/or pre-funding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take action, notwithstanding the provision of an indemnity or security or pre-funding to it, in breach of the terms of the Trust Deed and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the agreements and the applicable law, it will be for the Noteholders to take such action directly.

***The provisions in the Trust Deed and Conditions may be modified or waived***

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The



Conditions also provide that the Trustee may, but is not obliged, without the consent of Noteholders or Couponholders, to agree to any modification (subject to certain exceptions mentioned in the Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of, any of the Conditions or any of the provisions of the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the Trust Deed) shall not be treated as such, which in any such case is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders or may agree, without any such consent as aforesaid, to any modification, waiver or authorisation which, in its opinion, is of a formal, minor or technical nature or to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear and/or Clearstream, Luxembourg and/or CDP and/or any other clearing system in which the Notes may be held. Any such modification, waiver or authorisation shall be binding on the Noteholders and the Couponholders.

### ***Enforcement of payment under the Notes***

Enforcement of payment under the Notes issued by the Trustee-Manager could be dependent on the Trustee-Manager's right of indemnity out of the deposited property of RHT and various other factors arising from the trust structure of RHT.

Noteholders and potential investors in the Notes should note that the Notes are issued by the Trustee-Manager, and not RHT, since RHT is not a legal entity. Noteholders should note that under the terms of the Notes, Noteholders shall only have recourse in respect of the Notes to the assets of RHT which the Trustee-Manager has recourse to under or in relation to the RHT Trust Deed, and not to the Trustee-Manager in its personal capacity or any assets held by the Trustee-Manager as trustee of any trust other than RHT. Further, Noteholders do not have direct access to the assets of RHT but may have to gain access through the Trustee-Manager and if appropriate seek directions of a court to subrogate to the Trustee-Manager's right of indemnity out of such assets, and accordingly, any claim of the Noteholders to the assets of RHT is derivative of the rights of the Trustee-Manager. A Noteholder's right of subrogation therefore could be limited by the Trustee-Manager's right of indemnity under or in relation to the RHT Trust Deed.

Noteholders should also note that such right of indemnity of the Trustee-Manager may be limited or lost through fraud, negligence, breach of duty or breach of trust or by reason of other liabilities that the Trustee-Manager may be liable to pay or contribute towards RHT. Where the Trustee-Manager commits a breach of trust (whether or not such breach is committed in relation to the Notes), the assets of RHT may only be available to satisfy claims under the Notes upon the Trustee-Manager first making good any loss arising from such breach of trust.

In addition, Noteholders should note that they may be adversely affected if the Trustee-Manager becomes insolvent, is wound-up or is placed under judicial management. If such an event occurs, the enforcement of payment under the Notes may be subject to delay and/or otherwise be impacted by such proceedings.

### ***It may not be possible for Noteholders to enforce foreign judgments***

RHT may, from time to time, invest in medical and healthcare assets in other jurisdictions, including India. Where investors wish to enforce foreign judgments in such jurisdictions where RHT may have assets, they may face difficulties in enforcing such judgments.

For example, India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including Singapore. In order to be enforceable, a judgment obtained in a jurisdiction with which India has reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, of India ("**Civil Code**"). Further, the Civil Code only permits enforcement of monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards. Judgments or decrees from jurisdictions not having reciprocity with India cannot be enforced or executed in India. Even if a Noteholder obtained a judgment in such a jurisdiction, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. Further, the party which has obtained such judgment must institute the new proceeding within three years of obtaining the judgment. If, and to the extent that, an Indian court were of the opinion that fairness and good faith so required, it would, under current practice, give binding effect to the judgment obtained in a non-reciprocating territory, unless such a judgment contravenes principles of public policy in India or is considered not conclusive under the provisions of the Civil Code. However, it is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a judgment rendered by a foreign court if the Indian court believed that the amount of damages awarded was excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the Reserve Bank of India ("**RBI**") to execute such a judgment or to realise or repatriate any amount recovered.

Consequently, it may not be possible to enforce in an Indian court any judgment obtained in a foreign court, or effect service of process outside India, against Indian companies, their directors and executive officers thereof and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

***The consolidated financial statements of RHT and its subsidiaries as at and for the quarter and full year ended 31 March 2017 have not been audited or reviewed***

In accordance with RHT's past practice, RHT has filed its consolidated financial statements as of and for the quarter and full year ended 31 March 2017 (the "**2017 Unaudited Consolidated Financial Statements**") with the SGX-ST on 22 May 2017. The 2017 Unaudited Consolidated Financial Statements included in this Supplemental Information Memorandum has neither been audited nor subjected to any review by the auditors. There can be no assurance that if such financial information had been audited or reviewed that there would be no change in the financial information and that such changes would not be material. The 2017 Unaudited Consolidated Financial Statements has been included in this Supplemental Information Memorandum for reference only and should not be relied upon by investors for making their investment decision. As of the date of this Supplemental Information Memorandum, RHT's most recent audited financial information was prepared as of and for the year ended 31 March 2016, and investors should be aware that there are no audited or reviewed financial statements relating to RHT or the Group since that date.

**RISKS RELATING TO RHT'S PORTFOLIO**

***RHT's revenue is substantially dependent on the Service Fees paid by the Fortis Operating Companies as the hospital operator of the Operating Clinical Establishments***

RHT's revenue is substantially dependent on the Service Fees paid by the Fortis Operating Companies to the Hospital Services Companies for providing the Clinical Establishment Services under the Hospital and Medical Services Agreements in respect of the Operating Clinical Establishments.

Consequently, RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes will depend on the ability of the Fortis Operating Companies to make timely payments of the Service Fees under the Hospital and Medical Services Agreements. The Service Fees also include a variable fee component, which is calculated based on the Operating Income of the relevant Fortis Operating Company. A downturn in the business of the Fortis Operating Companies may adversely affect the financial condition of the Fortis Operating Companies and may correspondingly adversely affect the ability of the Fortis Operating Companies to make timely payments, or any payments at all, of the Service Fees in accordance with the Hospital and Medical Services Agreements. There can be no assurance that the Fortis Operating Companies will have sufficient assets, income and access to financing to enable them to satisfy their obligations under the respective Hospital and Medical Services Agreements. Furthermore, the Fortis Operating Companies only have the right, and not the obligation to run the Fortis Hospitals from the Operating Clinical Establishments. If the Fortis Operating Companies discontinue operations at the Operating Clinical Establishment, there would be no Operating Income, and consequently, no variable fee component to the Service Fees resulting in a reduction in Service Fees and the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes may be materially and adversely affected.

While each Hospital and Medical Services Agreement provides for a banker's guarantee for an amount equivalent to two months' Service Fees, and Fortis has also provided an undertaking to fulfil certain financial obligations of the Fortis Operating Companies under the Hospital and Medical Services Agreements, there is no assurance that such guarantees or undertaking will be sufficient to cover the extent of losses suffered by the Hospital Services Companies arising from any default on the terms of the Hospital and Medical Services Agreements. If the Fortis Operating Companies and Fortis are unable to fulfil their financial obligations under the Hospital and Medical Services Agreement or the Sponsor Agreement, respectively, and the banker's guarantee and Fortis' undertaking to fulfil the Fortis Operating Companies' financial obligations are insufficient to cover the losses suffered by the Hospital Services Companies, the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes may be materially and adversely affected.

***There is no assurance that the Fortis Operating Companies will renew the Hospital and Medical Services Agreements after their initial term or that the Hospital and Medical Services Agreements will not be prematurely terminated***

The initial term of each of the Hospital and Medical Services Agreements is 15 years, which may be extended for a similar term by mutual consent between the Fortis Operating Companies and the Hospital Services Companies. There is no assurance that the Fortis Operating Companies will consent to the renewal of all or any of the Hospital and Medical Services Agreements on the expiry of the initial 15-year term on commercially acceptable terms, or at all. There also can be no assurance that that the Hospital and Medical Services Agreements will not be terminated prematurely. In such a situation, the Issuer may not be able to locate a suitable replacement operator, as a result of which RHT may lose all or a portion of its primary source of revenue. Even if

the Hospital Services Companies are able to find replacement operators, there is no assurance that agreements with such operators would be executed on commercially acceptable terms in a timely manner. The failure to renew all or some of the Hospital and Medical Services Agreements, or the termination of any of them, may have a material adverse effect on the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***RHT does not have operational control of FHTL, which holds the Gurgaon Clinical Establishment and the Shalimar Bagh Clinical Establishment***

In 2016, RHT disposed of its 51.0% economic interest in FHTL to Fortis. RHT continues to hold a 49.0% in FHTL.

In connection with the disposal, the FHTL Shareholders' Agreement was amended to be amended to reflect each of FHML's and Fortis' economic interest in FHTL by:

- removing FHML's right (A) to nominate 50% of the directors of FHTL and the chairman of FHTL's board of directors and (B) to receive dividends or other distributions on the equity share capital of FHTL held by Fortis; and
- conferring certain additional rights on FHML, including (A) a tag along right in favour of FHML, (B) affirmative vote matters for which the prior written approval of FHML is required in respect of certain corporate matters, such as the issuance of securities, the winding up or liquidation of FHTL and any change or cessation of business of FHTL and (C) the right to appoint two out of five non-independent directors on the board of FHTL.

Accordingly, RHT no longer has operational control of FHTL. There is no certainty that Fortis will not:

- have economic or business interests or goals that are inconsistent with RHT's interests or goals;
- take actions or omit to take any actions contrary to FHML's instructions or requests;
- be unable or unwilling to fulfill its obligations under the FHTL Shareholders' Agreement;
- have disputes with FHML as to the scope of Fortis' responsibilities and obligations; or
- have financial difficulties.

Any disagreement with Fortis over the operations of FHTL and the Gurgaon Clinical Establishment and the Shalimar Bagh Clinical Establishment may have a material adverse effect on the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***There is no way of comprehensively verifying title in India and title over land may be subject to significant legal uncertainties and defects***

In India, there is no central title registry for real property. The method of documentation of land records in India has not been fully computerised. Property records in India are generally maintained at state and district level and updated manually through physical

records of all land related documents and may not be available online for inspection or updated in a timely manner. This could result in investigations into property records being time consuming and/or inaccurate, which may impact RHT's ability to rely on them. In certain instances, there may be a discrepancy between the extent of the areas stated in the revenue records and the areas stated in the title deeds, and the actual physical area of some of the lands on which the Operating Clinical Establishment is constructed. The land records are often hand-written, in local languages and may not be legible, which make it difficult to ascertain the contents of the records. Further, the land records are often in poor condition and at times untraceable, which impedes the title investigation process. As a result, the title of the Operating Clinical Establishments and Greenfield Clinical Establishments that RHT has invested and/or will invest in may not be clear or may be in doubt. Additionally, title insurance is not available in India on commercially acceptable terms to guarantee title. The absence of title insurance in India means that title records provide only for presumptive title rather than a guaranteed title to the land on which the Operating Clinical Establishment is constructed or the Greenfield Clinical Establishments. Further, independent verification of title may be difficult and time consuming.

The title of the Hospital Services Companies to the Greenfield Clinical Establishments or over land on which the Operating Clinical Establishments stand, may also be subject to various title-related legal defects, other claims or disputes which the Hospital Services Companies or RHT may not currently be able to fully identify, resolve or assess. The rights in respect of these lands may be compromised by improperly executed, unregistered or insufficiently stamped conveyance instruments in the property's chain of title, unregistered encumbrances in favour of third parties, rights of adverse possessors, ownership claims of spouses or other family members of prior owners, or other title defects that the Hospital Services Companies or RHT may not be aware of. As each transfer in a chain of title may be subject to these and other various defects, the title of the Hospital Services Companies and leasehold rights over land which they have acquired through a deed of conveyance, lease deed or other contractual arrangement, may be subject to various defects. Title defects may result in the loss of title or leasehold rights over such land as well as the cancellation of its development plans in respect of such land, thus negatively impacting RHT's business and financial condition. Under Indian law, a title document is not admissible as evidence in court, unless it has been registered with the applicable land registry and applicable stamp duty has been paid in respect of such title document. There is also the possibility that the stamp authorities might impound the documents which may lead to further delays or possible imposition of fines under certain circumstances.

Under the Indian Registration Act, 1908, all transactions relating to immovable property of a value of more than ₹100 are required to be registered, with the Sub-Registrar of Assurances of the district within whose jurisdiction the immovable property is situated. Registration is required to complete the process of transfer and vesting of title in an immoveable property. As at the Latest Practicable Date, the conveyance deed relating to the transfer to the predecessor in title to EHRCL (since merged into IHL) of one of the three land parcels on which the Faridabad Clinical Establishment is situated has not been registered with the Sub-Registrar of Assurances in accordance with the Registration Act, 1908, of India in view of the on-going litigation relating to the land at Faridabad. Whilst the conveyance deed for the purchase of the land was registered, the conveyance deed of the predecessor in title has not been registered. Non-registration of the predecessor's conveyance deed results in rights over the land parcel having not passed to EHRCL (and consequentially IHL) as there is an imperfect chain of title. In addition, the perpetual lease deed relating to the allotment by the Delhi Development Authority to FHTL of the land on which the Shalimar Bagh Clinical

Establishment is situated is duly stamped but has not been registered with the office of the Sub-Registrar of Assurances. As FHTL is in physical possession and occupation of the Shalimar Bagh Clinical Establishment and continues to pay the applicable lease rent, there is a statutory presumption of creation of lease on a monthly basis, terminable by 15 days' notice. Leasehold title to the Shalimar Bagh Clinical Establishment does not legally vest with FHTL until registration of the perpetual lease deed. While the relevant Fortis Operating Company and FHTL are in the process of registering such deed with the relevant authorities, pending such registration, the legal title to these lands would not be transferred in favour of FHTL and the title to these lands will continue to vest with the lessor/concerned authorities, as the case may be, as owner thereof.

The uncertainty of title to land makes the acquisition process more complicated and getting the names of the Hospital Services Companies reflected in the land and revenue records as owners/holders thereof is time consuming and also currently pending in respect of the Kalyan Clinical Establishment.

Lack of title insurance, coupled with difficulties in verifying title to such land, may increase RHT's exposure to third parties claiming title to the land. This could result in the loss of such land, affect the valuation of the Portfolio, or otherwise prejudice the enhancement and/or development of the Portfolio which could in turn have an adverse effect on RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes.

***IHL is not reflected in the land and revenue records as current owner and holder of the land on which the Kalyan Clinical Establishment is situated***

Under the Indian Registration Act, 1908, all transactions relating to immovable property of a value of more than 100 are required to be registered with the Sub-Registrar of Assurances of the district within whose jurisdiction the immovable property is situated. Registration is mandatory to complete the process of transfer and vesting of title in an immoveable property. The registered document is forwarded to the revenue officer of the concerned division/district for the amendment of the revenue records to reflect the name of the transferee as the holder or occupier of the land. Such updated revenue records are only evidence of, and not conclusive of title.

The deed of sale for the Kalyan Clinical Establishment has been executed and duly registered with the relevant Sub-Registrar of Assurances as required under provisions of the Indian Registration Act, 1908 transferring and vesting title to the Kalyan Clinical Establishment in IHL. However, application for updating the land and revenue records to reflect the name of IHL as new owner or assignee and holder of the Kalyan Clinical Establishment remains pending. In addition, the land and revenue records do not reflect FHsL (the predecessor in title to IHL in relation to the Kalyan Clinical Establishment) as the owner or holder of land on which the Kalyan Clinical Establishment is situated. An application to update FHsL's name in the land and revenue records has been made and is pending with the relevant authority.

Accordingly, the land and revenue records will continue to reflect the name of IHL's predecessors in title, being FHsL, as the owner and holder of the Kalyan Clinical Establishment. There is no assurance as to the time within which the relevant authorities will update the land and revenue records to reflect the name of IHL as owner thereof, or if they will update these records at all. During the time that the updating of records is pending, there is a risk that unsuspecting third parties, relying on the yet to be updated land and revenue records, may transact with FHsL, which would expose IHL to third-party claims and affect the marketability of the Kalyan Clinical

Establishment. IHL may incur substantial costs trying to defend their rights, title and interest to the Kalyan Clinical Establishment which may or may not be successful. This may have an adverse effect on RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes.

***Property litigation in India is common and time consuming. The title rights of the Hospital Services Companies over land may be subject to various claims or legal defects that the Hospital Services Companies or RHT may not currently be able to fully identify, resolve or assess***

Property litigation in India can be very time consuming and may involve considerable expense to resolve. Furthermore, litigation, including public interest litigation, with respect to land ownership is also common. The involvement in litigation of any Operating Clinical Establishment or Greenfield Clinical Establishment in which RHT has invested, could delay a development project and may have an adverse effect on RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes.

The titles of certain Hospital Services Companies over the lands on which the Operating Clinical Establishments are situated are subject to certain title-related legal proceedings. The affected Operating Clinical Establishments are (i) the Faridabad Clinical Establishment, and (ii) the Kolkata Clinical Establishment. While RHT or the Hospital Services Companies may not be a party to certain of these litigation proceedings, the outcome of such litigation proceedings may affect the relevant Hospital Services Company's legal title to the land on which the Operating Clinical Establishments operate. In the event the claims by such parties to title to the lands succeed, the Hospital Services Company may be required to relinquish its title and may lose its interest in the relevant land parcel, which may have an adverse effect on RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes.

Such legal proceedings are currently at different levels of adjudication before various courts and tribunals. Should any new developments arise in respect of such litigation, such as a change in Indian law or rulings against the Hospital Services Companies by appellate courts or tribunals, RHT may face losses and may need to make provisions in its financial statements with respect to such litigation, which could adversely impact RHT's financial condition. Further, if significant claims are made against the title of the Hospital Services Companies to the lands on which the Operating Clinical Establishments are situated, and such claims succeed, the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes may be adversely affected.

***The lease deed for the Hyderabad Greenfield Clinical Establishment has not been executed***

In respect of the Hyderabad Greenfield Clinical Establishment, the Government of Andhra Pradesh has issued a notification permitting the Hyderabad Metropolitan Development Authority ("HMDA") to grant a 33-year lease of the land to HEPL. However, as at the Latest Practicable Date, the lease deed for the Hyderabad Greenfield Clinical Establishment has not been executed. There is no assurance that the lease deed will be executed in a timely manner, or at all. Furthermore, the grant of approval to the lease of the land site to HEPL is subject to certain conditions. The notification permitting the grant of the lease also mentions certain representations which were made by HEPL, including the representation that HEPL would enter into a

tie-up with Fortis Group and take care of the healthcare needs of certain villages. In the event HEPL does not comply with any of the terms of allotments or its representations made to the Government of Andhra Pradesh, the notification permitting grant of lease may be withdrawn. Furthermore, HEPL, on the request of HMDA, has deposited the annual rent payable and submitted its project investment development plan and various other documents to the HMDA. However, if HMDA does not approve of the project investment development plan and other documents submitted by HEPL, or if there is a change in policy or guidelines adopted by the Government of Hyderabad or HMDA for such allotments, the allotment of the land site may also be revoked. If the lease deed is not executed or if the allotment is revoked in respect of the Hyderabad Greenfield Clinical Establishment, there may be an adverse effect on RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes.

Additionally, the split of the State of Andhra Pradesh into the States of Andhra Pradesh and Telangana may create further uncertainties in respect of the lease deed.

***There is no assurance that the right to operate and manage the Fortis Hospital at the Mulund Clinical Establishment will continue. Further, there is no assurance that the land and buildings on which Mulund Clinical Establishment is operating (the "Mulund Land") will be transferred to IHL***

The land on which the Mulund Clinical Establishment is situated was granted by the Governor of Maharashtra to Merind Limited ("Merind") (a subsidiary of Wockhardt Limited, from which Fortis acquired assets in 2009) on a freehold basis under a Sanad dated 4 December 1972 subject to the terms contained therein. Merind, on permission being granted by the Collector for the Mumbai Sub-urban District through a no objection certificate dated 11 December 2009, granted FHsL, an entity in the Fortis Group, the right to run, operate and manage the Mulund Clinical Establishment through a management and operating agreement dated 17 December 2009 (the "O&M Agreement") for a period of 20 years, with an automatic renewal option for further period of 20 years. KHL (since merged into IHL) and FHsL had entered into a business transfer agreement dated 28 September 2012 for transfer from FHsL of, amongst others, all rights and obligations under the O&M Agreement. For such business transfer, an amount of ₹1,020.0 million was paid to FHsL as advance consideration.

As part of the business transfer from FHsL, the O&M Agreement has been novated from FHsL to KHL (which was subsequently merged into IHL) pursuant to a deed of novation dated 10 October 2012 ("Novation Deed"). Whilst, the entire business and undertakings of KHL (including the Novation Deed) was subsequently transferred to IHL pursuant to the scheme of amalgamation approved by the High Court of Punjab and Haryana on 13 December 2013, no specific deed of novation has been executed for novating the O&M Agreement and the Novation Deed from KHL to IHL. There is no assurance that there will be no adverse consequences arising from the non-execution of such a novation deed. Further, the right of IHL to operate the Mulund Clinical Establishment is subject to IHL and Merind complying with the terms and conditions of the Sanad, failing which the Sanad may be cancelled and the Government of Maharashtra may reclaim the land and building on which the Mulund Clinical Establishment is situated. In such an event, RHT's right to operate the Mulund Clinical Establishment will automatically terminate, and RHT may lose its investment. This may adversely affect RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes.

Notwithstanding the novation of the O&M Agreement, title to the Mulund Land continues to remain vested in Merind. Pursuant to the terms of the deed of novation,



subject to prior regulatory approvals, including approval from the Collector for the Mumbai Sub-urban District, IHL has an option to purchase the Mulund Land from Merind. No additional consideration is payable to Merind by IHL for such purchase. However, there is no assurance that requisite approvals for such transfer of the Mulund Land would be granted or that such approvals would not be subject additional conditions, such as the payment of increased consideration.

***Certain Operating Clinical Establishments have not obtained occupancy certificates and other consents/approvals for their continued operations***

The Amritsar Clinical Establishment and the Malar Clinical Establishment have not obtained occupancy certificates. The relevant local development authorities may not allow the Hospital Services Companies to occupy and operate from such Operating Clinical Establishments which do not have occupancy certificates and this may affect the price at which such Operating Clinical Establishments may be sold. The Jaipur Clinical Establishment, the Kolkata Clinical Establishment and the Mulund Clinical Establishment have only obtained partial occupancy certificates and operations are currently being carried out only in areas for which partial occupancy certificates have been obtained. The Operating Clinical Establishments with partial occupancy certificates mentioned above would not be permitted by the relevant local development authorities to undertake operations from the portions of the clinical establishments in respect of which the occupancy certificate has not been obtained. In addition, the relevant local development authority may have discretionary powers to impose penalties on the Hospital Services Companies for occupying the Operating Clinical Establishments without the necessary occupancy certificates, or for occupying parts of the relevant Operating Clinical Establishments for which partial occupancy certificates were not obtained. Any discontinuation of operations at such Operating Clinical Establishments may adversely affect the revenues of the relevant Fortis Operating Company, and consequently, that of the relevant Hospital Services Company and RHT. In such an event, there may be an adverse effect on RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes.

The Amritsar Clinical Establishment does not possess the no objection certificate from the town planning department permitting the occupation of the Fortis Hospital operating at the Amritsar Clinical Establishment. In the absence of such approval, the relevant authorities may order the Fortis Hospital operating at the Amritsar Clinical Establishment to cease operations until consent is obtained. In such an event, RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes may be adversely affected.

In the absence of these consents and approvals, the relevant authorities may order that the Fortis Hospitals cease operations from these Operating Clinical Establishments until such requisite consents or approvals (or renewals thereof) are obtained. The Hospital Services Company may also be subject to fines and penalties for any delays in obtaining consents (or renewals thereof) or operating without obtaining such approvals. In such an event, RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes may be adversely affected.

***Certain Operating Clinical Establishments do not have environmental clearances***

The Environmental Impact Assessment Notification S.O. 1533(E), 2006 (the "**EIA Notification**") issued under the Environment (Protection) Act, 1986 and the Environment (Protection) Rules, 1986, as amended, provides amongst others that prior

approval of the Ministry of Environment and Forests, Government of India, or State Environment Impact Assessment Authority (as applicable) is required for establishment of any new project and for expansion or modernisation of existing projects.

Certain of the Operating Clinical Establishments, namely the Jaipur Clinical Establishment, the Kolkata Clinical Establishment and the Mulund Clinical Establishment, do not have environmental clearances as required under the EIA Notification. Whilst the aforementioned Operating Clinical Establishments have been granted occupancy certificates and are operational, there is no assurance that the operations of the respective Operating Clinical Establishments would not be adversely affected due to any directions from the Government of India or that no proceedings would be initiated against the relevant Hospital Services Companies or their officials. The discontinuation of operations may have an adverse impact on RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes.

***Payment of conversion charges, development charges is pending for the Amritsar Clinical Establishment and permission for the change of land use is pending for the two Operating Hospitals***

In respect of the Amritsar Clinical Establishment, the relevant town planning authority had granted EHSSIL (since merged into IHL) permission to construct a hospital building subject to payment of the applicable conversion charges and development charges for using the land for a hospital. An application to the relevant town planning department for payment of the applicable conversion charges and development charges has been made. Failure to pay conversion charges and development charges may result in the relevant authorities ordering the cessation of operations at the Amritsar Clinical Establishment, or the payment of penalties or other punitive actions against IHL.

Whilst hospital registration certificates have been obtained for both the Nagarbhavi Operating Hospital and the Rajajinagar Operating Hospital, the current permitted use of the land on which the Nagarbhavi Operating Hospital is located is residential and the approval obtained for construction of the building thereon, from the relevant development authority, is also for residential purposes. Similarly, the current land use for the Rajajinagar Operating Hospital is clinical-cum-residential. The current permitted use of the adjacent land acquired on lease as an expansion of the Rajajinagar Operating Hospital, is also residential. No application for the change of land use from residential to commercial or hospital have been made by the respective Hospital Services Companies or the relevant lessors. In the absence of approval, FHML and IHL may not be able to operate the Nagarbhavi Operating Hospital and the Rajajinagar Operating Hospital respectively, now or in the future. FHML and IHL may also be subject to fines or penalties for operating the Nagarbhavi Operating Hospital and the Rajajinagar Operating Hospital without obtaining prior approval or for a delay in the application for approval.

In such an event, RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes may be adversely affected.

***Some of the Hospital Services Companies are required, or may be required in the future, to provide free or subsidised medical services***

Under the terms of allotment or lease deeds, or as a result of judicial pronouncements, some of the Hospital Services Companies are required to provide free or subsidised medical services to patients belonging to the economically weaker sections of society.

For example, pursuant to the order of the Supreme Court of India made in 2011, hospitals in Delhi are required to provide completely free treatment to economically weaker patients, to the extent of 25.0% of the outpatient department patients and 10.0% of the inpatient department patients. Additionally, the allotment order for the land on which the Gurgaon Clinical Establishment is situated requires that economically weaker patients should be provided (i) OPD Services free of cost to the extent of 20.0% of the OPD Services provided by Gurgaon Clinical Establishment, and (ii) 20.0% of the Operational Beds at subsidised rates (such subsidised rates being 30.0% of the normal charges). Under the terms of the lease deed executed for the Noida Clinical Establishment, it is required to provide all types of services free of cost to the current and former employees of New Okhla Industrial Development Authority, up to a maximum of 5% of the Operational Beds. The lease deeds relating to the lands on which the Hyderabad Greenfield Clinical Establishment and the Greater Noida Greenfield Clinical Establishment are situated, are also subject to similar requirements in respect of the provision of services of cost and to the provision of services to economically weaker patients at subsidised rates. The requirement for providing free services may have an adverse effect on the revenues of the Hospital Services Companies, which may affect the business, financial condition, results of operations and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

In addition to the above requirements, a lawsuit is currently pending before the Supreme Court of India against EHRCL (since merged into IHL) alleging that the Faridabad Clinical Establishment is being operated in violation of the terms of the allotment letter, including the terms requiring provision of free medical services to economically weaker patients. If the lawsuit is decided against IHL, the allotment of land may be cancelled, or IHL may be required to provide free medical services on the Faridabad Clinical Establishment. The provision of free medical services may affect the revenues generated on the operations of the Faridabad Clinical Establishment, which may affect business, financial condition, results of operations and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***The due diligence exercise on buildings and equipment prior to their acquisition may not have identified all material defects, breaches of laws and regulations, and other deficiencies***

While due diligence investigations prior to their acquisition have been conducted with respect to the Operating Clinical Establishments and the Hospital Services Companies, there can be no assurance that the Operating Clinical Establishments will not have defects or deficiencies requiring repair or maintenance and which may result in RHT incurring significant capital expenditure, or payment or other obligations to third parties. The reports that the Issuer commissioned and relied upon as part of its due diligence investigations of the Operating Clinical Establishments may be subject to inaccuracies and deficiencies as certain building defects and deficiencies may be difficult or impossible to ascertain due to the limitations inherent in the scope of the inspections, title search process, the technology or techniques used and other factors.

In addition, some of the Operating Clinical Establishments or the Hospital Services Companies may be in breach of laws and regulations or fail to comply with certain regulatory requirements, which the Issuer's previous due diligence investigations did not uncover. As a result, RHT may incur financial or other liabilities in relation to such breaches or non-compliance, which may adversely affect the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***There is no assurance that certain leaseholds will be renewed***

The Nagarbhavi Operating Hospital and the Rajajinagar Operating Hospital are operated on premises which are leased from third parties. The lease deeds in respect of these facilities expire in 2030 and 2028 respectively. The leasehold for the expansion of the Rajajinagar Operating Hospital expires in 2022. Furthermore, the leasehold of the land on which the Hyderabad Greenfield Clinical Establishment is situated, is proposed to be for a period of 33 years. There is no assurance that such lease deeds will, upon their expiry, be renewed on commercially acceptable terms, or at all. In the event that these lease deeds are not renewed, then the relevant Hospital Services Company may have to surrender the land together with the hospital buildings constructed thereon to the relevant lessor upon the expiration of the lease term. The value of RHT's Portfolio will be reduced on any such surrender of the leaseholds, which may adversely affect the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***Failure to comply with the terms and conditions of the allotment letters and/or lease deeds could result in adverse consequences***

Any use of the land sites granted/leased pursuant to allotment letters/lease deeds will have to be in compliance with terms and conditions contained in such allotment letters/lease deeds. The grantors/lessors under such allotments/leases may terminate the allotments/leases in the event of breach of the terms of allotment letters or the lease deeds, including delay in payment or non-payment of rent, usage of property other than for the purposes for which it has been allotted/leased or on the transfer/assignment/mortgage of the land sites or the clinical establishments situated thereon in breach of the terms of the allotment letters and/or lease deeds. Additionally, the terms of the allotment letters/lease deeds may impose certain liabilities and obligations or may be subject to fulfilment of certain conditions. IHL is involved in litigation where it has been alleged that the Faridabad Clinical Establishment was being operated in violation of the terms of the allotment of land. If any such allotment/lease is terminated or expires and is not renewed, RHT could lose its investments, including certain assets comprising RHT's Portfolio, which may adversely affect the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***Certain of the Operating Clinical Establishments and Greenfield Clinical Establishments can be developed and used for hospital purposes only***

The Jaipur Clinical Establishment, Kolkata Clinical Establishment, Shalimar Bagh Clinical Establishment, Faridabad Clinical Establishment, Noida Clinical Establishment, Gurgaon Clinical Establishment and the Hyderabad Greenfield Clinical Establishment are situated on sites designated solely for hospital purposes. As these Clinical Establishments can only be used for a specific purpose, if RHT or the Fortis Operating Companies terminate any of the Hospital and Medical Services Agreements or if the Fortis Operating Companies lose their licences to operate such hospitals, the Issuer may not be able to find a replacement hospital operator which holds the relevant licences to operate the hospital in time, or enter into an arrangement on terms acceptable to the Issuer or at all. In the event that the Issuer is not able to find a suitable replacement hospital operator or carry out hospital operations on its own, RHT may need to seek approval to use these Operating Clinical Establishments or Greenfield Clinical Establishments for purposes other than operating hospitals, or may need to dispose of such Clinical Establishments. There can be no assurance that RHT will be able to obtain the requisite approvals for any change in the use of such land, and even if the approvals were obtained, RHT may be required to incur significant time and

expenditure to alter the asset to make it suitable for other uses and undertake concomitant amendments to its investment mandate. If any of the above events were to occur, RHT's business, financial condition, results of operations, and/or prospects, and its ability to fulfil its payment obligations under the Notes may be adversely affected.

***The market values of the Portfolio may differ from their appraised values***

Valuations generally may include a subjective determination of certain factors relating to the relevant Operating Clinical Establishment, Operating Hospital or Greenfield Clinical Establishment, such as their relative market positions, financial and competitive strengths, and physical conditions, where applicable.

Furthermore, the valuation was undertaken based on publicly available data which is limited compared to other industrialised countries as a small number of organisations have only recently begun to publish relevant statistical and other research data. The lack of data makes it relatively more difficult to assess market values in India. The market values of the Operating Clinical Establishments, Operating Hospitals and Greenfield Clinical Establishments may therefore differ from their appraised values from time to time.

The appraised value of any of the Operating Clinical Establishments, Operating Hospitals or Greenfield Clinical Establishments is not an indication of, and does not guarantee, a sale price at that value at present or in the future. The price at which RHT may sell an asset in the Portfolio, whether through the disposal of the asset or by way of a disposal of the entity holding such asset, may be lower than its appraised value.

***There may be delays in obtaining land and construction related approvals for certain Clinical Establishments***

Construction of the Greenfield Clinical Establishments may only commence after HEPL (or, in the case of the Greater Noida Greenfield Clinical Establishment, IHL) has obtained the requisite statutory and regulatory approvals or permits. The Hospital Services Companies will also require statutory and regulatory approvals or permits to carry out any future expansion or upgrading works. Such approvals and permits would also be required for any clinical establishments acquired or proposed to be set up by RHT in the future. Approvals and permits include those required for commencing construction, such as applying for and obtaining relevant land user permissions, submitting building plans to concerned development authorities, obtaining commencement certificates, obtaining no objection certificates from the relevant fire departments and obtaining consents to establish from the concerned pollution control boards under the Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974. The approvals and permits that are required for completing construction include revising and renewing the commencement certificates and building plans as the construction progresses, obtaining no objection certificates from the concerned fire departments, obtaining occupancy certificates and completion certificates permitting occupation of the constructed building.

The sanction of the building plan for the construction of the remaining proposed floors (sixth to tenth floors) of the Gurgaon Clinical Establishment has expired and is pending and requires re-validation before any further expansion in the Gurgaon Clinical Establishment is carried out. The authorities may not sanction re-validation of the plans unless penalty or any premium as determined by the authorities is duly paid. Additional improvement works to the Kolkata Clinical Establishment and Mulund Clinical Establishment are ongoing and the relevant Hospital Services Companies continue to

apply for regulatory and statutory approvals and permits for such construction works. The construction permission issued by the relevant town planning authority for the Malar Clinical Establishment permitted FMHL to construct a hospital building comprising a basement, ground floor and three floors only. FMHL had constructed a hospital building comprising a basement, ground floor and seven floors. While FMHL had made an application for the regularisation of the unauthorised construction in respect of the additional floors in 2001, the relevant town planning authority has not yet issued any order regularising the construction of the additional floors as at the Latest Practicable Date. While FMHL is following up with the relevant authority, there is no assurance as to the time within which an order regularising the construction of the additional floors will be issued or if any such regularisation of the additional construction will be forthcoming at all. Pending regularisation, the relevant authorities may order the Fortis Hospital operating at the Malar Clinical Establishment to cease operations. Furthermore, the authorities may impose penalties on FMHL and after the Malar Clinical Establishment is transferred, FHML, or take other punitive actions against FMHL or FHML.

The Group may encounter delays in obtaining these approvals or permits (including the permission for regularisation), or may not be able to obtain such approvals or permits at all. Moreover, there can be no assurance that the Group will not encounter difficulties in fulfilling any conditions precedent forming a part of the approvals or permits described above or any approvals or permits which they may require in the future, or that the Group will be able to comply with new laws, regulations or policies which may come into effect from time to time with respect to the particular processes of granting the approvals or permits. As the right of the Group to occupy the clinical establishments would depend substantially upon approvals or completion or receiving occupancy certificates having been obtained from certain governmental agencies, any delay or failure in obtaining such approvals or permits, could disrupt the schedule for completion and occupancy rights of Group, which could have an adverse effect on RHT's business, financial condition, results of operations, and/or prospects, and its ability to fulfil its payment obligations under the Notes.

#### ***RHT may face risks associated with the Greenfield Clinical Establishments***

There are four Greenfield Clinical Establishments to be developed. The development of the Greenfield Clinical Establishments involves various risks, including regulatory, construction and financing risks as well as the risk that the assets will on completion be unable to achieve the targeted return on investment. Development of clinical establishments typically requires substantial capital outlay during the development period and it may take an extended period of time to complete, occupy and operate before a potential return can be generated. The time and costs required to complete or develop a clinical establishment may be subject to substantial extensions and increases due to many factors, including price increases with respect to, construction materials (which may prove defective), equipment, technical skills and labour, adverse weather conditions, third party performance risks, environmental risks, changes in market conditions, changes in government or regulatory policies, delays in obtaining the requisite approvals, permits, licences or certifications from the relevant authorities and other unforeseeable problems and circumstances. Any of these factors may lead to delays in, or prevent the completion of, the development of the clinical establishment and result in costs substantially exceeding those originally budgeted. RHT may not be adequately compensated by insurance proceeds and/or contractual indemnities, if any, for increased costs or for delay in commencing operations and receiving revenue.

If there are cost overruns and further funding is required, there can be no assurance that such funding will be available or would be obtained on favourable terms. In the event of a shortfall in funding due to cost overruns in any project, construction will not be able to be completed and RHT may be required to reduce the scope of the development, forfeit its interests in some or all of the project, incur financial penalties and reduce or terminate its operations, which would have an adverse financial impact on RHT.

Any revenue-sharing or services agreement entered into between RHT and a prospective hospital operator may provide for the clinical establishment to be completed and delivered to them within a required timeframe, failing which the commitment by the prospective hospital operator may be withdrawn. Alternatively, it may lead to RHT incurring penalties as a result of the non-performance. This will therefore lead to a drop in the anticipated/forecast investment returns for RHT.

The construction of a clinical establishment is based upon the Issuer's anticipation and assessment of potential patient volume. There is no assurance that the actual patient volume following completion of construction of a clinical establishment will match the potential patient volume. The clinical establishment may suffer from a lack of demand upon completion due to the prevailing market conditions. Furthermore, hospital operators may not be found in a timely manner or at all, or agreements may not be concluded with such operators on satisfactory terms due to the low demand for hospitals at the relevant time of completion.

If any of the above occurs, it may adversely affect the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***The Central or State Governments in India may exercise rights of eminent domain in respect of the land on which the Operating Clinical Establishments and Greenfield Clinical Establishments are situated***

The Central or State Governments in India may exercise their rights of eminent domain, or compulsory acquisition in respect of the Operating Clinical Establishments and Greenfield Clinical Establishments. The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (which repeals the (Indian) Land Acquisition Act, 1894) allows the Central and State Governments to exercise rights of eminent domain or, compulsory acquisition. If such right is used in respect of the land on which an Operating Clinical Establishment or Greenfield Clinical Establishment is located or being constructed, RHT could be required to relinquish such land along with the relevant Operating Clinical Establishments and Greenfield Clinical Establishments located or being constructed on it. While RHT may be compensated, in accordance with the relevant legislation, for such compulsory acquisition of land, the compensation may not reflect the market value of the properties. The likelihood of such actions may increase as the Central and State Governments seek to acquire or re-zone such land for the development of infrastructure projects such as roads, airports, railways and any other public purpose. For example, a portion of the open area in front of the Mulund Clinical Establishment measuring 15,798.32 sq ft (representing approximately 5.37% of the total land area on which the Mulund Clinical Establishment is situated) is the subject of an acquisition notice for the purposes of road widening. Whilst the acquisition notice in respect of the Mulund Clinical Establishment does not and is not expected to affect operations, there is no assurance that any such action in respect of one or more of the existing, or future, clinical establishments in RHT's Portfolio could adversely affect the value of the Portfolio and

the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***RHT may not have sufficient insurance coverage to cover all possible economic losses***

The Operating Clinical Establishments and the Operating Hospitals carry inherent risks of damage to, or destruction of, assets caused by fire, natural disasters or other events beyond their control. Additionally, they are exposed to potential public liability claims, including claims arising from the operations of the Operating Clinical Establishments and the Operating Hospitals. The Hospital Services Companies maintain insurance coverage for losses arising from such events, in amounts which it believes to be commercially appropriate and typical for the medical and healthcare services industry. However, such insurance may not be adequate to cover all losses or liabilities of the Operating Clinical Establishments and the Operating Hospitals, especially when the loss suffered is not easily quantifiable or is as a result of reputational damage. Even if the Hospital Services Companies make claims under existing insurance policies, they may not be able to successfully assert their claim for any loss or liability covered under such insurance.

In addition, the Hospital Services Companies may not be able to maintain insurance of the types or at levels which they deem necessary or adequate or at rates which they consider reasonable in the future. The occurrence of an event for which the Hospital Services Companies are not adequately insured or the successful assertion of one or more large claims against the Hospital Services Companies that exceed the available insurance coverage, or changes in the insurance policies, could have an adverse effect on the Hospital Services Companies.

There may also be various other risks and losses for which the Hospital Services Companies are not insured either because such losses are uninsurable or cannot be insured on commercially acceptable terms. Currently, the Hospital Services Companies' insurance policies for the Operating Clinical Establishments and the Operating Hospitals do not cover loss or damage due to acts of war, nuclear and/or atomic radiation, loss or damage due to wear and tear, gradual deterioration or slowly developing flaws, consequential loss of any kind, loss of or damage caused by or due to action of any lawfully constituted authority or government body, or loss or damage for which any third party is responsible for either by law or by contract.

The occurrence of an event for which the Hospital Services Companies are not insured or not adequately insured or changes in the insurance policies (including premium increases or imposition of co-insurance requirements), could have a material adverse effect on the business, operations and financial condition of the Hospital Services Companies. This would impact RHT's returns on its investment in the affected Operating Clinical Establishment or Operating Hospital and RHT's ability to fulfil its payment obligations under the Notes.

***There are outstanding legal proceedings involving some of the Hospital Services Companies***

Some of the Hospital Services Companies are involved in legal proceedings and the title rights of certain of the Hospital Services Companies over the land on which certain Operating Clinical Establishments are presently subject to legal proceedings. These proceedings are pending at different levels of adjudication before various courts, tribunals and regulatory authorities. Further, litigation in India can be time-consuming and the Hospital Services Companies may have to incur substantial costs and devote



considerable resources towards defending the outstanding legal proceedings. Additionally, there is no assurance that these legal proceedings will be decided in favour of the Hospital Services Companies. These legal proceedings may be decided against the Hospital Services Companies, or changes in the relevant laws and regulations may adversely affect the outcome of such proceedings. Any substantial costs incurred by the Hospital Services Companies towards defending the outstanding legal proceedings or any unfavourable outcome in relation to such proceedings could have an adverse effect on the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

The Hospital Services Companies are indemnified by vendors in the the Fortis Group against, amongst others, losses arising from litigation, disputes or legal proceedings relating to the clinical establishments business being acquired or the Hospital Services Companies, as the case may be. However, the indemnities are subject to certain limitations under the agreements, including the limitation that the indemnity covers direct losses suffered by the purchasers from such breach and does not extend to consequential or indirect losses, and that the vendor's liability is limited to the purchase price paid under the respective agreements. There is no assurance that the relevant entities in the Group will be able to successfully bring a claim against the vendors in the Fortis Group under the indemnities or that such indemnities will be adequate to satisfy all the losses, damages, costs and expenses suffered by the Group arising from such proceedings or the consequences thereof. Should any of the foregoing occur, this could have an adverse effect on the business, financial condition, results of operation, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

## **RISKS RELATING TO RHT'S OPERATIONS**

***The Hospital Services Companies require various material approvals, licences, registrations and permits to carry on business operations. Any failure to obtain or renew them in a timely manner may adversely affect the business operations of the Hospital Services Companies***

The Hospital Services Companies require various material approvals, licences, registrations and permits to provide the Clinical Establishment Services. Such approvals include:

- approvals for radiological services;
- approvals, consents and authorisation under various environmental laws;
- medical related licences; and
- fire, explosives and boilers related licences.

Any failure or inability to receive the material licences, registrations or approvals, or to renew them in a timely manner or at all, may result in financial penalties being imposed on the Hospital Services Companies. It may also result in the Hospital Services Companies not being able to offer certain of their services or the discontinuation of operations at one or more Operating Clinical Establishments. The discontinuation of operations due to delay or inability to obtain approvals may have an adverse impact on RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes.

***The Operating Clinical Establishments are required to obtain certain licences and permits in relation to the provision of services at which the premises of the Operating Clinical Establishments are located. Any failure to obtain or renew them in a timely manner may adversely affect the operations of the Operating Clinical Establishments***

Each Operating Clinical Establishment is required under applicable laws to procure certain licences and permits from various authorities in relation to the provision of various services on the premises at which such Operating Clinical Establishment is located. There are certain licences and/or permits which are required to be obtained only once, while others are of a recurring nature which may need periodic renewals. At any given point of time, there will be licences and/or permits which have expired or are about to expire or which shall cease to be valid unless certain conditions are met. Such licences and/or permits would be under process of renewal or a fresh application (as the case may be). As and when required, either as per the requirements of applicable laws or pursuant to the conditions specified in the licences and/or permits (if any), the Hospital Services Company or the Fortis Operating Company, as the case may be, will take necessary steps for the timely renewal or procurement of such licences and/or permits. However, there is no assurance that the relevant authorities will renew the licences and/or permits or that such licences and/or permits would be renewed/granted prior to their expiry or within a stipulated period or that during the transition phase there would not be any disruption to the operations of the Operating Clinical Establishments due to unavailability or non-renewal of necessary licences and/or permits.

Further, due to the restructuring and amalgamation of EHRCL, EHSSIL and KHL with IHL which took effect on 17 January 2014, there are licences and permits which are required to be amended to reflect the transferee entity. Although the process of change of name for the relevant licences and authorisations is underway, there is no assurance that the relevant authorities would grant their approval for the change of name or that it would be granted in a time bound manner or that during interim period there would not be any disturbance to the operations of the clinical establishments and hospital due to unavailability of necessary licences or authorisations.

***The failure to comply with, and any changes to, safety, health, environmental and other regulations governing hospital operations in India may adversely affect RHT's financial condition and competitive position***

The Hospital Services Companies are subject to various Indian laws, rules and regulations that govern, amongst other things:

- the conduct of their operations;
- facilities and services and any alterations;
- quality of medical equipment and services;
- discharge of pollutants into air and water and handling and disposal of bio-medical waste;
- handling and discharge of radioactive materials and other hazardous waste;
- fire safety;
- qualifications of medical and support personnel;

- confidentiality, maintenance and security issues associated with health-related information, and medical records; and
- screening, stabilisation and transfer of patients who have emergency medical conditions.

The Hospital Services Companies are required to obtain various licences or permits from governmental and/or regulatory authorities for undertaking their operations. If any of the Hospital Services Companies is held to be in violation of such regulatory requirements, including conditions specified in the licences and/or permits required for its operations, by courts or governmental agencies, it may have to pay fines, modify or discontinue its operations, incur additional operating costs or undertake capital expenditure. Any public interest or class action legal proceedings related to such matters may result in the imposition of financial or other obligations on the Hospital Services Companies.

The Hospital Services Companies provide the Clinical Establishment Services pursuant to the Hospital and Medical Services Agreements in respect of the Operating Clinical Establishments. Under the Hospital and Medical Services Agreements, it is the responsibility of the Hospital Services Companies to apply for, procure, renew and maintain the necessary licences in relation to the Clinical Establishment Services provided by such Hospital Services Companies. The Fortis Operating Companies are also required to comply with various Indian laws, rules and regulations governing hospital operations and obtain various licences or permits from governmental and regulatory authorities for undertaking operations. There is no assurance that the Fortis Operating Companies are in compliance with all Indian laws applicable to them, have obtained all the necessary licences and permits, and are in compliance with the terms and conditions specified in such licences and permits or that there would not be any disturbance to the running and operating the hospital or the services provided by the Hospital Services Companies on account of failure by any of the Fortis Operating Companies to apply for, procure, renew and/or maintain the licences and/or permits required to be obtained by the Fortis Operating Companies. Any failure by the Fortis Operating Companies to comply with applicable legal requirements and conditions of their licences, or to obtain and renew licences in a timely manner, may have an adverse impact on the operations of the Fortis Operating Companies and adversely affect their ability to fulfil their financial obligations under the Hospital and Medical Services Agreements, including the Service Fees payable by them under the Hospital and Medical Services Agreements.

Moreover, in the future, existing Indian regulations governing hospital operations may become more stringent or new regulations may be enacted. For example, the Government of India had in May 2012 notified the rules under the Clinical Establishments (Registration and Regulation) Act, 2010 (the "**CE Act**"). The CE Act was enacted by the Government of India to regulate clinical establishments and the rules provide amongst others that the Government of India may, from time to time, specify the rates that may be charged by clinical establishments for the services provided by them. The CE Act is applicable in the first instance to states specified in the said legislation and the Union Territories (including the National Capital Territory of Delhi) and is required to be adopted by the state governments for its implementation. As at the Latest Practicable Date, none of the states where the Operating Clinical Establishments are located (except Rajasthan and Uttar Pradesh) have adopted the CE Act. As health is a state subject, the state of West Bengal has not adopted the CE Act but has enacted a legislation for the registration and regulation of clinical establishments and incidental matters in the state of West Bengal, being the West

Bengal Clinical Establishments (Registration And Regulation) Act, 2010. The scope and extent of the impact of the CE Act and any other future laws or amendments to existing laws on the Hospital Services Companies, cannot be predicted with any certainty. Any such changes may also impose additional taxes and other levies and the Hospital Services Companies may be subject to additional costs to ensure compliance. Any such costs could adversely affect the Hospital Services Companies' competitive position and results of operations.

Any adverse impact on the Hospital Services Companies' financial condition or operations due to Indian regulations governing hospital operations may have a material negative impact on RHT's business, financial condition, results of operations or prospects, and its ability to fulfil its payment obligations under the Notes.

***There could be political, economic or other factors that are beyond RHT's control, which may have a material adverse impact on its business and results of operations if they materialise***

The following external risks may have a material adverse impact on RHT's business, financial condition, results of operations and/or the prospects of RHT and its ability to fulfil its payment obligations under the Notes:

- a change in the Government of India or a change in the economic and deregulation policies could adversely affect economic conditions in India in general and the business of the Hospital Services Companies;
- a slowdown in economic growth or financial instability in India or other economies in which RHT may operate in the future could adversely affect its business and results of operations. As RHT's Portfolio is located in India, the growth of RHT's current business and our performance is currently linked to the performance of the overall Indian economy;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war involving India or other countries could materially and adversely affect the financial markets which could impact RHT's business;
- natural disasters in India may disrupt or adversely affect the Indian economy, the health of which RHT's business depends on; and
- the Indian economy has had sustained periods of high inflation. High rates of inflation in India could decrease the disposable income available to patients of the Fortis Operating Companies and decrease the operating margins of the Fortis Operating Companies, which could have an adverse effect on RHT's profitability and results of operations.

***RHT may be subject to liabilities and negative publicity arising from the risks of providing medical services including those resulting from claims of malpractice and medical negligence***

The Fortis Operating Companies, as hospital operators, are exposed to the risk of legal claims and regulatory actions relating to healthcare services they provide. Additionally, the Hospital Services Companies are also exposed to the risk of legal claims and regulatory actions on account of the OPD Services and Radio Diagnostic Services provided by them. The existence of such claims may tarnish the professional standing and market reputation of the Fortis Operating Companies, the Group, the Operating Clinical Establishments, the Operating Hospitals and the Fortis Hospitals and/or the doctors and medical professionals involved. In addition, the reputational consequences

of any claims may have a material adverse effect on the business and operations of the Hospital Services Companies. Regardless of their validity, negative publicity arising from such claims may also affect the number of patients visiting the hospitals and may adversely affect the revenue generated by the hospitals.

Moreover, if any such claims succeed, the Fortis Operating Companies or the Hospital Services Companies may become liable for the damages and other financial consequences, which may have a material adverse impact on the financial condition and results of operations of the Fortis Operating Companies or the Hospital Services Companies. While the Hospital Services Companies have procured medical liability insurance and are indemnified by the Fortis Operating Companies from all losses, damages, costs and expenses arising from the provision of healthcare services (including the OPD Services and Radio Diagnostic Services) provided at the hospitals, there is no certainty that such insurance or indemnity will be adequate to satisfy all the claims arising from malpractice or medical negligence.

Any successful claims against the Hospital Services Companies in excess of the insurance coverage or the indemnity may have an adverse impact on the financial condition and results of operations of the Hospital Services Companies. Similarly, any successful claims against the Fortis Operating Companies in excess of the medical negligence insurance taken out by them may adversely affect their financial condition and impede their ability to pay the Service Fees under the terms of the Hospital and Medical Services Agreement and consequently adversely affect the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***The Issuer may not be able to execute its investment and expansion strategy successfully***

RHT's growth depends on its ability to develop greenfield projects and identify suitable assets and acquisition opportunities which are in accordance with its investment mandate. There can be no assurance that the Issuer will be able to implement its investment strategy successfully or that it will be able to expand RHT's Portfolio at all, or at any specified rate or to any specified size. The Issuer may not be able to make acquisitions or investments on favourable terms or within a desired time frame.

RHT may require debt and equity financing for greenfield development projects, acquisition opportunities, periodic capital expenditure, refurbishment and renovation for improvements in order to remain competitive or income producing and for its working capital requirements. Financing may not be available on short notice or may not be available on acceptable terms. As a result of a lack of funding, RHT may not be able to carry out its development and acquisition projects successfully. In the event RHT is unable to obtain such financing, its business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes may be adversely affected.

The availability of investment opportunities may be influenced by the continued attractiveness of the markets in which RHT proposes to invest, and the demand for healthcare services. Furthermore, there may be significant competition for attractive investment opportunities from other investors. There can be no assurance that RHT will be able to compete effectively against such entities.

***Fortis, whose interest in RHT's business may be different from the other stakeholders, will be able to exercise significant influence over certain activities of RHT***

Fortis, its related corporations (as defined in the Companies Act, Chapter 50 of Singapore) and/or associates are engaged in, among other things, the development of, and investment in, healthcare and healthcare related activities. As at the Latest Practicable Date, Fortis holds approximately 29.6% of the total number of Units in issue.

Fortis is therefore in a position to exercise significant influence in certain matters which require the approval of Unitholders. As a Controlling Unitholder of RHT, the interests of Fortis may not necessarily be in line with the best interests of RHT or of the Noteholders. The actions of Fortis could favour such other interests over the interests of RHT and the interests of other Unitholders or Noteholders, which may adversely affect the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***The ROFR shall not apply if the conditions for the grant of the ROFR are not satisfied or RHT may not be able to benefit from the ROFR***

The rights under the ROFR are granted to RHT subject to certain conditions. These conditions are that:

- (i) the Trustee-Manager and/or any of its related corporations remains as trustee-manager of RHT;
- (ii) (a) Mr Malvinder Mohan Singh ("**MMS**"), Mr Shivinder Mohan Singh ("**SMS**") and their respective associates (as defined in the Listing Manual) collectively have an interest of more than:
  - (1) (A) 20.0% or more in the total voting shares of Fortis; and (B) Fortis and/or any of its subsidiaries has, directly or indirectly, 15.0% or more of the total units from time to time issued in RHT; or
  - (2) 15.0% or more of the total units from time to time issued in RHT; and
- (b) MMS, SMS and their respective associates (as defined in the Listing Manual) collectively have an interest, directly or indirectly, of 15.0% or more in the total voting shares of the Trustee-Manager; and
- (iii) RHT continues to be listed on the Main Board of SGX-ST.

There is no guarantee that the abovementioned conditions will continue to be maintained. RHT will no longer be able to benefit from the ROFR should the conditions for its grant be no longer satisfied. This may adversely affect RHT's ability to implement its acquisitions growth strategy, and may adversely affect the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***Future acquisitions may not yield the returns expected and result in disruptions to RHT's business, straining of management resources and dilution of holdings***

RHT's growth strategy and its assets and/or market selection process may not ultimately be successful. Acquisitions may not integrate and synergise with RHT's

business as intended or expected and may instead cause disruptions to RHT's operations and divert the management's attention away from day-to-day operations.

***RHT's strategy of investing mainly in medical and healthcare assets and services may entail a higher level of risk compared to investment funds that have a more diverse range of investments***

The risk of investing in RHT, which focuses primarily on medical and healthcare assets and services, may be higher compared to other types of investment funds that have a more diverse range of investments. A concentration of investments in a portfolio of such specific assets exposes RHT's financial performance to any downturn in the healthcare sector. Additionally, RHT's Portfolio is located in India, which exposes RHT to geographic and market concentration risks. Any downturn affecting the healthcare sector or Indian economy may lead to a decline in occupancy for hospitals including those in RHT's Portfolio, thereby adversely affecting RHT's revenue from the Hospital and Medical Services Agreements, and/or in a decline in the capital value of RHT's Portfolio, which may adversely affect the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***RHT may be adversely affected by the illiquidity of its investments***

Investments in medical and healthcare assets and services, such as those in which RHT has invested or intends to invest, are relatively illiquid. Such illiquidity may affect RHT's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, market or other conditions. For instance, RHT may be unable to sell medical and healthcare assets at short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets in order to ensure a quick sale. Moreover, RHT may face difficulties in securing timely and commercially favourable financing due to the illiquid nature of the medical and healthcare assets. These factors could adversely affect RHT's business, financial condition, results of operations, and/or prospects and its ability to fulfil its payment obligations under the Notes.

***The Trustee-Manager may change RHT's investment mandate***

The Trustee-Manager may change RHT's investment mandate without Unitholders' approval, subject to the restriction under the Trust Deed that RHT may not carry on any other principal activities other than engaging in the Authorised Businesses (as defined herein). There is no assurance that RHT's investment mandate described in this Information Memorandum will not be amended. The risk profile of RHT and the risks and uncertainties faced by RHT may change where a new investment mandate is adopted. In addition, the methods of implementing RHT's investment strategies and policies may also vary as new investment and financing techniques are developed or otherwise used. Any such changes may have an adverse effect on the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***RHT depends on certain key executives and advisors, and the loss of any key executive or advisor may adversely affect its operations***

RHT's performance depends, in part, upon the continued service and performance of key executives of the Issuer. These key executives may leave the employment of the Issuer. The loss of any of these individuals may adversely affect the business, financial

condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***RHT needs to keep abreast with rapid technological changes, frequent new equipment and product introductions, changes in patients' needs and evolving industry standards***

The market for the healthcare equipment and products is characterised by rapid technological changes, frequent new healthcare equipment and product introductions and technology enhancements, changes in patients' needs and evolving industry standards. New equipment and products based on new or improved technologies or new industry standards can render existing equipment and products obsolete. To effectively provide services to the hospital operators operating at the medical and healthcare assets, the Hospital Services Companies have to continually enhance and develop the equipment and facilities at the medical and healthcare assets held by it on a timely basis to satisfy the increasingly sophisticated requirements of the medical professionals providing healthcare services at the hospitals operating at the medical and healthcare assets. The Hospital Services Companies may not have sufficient funds to continually invest in such equipment and facilities on a timely basis, or at all. In the event RHT is unable to keep abreast with the current trends and needs of the healthcare industry, the hospitals operating at the medical and healthcare assets may lose their competitiveness and market share, which may adversely affect the amount of the revenue received by the Hospital Services Companies and affect the business, financial condition, results of operations and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

***Exposure to risks associated with exchange rate fluctuations***

As the income of RHT is being generated in India, RHT may be exposed to risks associated with exchange rate fluctuations in the exchange rates between the Indian Rupee, Singapore dollar and any other currencies which may be adopted from time to time.

There is no assurance that RHT will be able to successfully manage its foreign exchange risks. In addition, there can be no assurance that the foreign exchange policies of India will not be changed to RHT's detriment.

***Exposure to risks associated with interest rate fluctuations***

RHT is subject to the effects of interest rate fluctuations on its borrowings from financial institutions. Some of RHT's existing borrowings are on a floating rate basis, and RHT's future borrowings may also be on a floating rate basis. Consequently, the interest cost to RHT will be subject to fluctuations in interest rates. In addition, RHT is and may in future be subject to market disruption clauses contained in their loan agreements with banks. Such clauses will generally provide that to the extent that the banks may face difficulties in raising funds in the interbank market or are paying materially more for interbank deposits than the displayed screen rates, they may pass on the higher cost of funds to the borrower, notwithstanding the margins agreed.

***RHT may engage in hedging transactions which could fail to protect RHT or adversely affect RHT***

RHT may enter into hedging transactions to protect itself from the effects of interest rate and currency exchange fluctuations on floating rate debt and also to protect its Portfolio from interest rate and prepayment fluctuations (see "Strategy" for more



information). Hedging transactions may include entering into interest rate hedging instruments, purchasing or selling futures contracts, purchasing put and call options or entering into forward agreements. Hedging activities may not have the desired beneficial impact on RHT's business, financial condition, results of operations, and/or prospects. The hedging activities may not completely insulate RHT from the risks associated with changes in interest rates and exchange rates due to certain factors, including the following:

- available interest rate hedging may not correspond directly with the interest rate risk for which protection is sought;
- the duration of the hedge may not match the duration of the related liability;
- the party owing money in the hedging transaction may default on its obligation to pay;
- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs RHT's ability to sell or assign its side of the hedging transaction; and

the value of the derivatives used for hedging may be adjusted from time to time in accordance with the accounting rules to reflect changes in fair value. Downward adjustments would reduce the NAV of RHT.

Hedging involves risks and typically involves costs, including transaction costs, which may reduce overall returns. The Issuer will seek to monitor interest rates and may engage in such hedging transactions taking into account the cost, benefits and risks of such transactions. These costs will increase as the period covered by the hedging increases and during periods of rising and volatile interest rates. These costs will also limit the amount of cash available for payment obligations under the Notes.

## **RISKS RELATING TO INDIA AND SINGAPORE**

***If the business of RHT is considered to be non-compliant with the Consolidated FDI Policy (as defined herein), the business, financial condition, results of operations and prospects of the Hospital Services Companies and RHT could be adversely affected***

The Indian Foreign Exchange Management Act, 1999 ("**FEMA**"), the rules, regulations and notifications issued under FEMA by the Reserve Bank of India ("**RBI**"), and the policy prescribed by the Department of Industrial Policy and Promotion ("**DIPP**"), Ministry of Commerce and Industry, Government of India regulate the manner of undertaking foreign investment in Indian companies, including the issue and transfer of securities. The DIPP issued the consolidated FDI Policy dated June 7, 2016 ("**Consolidated FDI Policy**"), consolidating, subsuming and superseding all press notes/press releases/clarifications/circulars issued by DIPP, which were in force as on June 06, 2016. The Consolidated FDI Policy issued by DIPP currently permits foreign direct investment under the automatic route in businesses providing medical and healthcare services.

The Issuer believes that RHT's business is in compliance with the Consolidated FDI Policy and that each of the Hospital Services Companies is engaged in the business of providing medical and healthcare services and is entitled to accept foreign direct investment under the automatic route in accordance with the applicable Indian laws and regulations. However, in the absence of any similar precedents and the absence

of precedents as to the proportionality of the medical and healthcare services being provided by the Hospital Services Companies, the regulatory authorities may take a different interpretation. If the medical and healthcare services provided by the Hospital Services Companies are deemed to be inadequate for compliance with the Consolidated FDI Policy, the Hospital Services Companies may have to acquire additional medical and healthcare services and related infrastructure from the Fortis Operating Companies. While the Sponsor Agreement provides for the potential transfer of medical and healthcare services to RHT for increasing the medical and healthcare services portfolio of the Hospital Services Companies, there can be no assurance that such acquisition and transfer would be completed in a timely manner on commercially acceptable terms, or at all. Any acquisition by the Hospital Services Companies of additional medical services and related infrastructure to ensure compliance with the Consolidated FDI Policy will result in significant costs being incurred by the Hospital Services Companies and RHT, which could have a material adverse effect on their business, results of operations and financial condition. Any inability to acquire additional medical and healthcare services, if required for compliance with the Consolidated FDI Policy in such circumstances, may attract regulatory sanctions in India. In connection with the initial public offering of RHT, Fortis had provided an indemnity (valid from the listing of RHT for a period of five years) to the Group and their trustees, directors, officers, employees and agents under the Sponsor Agreement against any losses or liabilities finally determined as payable for the breach of the Consolidated FDI Policy or FEMA, to the extent that such breach has resulted from acquisition by RHT or FGHIPL of the equity shares of the Hospital Services Companies. However, there is no assurance that such indemnity would be adequate to cover all losses suffered by the Group or that the Group would not face any difficulties in enforcing the indemnity against Fortis. In addition, the realisation or repatriation of any amounts from India pursuant to the exercise of an indemnity in favour of RHT or FGHIPL or enforcement of a judgment or award in favour of the Trustee and/or a Noteholder is restricted and will require prior approval of the RBI.

If (i) the Government of India determines the business undertaken by RHT to be non-compliant with the applicable Indian laws and regulations (including but not limited to the restrictions in accordance with the Consolidated FDI Policy on foreign investments in the aforementioned business); (ii) the Government of India amends the Consolidated FDI Policy or imposes additional requirements and conditions that the Hospital Services Companies or RHT are unable to comply with; or (iii) if the Hospital Services Companies or RHT are found to be in violation of any existing or future Indian laws or regulations, including the Consolidated FDI Policy, the concerned regulatory authorities would have broad discretion in dealing with such non-compliance, including (without limitation) the following:

- imposing a penalty of up to three times of the sum involved in the non-compliance, if quantifiable (the adjudicating authority may consider the amount of investment in Indian companies as the amount involved in the non-compliance or such other amount as it deems appropriate having regard to the facts and circumstances of a particular non-compliance);
- directing confiscation of any currency, security or other money or property in respect of which such non-compliance has taken place; and
- civil imprisonment in case of failure to pay the penalty.

In the event the governmental authorities were to impose a monetary penalty or impose additional restrictions or requirements on the Hospital Services Companies or RHT due

to non-compliance with the Consolidated FDI Policy, this may have a material adverse effect on RHT's business, financial condition, results of operations and/or prospects and its ability to fulfil its payment obligations under the Notes.

***The Hospital Services Companies may be affected by competition law in India and any adverse application or interpretation of the Competition Act, 2002***

The Competition Act of India, 2002 (the "**Indian Competition Act**") regulates practices that have an appreciable adverse effect on competition ("**AAEC**") in the relevant market in India. Under the Indian Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and results in imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, shares the market by way of geographical area or number of subscribers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC in the relevant market in India and is considered void. The Indian Competition Act also prohibits abuse of a dominant position by any enterprise.

On 4 March 2011, the Indian Government issued and brought into force the combination regulation (merger control) provisions under the Indian Competition Act with effect from 1 June 2011. These provisions require acquisitions of shares, voting rights, assets or control that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India ("**CCI**"). Additionally, on 11 May 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011 (as amended) which sets out the mechanism for implementation of the merger control regime in India.

The Indian Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by the Hospital Services Companies could be within the purview of the Indian Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Indian Competition Act on the agreements entered into by the Hospital Services Companies cannot be predicted with certainty at this stage. The Hospital Services Companies are not currently party to any outstanding proceedings, nor have they received notice in relation to non-compliance with the Indian Competition Act or the agreements entered into by them. However, if the Hospital Services Companies are affected, directly or indirectly, by the application or interpretation of any provision of the Indian Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it may adversely affect the Hospital Services Companies' business, results of operations and prospects.

Any adverse impact on the Hospital Services Companies' financial condition or operations due to the Indian Competition Act may have a material adverse impact on RHT's business, financial condition, results of operations or prospects, and its ability to fulfil its payment obligations under the Notes.

***The Indian Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject the Hospital Services Companies to higher compliance requirements and increase their compliance costs***

A majority of the provisions and rules under the Indian Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Indian Companies Act, 1956 ceasing to have effect. The Indian Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital (including provisions in relation to issue of securities on a private placement basis), disclosures in offer document, corporate governance norms, accounting policies and audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors, provision for corporate social responsibility and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, the Indian Companies Act, 2013 imposes greater monetary and other liability on the Hospital Services Companies and their directors/officers for any non-compliance. To ensure compliance with the requirements of the Indian Companies Act, 2013, the Hospital Services Companies may need to allocate additional resources, which may increase their regulatory compliance costs and divert management attention.

The Indian Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Indian Companies Act, 1956. Accordingly, the Hospital Services Companies may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event that interpretation of such provisions of the Indian Companies Act, 2013 made by the Hospital Services Companies differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Indian Government in the future, the Hospital Services Companies may face regulatory actions or they may be required to undertake remedial steps. Further, the Hospital Services Companies cannot currently determine the impact of provisions of the Indian Companies Act, 2013, which are yet to come in force. Any increase in the compliance requirements or in compliance costs of the Hospital Services Companies may have an adverse effect on RHT's business and results of operations and/or prospects and its ability to fulfil its payment obligations under the Notes.

***The realisation or repatriation of any amounts from India pursuant to the exercise of an indemnity in favour of RHT or FGHIPL or enforcement of a judgment or award in favour of the Trustee and/or a Noteholder is restricted and will require prior approval of the RBI***

The Group has entered into various agreements with Indian counterparties. Such agreements include financial obligations and indemnities of which entities within the Group are beneficiaries.

The realisation or repatriation of proceeds outside India is a capital account transaction under the FEMA. Consequently, the realisation or repatriation of amounts pursuant to the execution of an indemnity or guarantee in favour of RHT or FGHIPL or the enforcement of a judgment or award obtained by the Trustee and/or a Noteholder in India will require prior approval of the RBI. Further, any such amounts realised or repatriated may be subject to income tax in accordance with applicable laws. There is

no assurance that any required approval from the RBI can be obtained on any particular terms or at all.

***The Hospital Services Companies are considered as foreign owned or controlled companies and any investments by them in Indian companies will be subject to the provisions of the Consolidated FDI Policy and the regulations made thereunder***

Indian companies owned or controlled by non-resident entities are subject to investment restrictions as contained in the Consolidated FDI Policy. Under the Consolidated FDI Policy, an Indian company is considered to be 'owned' by a non-resident entity if more than 50.0% of the capital in it is beneficially owned by the non-resident entity. Furthermore, an Indian company is considered to be 'controlled' by a non-resident entity if the power to appoint a majority of its directors or to control the management of policy decisions including, by virtue of their shareholding or management rights or shareholders agreements or voting agreements rests with the non-resident entity. The Hospital Services Companies are considered to be owned or controlled by non-resident entities under the Consolidated FDI Policy and any investments made by the Hospital Services Companies in an Indian company will be considered as indirect foreign investment in such an Indian company. Consequently, any future investments by the Hospital Services Companies, including in hospitals through acquisition of companies, will be subject to various requirements, including sectoral investment restrictions and pricing guidelines and other restrictions, prohibition on investments in certain specified sectors as contained under the Consolidated FDI Policy and will also be required to comply with investment pricing guidelines (if applicable) issued by the RBI.

***RHT may be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting Registered Business Trusts***

RHT may be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting business trusts registered with the MAS ("**Registered Business Trusts**"). There is no assurance that new or revised legislation, regulations, guidelines or directives will not adversely affect Registered Business Trusts in general or RHT specifically.

## **RISKS RELATING TO TAX**

***FGHIPL and RHSPL may be unable to obtain or comply with the conditions for, various tax exemptions and/or tax rulings, or the tax exemptions and/or tax rulings may no longer apply***

FGHIPL and RHSPL may, from time to time, obtain various tax exemptions and/or tax rulings from the IRAS or the MOF or relevant authorities of any other country. The approvals for these tax exemptions and/or tax rulings are subject to the approval of the IRAS or MOF or relevant authority and may also be subject to FGHIPL/RHSPL satisfying the stipulated conditions. Where the approval for tax exemption is not granted, conditions are not satisfied, or are no longer satisfied by FGHIPL and RHSPL, those tax exemptions and/or tax rulings may not apply. The approvals may also be granted based on the facts presented to the IRAS or MOF or relevant authority as the case may be. Where the facts turn out to be different from those represented because there is a subsequent change in circumstances, or where there is a subsequent change in the tax laws, the tax exemptions and/or tax rulings may not apply. In particular, FGHIPL has been granted a tax exemption for interest derived from Hospital Services Companies under Section 13(12) of the ITA on the basis that the interest income from

the CCDs is interest derived from an offshore qualifying infrastructure project. The grant of this tax exemption is subject to the approval of the MOF. The tax exemption has been granted by the MOF, subject to the conditions stated in their approval letter.

FGHIPL or RHSPL, which is held by RHT (directly or indirectly), may be unable to secure the tax exemption or comply with the conditions for various tax exemptions and/or tax rulings obtained, or the tax exemptions and/or tax rulings may no longer apply.

#### ***Interest income from Indian Company***

The interest income from India on rupee denominated bonds is presently subject to a concessional rate of withholding tax in India. As per the provisions of IITA, a non-resident investor, being a Foreign Institutional Investor or a Qualified Foreign Investor would be liable to pay tax at the rate of 5.0 per cent (plus applicable surcharge, education cess and secondary and higher education cess) on the interest income earned on a rupee denominated bond of an Indian Company during the period beginning from 01 June 2013 till 30 June 2020 subject to and in accordance with the condition that the rate of interest on the bond does not exceed the rate as may be notified by the Indian Central Government. There is no assurance that the concessional rate of withholding shall extend beyond 30 June 2020 and a higher tax withholding in India may have adverse tax implications, which may in turn have a material adverse effect on the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

#### ***Distribution of trapped cash may have adverse tax implications***

Under the provisions of the Indian Companies Act, a company can declare dividends for any financial year out of profits of the company for that year or any previous year(s) arrived at after providing for depreciation. Further, amortization and depreciation are non-cash allowances and are charged to the profit and loss account under the Indian accounting standards. Consequently, a company may have surplus cash but no profit in the profit and loss account and thus will not be able to declare dividends, resulting in cash trapped in the company. In the event that cash is trapped in the Hospital Services Companies, the Issuer may evaluate various options to extract the cash for distribution. Declaration of dividend by an Indian company would result in an obligation to pay dividend distribution tax on the Indian company. There is no assurance that any other options to extract the cash trapped in the Hospital Services Companies would not have adverse tax implications, which may in turn have a material adverse effect on the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

#### ***Indian tax laws are subject to changes and differing interpretations which may adversely affect the operations of the Hospital Services Companies***

The income and gains derived by the Hospital Services Companies in India are subject to various types of direct and indirect taxes such as income tax, service tax, value added tax, other indirect taxes such as customs duty, excise, etc. and good and services tax (proposed to be introduced in the current tax year) which are subject to change from year to year and at times changed retrospectively. There is no assurance or guarantee that the current tax rates or tax provisions or tax incentives will continue to apply in the future. The introduction of new taxes, change in tax rates, scope of levy or collection of taxes, the introduction of new tax legislation or withdrawal of any exemption notification could adversely affect the return from the Hospital Services Companies and may ultimately have a material adverse effect on the business,

financial condition, results of operations, and/or prospects of RHT. As a result, the ability of RHT to fulfil its payment obligations under the Notes may be materially and adversely affected.

Tax laws and regulations are subject to differing interpretations by tax authorities. Differing interpretations of tax and other fiscal laws and regulations may exist within governmental ministries, including tax administrations and appellate authorities, thus creating uncertainty and potential unexpected results. The degree of uncertainty in tax laws and regulations, combined with significant penalties for default and a risk of aggressive action by the government or tax authorities, may result in tax risks in India being significantly higher than expected. For instance, there is no assurance that the tax authorities will not take a position that differs from the position taken by the Hospital Services Companies with regard to their tax treatment of various items and / or as a result of applying arm's length standard or adjustments (including secondary adjustments) under applicable transfer pricing regulations. Any of the above events may result in a material adverse effect on the business, financial condition, results of operations, and/or prospects of RHT and the ability of RHT to fulfil its payment obligations under the Notes.

Under the IITA, no deduction is allowed on expenditure (computed in the manner specified in the rules to the IITA) which is not incurred for the purpose of a business or earning income, or is incurred for earning a tax exempt income, in computing the taxable income of the Hospital Services Companies. In addition, any expenditure (including interest) paid on the CCDs to a non-resident associated company on which the applicable withholding tax has not been deducted and deposited or that is in excess of an arm's length rate or where the interest payable to an associated enterprise exceeds 30% of its earnings before interest, taxes, depreciation and amortization (EBITDA) or interest paid or payable whichever is less, will not be allowed as tax deductible expenditure (excess interest) while computing the taxable income of the Hospital Services Companies of that year. Such excess interest can be carried forward for eight years and shall be allowed as a deduction to the extent of maximum allowable interest expenditure under the IITA for that year. In the event that any such deduction is not allowed, tax (along with interest and penalty, if applicable) would be levied at the prevailing tax rates on the amount of increase in income as a result of disallowance. A higher tax levied in India on Hospital Service Companies may in turn have a material adverse effect on the business, financial condition, results of operations, and/or prospects of RHT and its ability to fulfil its payment obligations under the Notes.

#### ***Service tax on healthcare services under the Indian Finance Act, 1994***

Under the Indian Finance Act, 1994 (effective from 1 July 2012) all services are subject to service tax except those which are specified in the negative list or exempted under the mega exemption notification. This is also known as negative list-based service tax regime.

Healthcare services provided by a clinical establishment, authorized medical practitioner or by para-medics are included under the mega exemption notification and are therefore, presently, exempt from the levy of service tax. The terms 'healthcare services' and 'clinical establishment' have been clearly defined under the law. The scope of the meaning of healthcare services and clinical establishment could be a matter of legal interpretation.

Since healthcare services have been included in the exempted services list, withdrawal of or an amendment in the exemption would render the healthcare services provided by RHT subject to service tax. The liability to discharge service tax devolves on the service provider, i.e. RHT. This may have a material adverse impact on the business, financial condition, result of operations, and/or prospects of RHT and the ability of RHT to fulfil its payment obligations under the Notes.

***Treatment of healthcare services under the proposed Goods and Service tax (GST) regime***

The proposed GST may be introduced in India on 1 July 2017. The GST Acts (i.e. Central GST Act, 2017, the Union Territory GST Act, 2017, the Integrated GST Act, 2017 and the GST (Compensation to States) Act, 2017) which have received president's assent on 12 April 2017 provides no exemption on healthcare services provided by private sector or even by Governmental authority. The term healthcare services is also not defined under the said Acts. Draft GST Rules and Notifications envisaging exempted list of services are still awaited. It is expected that an exemption will be afforded to healthcare services in line with the current indirect tax regime.

If the benefit of the GST exemption is not afforded to privately-owned clinical establishments, GST will be levied, on the provision of healthcare services. The liability to discharge GST will devolve on the service provider, i.e. RHT which can be recovered from Fortis.

***Tax benefits under the India-Singapore Double Taxation Agreement may not be available***

*Interest income received from Indian Company*

In earning interest income from India, FGHPL will claim the benefits of the India-Singapore Double Taxation Agreement (the "**DTA**"). This claim is subject to the fulfilment of conditions prescribed in the DTA and requirements arising out of judicial precedents on such matters.

The interest clause under the DTA provides for lower withholding tax subject to the following conditions:

- the interest is paid on an arm's length basis;
- the recipient of the interest is a tax resident in Singapore and holds a valid tax residency certificate in prescribed form;
- the recipient is the beneficial owner of the interest; and
- the recipient has no permanent establishment in India and the debt-claim in respect of which interest is paid is effectively connected with the permanent establishment.

*Capital gains on alienation of shares of an Indian Company*

Gains from alienation of shares of an Indian Company by a Singapore resident acquired before 1 April 2017 shall continue not to be taxable in India provided:

- the alienator is a tax resident in Singapore and holds a valid tax residency certificate;



- the affairs of the Singapore resident are not arranged with the primary purpose of taking advantage of the benefits of the DTA; and
- the Singapore company is not a shell/ conduit company with negligible or no business operations or with no real and continuous business activities carried out in Singapore. A resident of Singapore is deemed not to be a shell/ conduit company if (a) it is listed on a recognized stock exchange of Singapore, or (b) its total annual expenditure on operations in Singapore is not less than S\$200,000 for each of the 12 months periods in the immediately preceding period of 24 months from date on which the gains arise.

Gains from alienation of shares of an Indian Company by a Singapore resident on shares acquired on or after 1 April 2017 and arising during the period beginning on 1 April 2017 but before 31 March 2019, shall also be taxable in India, but at a rate which shall not exceed 50% of the applicable domestic tax rates in India. Further, the benefit of reduced tax rates is available only where:

- the alienator is a tax resident in Singapore and holds a valid tax residency certificate;
- the affairs of the Singapore resident are not arranged with the primary purpose of taking advantage of the benefits of the DTA;
- the Singapore company is not a shell/ conduit company with negligible or no business operations or with no real and continuous business activities carried out in Singapore. A resident of Singapore is deemed not to be a shell/ conduit company if (a) it is listed on a recognized stock exchange of Singapore, or (b) its total annual expenditure on operations in Singapore is not less than S\$200,000 for the immediately preceding period of 12 months from date on which the gains arise;

Gains arising on alienation of shares of an Indian Company by a Singapore resident acquired on or after 1 April 2017 and disposed on or after 1 April 2019 shall also be taxable in India at the applicable domestic tax rates in India.

The Indian tax authorities often challenge the benefits of double taxation agreements. Any challenges may adversely impact the applicability of the DTA benefits with respect to tax on interest and capital gains. If the benefits under the DTA are challenged, this may have a material adverse effect on the business, financial condition, result of operations, and/or prospects of RHT and the ability of RHT to fulfil its payment obligations under the Notes.

#### ***Indirect transfer taxation provisions introduced in India***

Under Indian tax laws, any income from transfer of a capital asset situated in India is taxable in India. A capital asset being any share or interest in a company/entity incorporated outside India shall be deemed to have been situated in India, if the share or interest derives its value substantially from the assets located in India. The share or interest is deemed to derive its value substantially from the assets located in India, if, the value of such assets on the specified date exceeds ₹100 million and represents at least 50.0% of the value of all the assets owned by the company or the entity, as the case may be to be determined in a manner specified in the rules to the IITA.

The IITA carves-out limited exclusions from applicability of indirect transfer provisions in respect of certain specified corporate restructuring and in case the transferor (alone or along with associated enterprises) at any time in the 12 months preceding the transfer (a) does not hold, directly or indirectly, more than 5.0% of the total voting power or total share capital or total interest in the foreign company or entity and (b) does not hold any rights of management or control in the foreign company or entity that directly or indirectly owns the shares deemed to be situated in India.

The Finance Act 2017, has amended IITA to provide an exclusion to an asset or a capital asset which is held by a non-resident by way of investment, directly or indirectly in a Foreign Institutional Investors (FIIs) or a Foreign Portfolio Investors (FPI's) from the applicability of aforesaid provisions relating to indirect transfer.

### **General Anti Avoidance Rules**

Effective 1 April 2017, General Anti Avoidance Rules ("**GAAR**") have been introduced to IITA.

The GAAR provisions declare arrangements as "impermissible avoidance arrangements", which is defined under the ITA as any arrangement, the main purpose of which is to obtain a tax benefit and which satisfies at least one of the following tests:

- (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length;
- (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the IITA;
- (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part;
- (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes.

The onus to prove that the transaction is not an "impermissible avoidance agreement" is on the taxpayer. If GAAR provisions are invoked, then the tax authorities have wide powers, including the denial of tax benefit or the denial of a benefit under a tax treaty.

Further IITA provides GAAR provisions to apply to any arrangement:

- irrespective of the date on which it has been entered into, in respect of the tax benefit obtained from the arrangement on or after the 1 April 2017;
- where the tax benefit in the relevant assessment year arising, in aggregate, to all the parties to the arrangement exceeds a sum of ₹30 million.

As there is no precedence on how the tax authorities will enforce GAAR provisions, its impact on RHT, its subsidiaries and Noteholders are currently not ascertainable. In the event any tax adjustments are made by the Indian tax authorities under GAAR, this may have a material adverse effect on the business, financial condition, results of operations and/or prospects of RHT and the ability of RHT to fulfill its payment obligations under the Notes.

The revised DTA between Indian and Singapore provides that the DTA between the countries shall not prevent either India or Singapore from applying their domestic anti-tax avoidance measures.

### **Place of Effective Management**

A foreign company will be considered as a resident in India if its place of effective management (POEM) is determined to be in India in the relevant financial year. As there is no precedence on how the tax authorities will interpret and apply POEM provisions and resulting taxation of a foreign company, its impact on RHT, its subsidiaries and Noteholders are currently not ascertainable. While RHT and the subsidiaries in Singapore are controlled and managed out of Singapore, in case the POEM of RHT or its Singapore subsidiaries is determined to be in India, this may result in a higher tax incidence in India and consequently have a material adverse effect on the business, financial condition, results of operations and/or prospects of RHT and the ability of RHT to fulfill its payment obligations under the Notes.

### **Base Erosion and Profit Shifting**

The Base Erosion and Profit Shifting initiative, a joint initiative between G20 countries (of which India is a member) and the OECD toward a coherent global taxation system, may also be relevant to investments of RHT as the Indian Government may in the future adopt measures aimed at preventing international tax avoidance. Any such initiative may have a material adverse effect on the business, financial condition, results of operations and/or prospects of RHT and the ability of RHT to fulfill its payment obligations under the Notes.”

12. by deleting the words "the Companies Act" appearing in the 4th paragraph of the section entitled "Clearance and Settlement under the Depository System" appearing on page 171 of the Information Memorandum and substituting therefor the words "the SFA";
13. by deleting the section entitled "Singapore Taxation" appearing on pages 173 to 178 of the Information Memorandum in its entirety and substituting therefor the following:

#### **“SINGAPORE TAXATION**

*The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines issued by the IRAS and MAS in force as at the date of this Information Memorandum and are subject to any changes in such laws or administrative guidelines, or the interpretation of those laws or guidelines, occurring after such date, which changes could be made on a retroactive basis. These laws and guidelines are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive tax incentive(s)) may be subject to special rules or tax rates. It should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Prospective Noteholders are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership or disposal of the Notes, including the effect of any foreign, state or*

*local tax laws to which they are subject. It is emphasised that neither the Issuer, the Arrangers nor any other persons involved in the MTN Programme accept responsibility for any tax effects or liabilities resulting from the subscription, purchase, holding or disposal of the Notes.*

## **1. Interest and other payments**

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15% final withholding tax described below) to non-resident persons (other than non-resident individuals) is the prevailing tax rate, currently 17%. The applicable rate for non-resident individuals is currently 22%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15%. The rate of 15% may be reduced by applicable tax treaties.

Notwithstanding the above, with effect from 29 December 2009, the said deeming provisions of Section 12(6) of the ITA would not apply to payments for any arrangement, management, service or guarantee relating to any loan or indebtedness under Section 12(6A) of the ITA, where:

- (i) the arrangement, management or service is performed outside Singapore; or
- (ii) the guarantee is provided, for or on behalf of a person resident in Singapore or a permanent establishment in Singapore by a non-resident person who:
  - (A) in the event is not an individual, is not incorporated, formed or registered in Singapore; and
  - (B) in any event:
    - (1) does not by himself or in association with others, carry on a business in Singapore and does not have a permanent establishment in Singapore; or

- (2) carries on a business in Singapore (by himself or in association with others) or has a permanent establishment in Singapore, but (a) the arrangement, management or service is not performed through; or (b) the giving of the guarantee is not effectively connected with, that business carried on in Singapore or through that permanent establishment.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

- (a) interest from debt securities derived on or after 1 January 2004;
- (b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and
- (c) prepayment fee, redemption premium or break cost from debt securities derived on or after 15 February 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession in Singapore.

References to “break cost”, “prepayment fee” and “redemption premium” in this Singapore tax disclosure have the same meaning as defined in the ITA.

The terms “break cost”, “prepayment fee” and “redemption premium” are defined in the ITA as follows:

“break cost” means, in relation to debt securities, qualifying debt securities or qualifying project debt securities, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

“prepayment fee” means, in relation to debt securities, qualifying debt securities or qualifying project debt securities, any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

“redemption premium” means, in relation to debt securities, qualifying debt securities or qualifying project debt securities, any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

As the MTN Programme is wholly arranged by DBS Bank Ltd. and Deutsche Bank AG, Singapore Branch, each of which was, at the time of establishment of the MTN Programme, a Financial Sector Incentive (Standard Tier) company (as defined in the ITA), any Tranche of the Notes issued as debt securities under the MTN Programme during the period from the date of this Information Memorandum to 31 December 2018 (the “**Relevant Notes**”) would be “qualifying debt securities” for the purposes of the ITA, to which the following treatments shall apply:

- (a) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, of a return on debt securities for the Relevant Notes within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require to the MAS and the inclusion by the Issuer in all offering documents relating to the Relevant Notes of a

statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Relevant Notes using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "**Specified Income**") from the Relevant Notes paid by the Issuer and derived by a holder who is not resident in Singapore and (i) who does not have any permanent establishment in Singapore or (ii) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such operation in Singapore, are exempt from Singapore tax;

- (b) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, of a return on debt securities for the Relevant Notes within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require to the MAS), Specified Income from the Relevant Notes paid by the Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore is subject to tax at a concessionary rate of 10%; and
- (c) subject to:
  - (i) the Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose Specified Income derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and
  - (ii) the Issuer, or such other person as the MAS may direct, furnishing to the MAS a return on debt securities for the Relevant Notes within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require,

payments of Specified Income derived from the Relevant Notes are not subject to Singapore withholding tax by the Issuer.

However, notwithstanding the foregoing:

- (a) if during the primary launch of any Tranche of Relevant Notes, the Relevant Notes of such Tranche are issued to fewer than four (4) persons and 50% or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by a related party or related parties of the Issuer, such Relevant Notes would not qualify as "qualifying debt securities"; and
- (b) even though a Tranche of Relevant Notes are "qualifying debt securities", if, at any time during the tenure of such Tranche of Relevant Notes, 50% or more of the issue of such Relevant Notes which is outstanding at any time during the life of its issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Specified Income

derived from such Relevant Notes held by:

- (i) any related party of the Issuer; or
- (ii) any other person who acquires such Relevant Notes with funds obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above, unless approval is obtained.

The term “related party”, in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

Notwithstanding that the Issuer is permitted to make payments of Specified Income in respect of the Relevant Notes without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose Specified Income (whether it is interest, discount income, prepayment fee, redemption premium or break cost) derived from the Relevant Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

Under the Qualifying Debt Securities Plus Scheme (“**QDS Plus Scheme**”), subject to certain conditions having been fulfilled (including the furnishing by the Issuer or such other person as the MAS may direct, of a return on debt securities in respect of the qualifying debt securities within such period as the MAS may specify and such other particulars in connection with the qualifying debt securities as the MAS may require to the MAS), income tax exemption is granted on Specified Income derived by any investor from qualifying debt securities (excluding Singapore Government Securities) which:

- (a) are issued during the period from 16 February 2008 to 31 December 2018;
- (b) have an original maturity date of not less than 10 years;
- (c) cannot have their tenure shortened to less than 10 years from the date of their issue, except where -
  - i. the shortening of the tenure is a result of any early termination pursuant to certain specified early termination clauses which the Issuer included in any offering document for such qualifying debt securities; and
  - ii. the qualifying debt securities do not contain any call, put, conversion, exchange or similar option that can be triggered at specified dates or at specified prices which have been priced into the value of the qualifying debt securities at the time of their issue; and
- (d) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

However, even if a Tranche of the Relevant Notes are “qualifying debt securities” which qualify under the QDS Plus Scheme, if, at any time during the tenure of such Tranche of Relevant Notes, 50% or more of the issue of such Relevant Notes which is outstanding at any time during the life of its issue is beneficially



held or funded, directly or indirectly, by any related party(ies) of the Issuer, Specified Income from such Relevant Notes derived by:

- (a) any related party of the Issuer; or
- (b) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption under the QDS Plus Scheme as described above, unless approval is obtained.

## **2. Capital Gains**

Any gains considered to be in the nature of capital made from the sale of the Relevant Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Relevant Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Noteholders who adopt or are adopting Singapore Financial Reporting Standard 39 – Financial Instruments: Recognition and Measurement (“**FRS 39**”), may for Singapore income tax purposes be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Relevant Notes, irrespective of disposal, in accordance with FRS 39. Please see the section below on “Adoption of FRS 39 treatment for Singapore income tax purposes”.

## **3. Adoption of FRS 39 treatment for Singapore income tax purposes**

The IRAS has issued a circular entitled “Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition & Measurement” (the “**FRS 39 Circular**”). Legislative amendments to give effect to the tax treatment set out in the FRS 39 Circular have been enacted in Section 34A of the ITA.

The FRS 39 Circular and Section 34A of the ITA generally apply, subject to certain “opt-out” provisions, to taxpayers who are required to comply with FRS 39 for financial reporting purposes.

The Accounting Standards Council has issued a new financial reporting standard for financial instruments, FRS 109 – Financial Instruments, which will become mandatorily effective for annual periods beginning on or after 1 January 2018. It is at present unclear whether, and to what extent, the replacement of FRS 39 by FRS 109 will affect the tax treatment of financial instruments which currently follows FRS 39.

Noteholders who may be subject to the tax treatment under the FRS 39 Circular and Section 34A of the ITA should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Relevant Notes.

## **4. Estate Duty**

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.”



## GENERAL AND OTHER INFORMATION

### INFORMATION ON DIRECTORS

1. The names and positions of the Directors are set out below:

| <b>Name</b>                  | <b>Position</b>                                                          |
|------------------------------|--------------------------------------------------------------------------|
| Mr Ravi Mehrotra             | Executive Chairman                                                       |
| Mr Gurpreet Singh Dhillon    | Executive Director and Chief Executive Officer                           |
| Mr Pawanpreet Singh          | Executive Director and Chief Financial Officer                           |
| Mr Peter Joseph Seymour Rowe | Chairman of Audit and Risk Management Committee and Independent Director |
| Dr Yogendra Nath Mathur      | Lead Independent Director                                                |
| Mr Sydney Michael Hwang      | Independent Director                                                     |
| Mr Eng Meng Leong            | Independent Director                                                     |

2. No Director is or was involved in any of the following events:

- (a) a petition under any bankruptcy laws filed in any jurisdiction against such person or any partnership in which he was a partner or any corporation of which he was a director or an executive officer;
- (b) a conviction of any offence, other than a traffic offence, or judgment, including findings in relation to fraud, misrepresentation or dishonesty, given against him in any civil proceedings in Singapore or elsewhere, or being a named subject to any proceedings pending as at the date of this Supplemental Information Memorandum which may lead to such a conviction or judgment, or so far as such person is aware, any criminal investigation pending against him; or
- (c) the subject of any order, judgment or ruling of any court of competent jurisdiction, tribunal or government body, permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

3. As at the Latest Practicable Date/date of the Supplemental Information Memorandum, save for Mr Gurpreet Singh Dhillon, who is the second cousin of Mr Malvinder Mohan Singh and Mr Shivinder Mohan Singh, none of the Directors is related by blood or marriage to one another nor are they related to any substantial shareholder or, as the case may be, Holder (as defined in the Information Memorandum) of the Issuer.
4. As at the date of this Supplemental Information Memorandum, no option to subscribe for Units (as defined in the Information Memorandum), shares in, or debentures of, the Issuer has been granted to, or was exercised by, any Director.

### SHARE CAPITAL

5. As at the date of this Supplemental Information Memorandum, there is only one class of units in RHT. The rights and privileges attached to the units of RHT are stated in the RHT Trust Deed (as defined in the Information Memorandum).
6. The number of Units in issue as at the Latest Practicable Date is 806,331,944. No Units have been issued or are proposed to be issued, as fully or partly paid-up, for cash or for

a consideration other than cash, from the date of constitution of RHT up to the date of this Supplemental Information Memorandum.

7. Except for the 1,111,112 ordinary shares in the capital of the RHT Health Trust Manager Pte. Ltd. in issue, no shares in, or debentures of, the RHT Health Trust Manager Pte. Ltd. have been issued or are proposed to be issued, as fully or partly paid-up, for cash or for a consideration other than cash, from the date of incorporation of the Issuer up to the date of this Supplemental Information Memorandum.
8. The issued share capital of the RHT Health Trust Manager Pte. Ltd. as at the Latest Practicable Date is as follows:

| <b>Share Designation<br/>Capital(S\$)</b> | <b>Issued Share(s)</b> | <b>Issued Share<br/>Capital(S\$)</b> |
|-------------------------------------------|------------------------|--------------------------------------|
| Ordinary Shares                           | 1,111,112              | 1,255,557                            |

#### **BORROWINGS**

9. Save as disclosed in the Group's unaudited financial results for the fourth quarter and the financial year ended 31 March 2017, the Group had, as at the Latest Practicable Date, no other borrowings or indebtedness in the nature of borrowings of the Group including bank overdrafts and liabilities under acceptances (other than normal trading bills) or acceptance credits, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

#### **WORKING CAPITAL**

10. The Directors are of the opinion that, after taking into account the present banking facilities and the net proceeds of the issue of the Notes, the Issuer, RHT and the Group will have adequate working capital for its present requirements.

#### **CHANGES IN ACCOUNTING POLICIES**

11. There has been no significant change in the accounting policies of RHT since its audited financial accounts for the financial year ended 31 March 2016.

#### **LITIGATION**

12. There are no legal or arbitration proceedings pending or, to the best of the Directors' knowledge after making all due and careful enquiries, threatened against the Issuer (in its capacity as trustee-manager of RHT), RHT or any of its subsidiaries the outcome of which may have or have had during the 12 months prior to the date of this Supplemental Information Memorandum a material adverse effect on the financial position of the Issuer, RHT or the Group.

#### **MATERIAL ADVERSE CHANGE**

13. There has been no material adverse change in the financial condition or business of the Issuer, RHT or the Group since 31 March 2016.

#### **DOCUMENTS AVAILABLE FOR INSPECTION**

14. Copies of the following documents may be inspected at the registered office of the Issuer at 9 Battery Road, #15-01, Straits Trading Building, Singapore 049910 during normal

business hours for a period of six (6) months from the date of this Supplemental Information Memorandum:

- (a) the Memorandum and Articles of Association of the Issuer;
- (b) the RHT Trust Deed;
- (c) the Trust Deed; and
- (d) the audited financial statements of the Group for FY 2014, FY 2015 and FY 2016;

**FUNCTIONS, RIGHTS AND OBLIGATIONS OF THE TRUSTEE**

15. The functions, rights and obligations of the Trustee are set out in the Trust Deed.