



## Proposed Disposal of the Entire Asset Portfolio of RHT Health Trust ("RHT")

13 February 2018



## Disclaimer

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For the reader's convenience, except where the exchange rate between the INR and the SGD is expressly stated otherwise, certain INR amounts in this Announcement have been translated into SGD based on the closing exchange rate on 12 February 2018 of INR48.5= SGD1.00 as extract from Bloomberg L.P. However, such translations should not be construed as representations that any INR amounts which may be received in connection with the Proposed Disposal or otherwise can or will be converted into SGD at that or any other rate. As at the date of this Announcement, given that the date of Completion cannot be meaningfully estimated, the Trustee-Manager has NOT entered into any forward contracts in respect of the Consideration. Accordingly, should the INR depreciate against the SGD, the Consideration received in SGD will be correspondingly less.

# Transaction Summary

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<b>Offeror</b>	<ul style="list-style-type: none"> <li>Fortis Healthcare Limited ("FHL") (the "<b>Offeror</b>").</li> </ul>
<b>Transaction Structure</b>	<ul style="list-style-type: none"> <li>Acquisition of the entire asset portfolio of RHT Health Trust ("<b>RHT</b>") by the Offeror, for a final consideration of INR 46,000 million<sup>(1)</sup> (the "<b>Proposed Disposal</b>"). This comprises all of RHT's Indian Subsidiaries and its 49.0% interest in Fortis Hospotel Limited ("<b>FHTL</b>"), 12 Clinical Establishments ("<b>CEs</b>"), 4 Greenfield CEs and 2 Operating Hospitals in India.</li> </ul>
<b>Estimated Net Consideration</b>	<ul style="list-style-type: none"> <li>Aggregate net consideration: Approximately S\$710.6 million ("<b>Estimated Net Consideration</b>") based on the following assumptions:             <ul style="list-style-type: none"> <li>Final INR consideration: INR46,000 million<sup>(1)</sup>;</li> <li>INR:SGD exchange rate of INR48.5:SGD1.00<sup>(2)</sup>;</li> <li>Repayment of external borrowing: Approximately S\$237.9 million (being the external borrowings of RHT);</li> </ul> </li> <li>The Net Consideration represents a consideration per unit of approximately S\$0.88 ("<b>Estimated Consideration per Unit</b>")</li> </ul>
<b>Special Distribution &amp; Estimated Distribution Per Unit</b>	<ul style="list-style-type: none"> <li>The Trustee-Manager intends to distribute the Estimated Net Consideration to Unitholders as soon as practicable following the completion via a special distribution, after setting aside the Trustee-Manager Performance Fee, transaction costs and expenses and third party liabilities.</li> <li>The Trustee-Manager will also be retaining 5% of the net proceeds to cover on-going expenses post the Proposed Disposal.</li> <li>The estimated net proceeds per unit ("<b>Special Distribution</b>") post settlement of transaction costs and expenses of approximately S\$15.8 million (including S\$10.3 million payable to the Trustee-Manager as a Performance Fee) is approximately S\$0.88.</li> </ul>
<b>Long Stop Date</b>	<ul style="list-style-type: none"> <li>30 September 2018</li> </ul>
<b>Financial Advisor</b>	<ul style="list-style-type: none"> <li>The Board of Directors of the Trustee-Manager have appointed a financial adviser, Merrill Lynch (Singapore) Pte. Ltd. ("<b>BofA Merrill Lynch</b>"), to advise on the terms of the Proposed Disposal from a financial perspective</li> </ul>

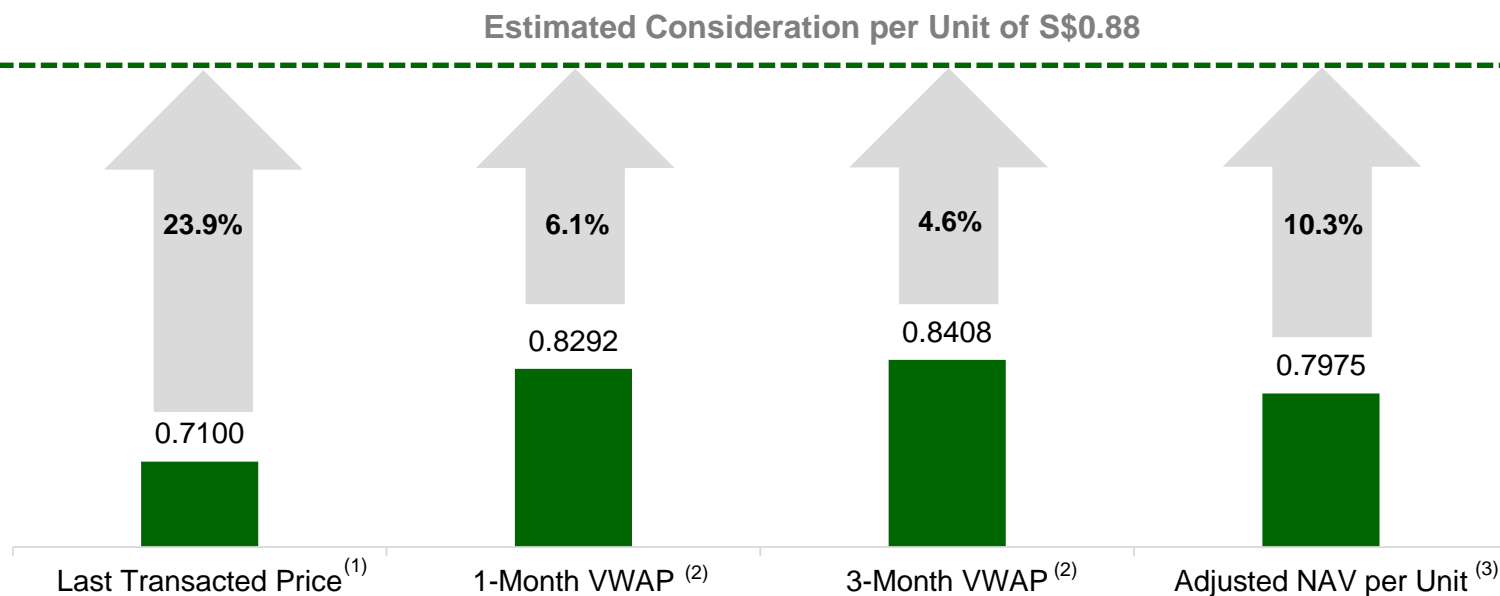
## Notes:

(1) Assuming the Consideration of INR 46,500 million with the only adjustment to Consideration downwards by INR500 million due to parties not obtaining warranty and indemnity insurance

(2) Based on the closing rate on Bloomberg L.P. on 12 February 2018

# Opportunity for Unitholders to Realise Investment at Attractive Valuation

## Premium to various historical market prices



## Attractive returns

The Proposed Disposal represents a return of approximately 65.5%<sup>(4)</sup> and an internal rate of return (“IRR”) per annum of approximately 12.1% in Singapore dollars terms and presents an opportunity for RHT to realise the investments in the Sale Securities and unlock further value for the Unitholders.

Source: Bloomberg

Notes:

- (1) Closing price on 12 February 2018.
- (2) The respective VWAPs are with reference to the relevant periods up to and including 14 November 2017, being the last full day of trading of the Units prior to the 15 November 2017 Announcement (the “Last Undisturbed Price”).
- (3) Adjusted at the INR:SGD exchange rate of INR48.5:SGD1.00 and amount available of 3.45 Singapore cents for the nine months ended 31 December 2017 (“9MFY2018 Distributable Amount”).
- (4) Computed based on (i) the Estimated Net Consideration, (ii) the estimated aggregate distribution since the listing of RHT and the 9MFY2018 Distributable Amount of S\$0.61; and (iii) RHT’s market capitalisation at time of its listing.

# Approvals Required for the Proposed Disposal

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The Proposed Disposal will be subject to, amongst others, approval of the Unitholders

## Conditions of the Proposed Disposal

- Unitholders approval;
- Noteholders' / Lenders approval;
- No change of control of any member of the Trustee-Manager, the Vendors and RHT's Indian Subsidiaries ("**Seller Group**");
- No legal or regulatory prohibitions; and
- No material adverse effect.

## Unitholders Circular

- The Trustee-Manager has appointed KPMG Corporate Finance Pte Ltd as the independent financial adviser ("**IFA**") to the directors of the Trustee-Manager who are independent for the purposes of the Proposed Disposal as an interested person transaction.
- The timing and details concerning the special distribution(s) proposals and the status of RHT following Completion will be set out in the Unitholders Circular which will be despatched in due course. In the meantime, Unitholders are advised to exercise caution when dealing in the Units of RHT.

# Investor and Media Contacts

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## Investor Contact

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