A WORLD OF POTENTIAL

Annual Report 2017

RHT | HEALTH TRUST

2017 marks the fifth year of operations for RHT. Our operating philosophy remains unchanged and we would like to thank our stakeholders for your continued support.

We endeavor to provide regular and stable returns to investors by investing into healthcare assets providing attractive yields with a potential for long term growth.

ABOUT RHT HEALTH TRUST

RHT Health Trust ("RHT") is the first business trust listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") with India based healthcare assets.

Our 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.

RHT has a portfolio of strategically located Clinical Establishments and Operating Hospitals across India, currently comprising twelve Clinical Establishments, four Greenfield Clinical Establishments and two Operating Hospitals. The value of these assets is approximately S$1,121 million as at 31 March 2017.

IN AN EVER EXPANDING GLOBAL HEALTHCARE SYSTEM, RHT CONTINUES TO TAP ON THE POTENTIAL IN THE INDIAN HEALTHCARE INDUSTRY, WHICH IS SET TO GROW TO US$280 BILLION IN 2020^.

WE LOOK AT VALUE CREATING STRATEGIES THAT PROVIDE STEADY RETURNS TO OUR UNITHOLDERS.

^ India Brand Equity Foundation ("IBEF"), May 2017.

FINANCIAL HIGHLIGHTS

Stable revenues and occupancy levels underpin the strength of RHT's Business.

NET SERVICE FEE AND HOSPITAL INCOME [1 2 3]

S$83.18M

11% decrease from S$93.61m in FY2016#

OCCUPANCY [10]

77%

75% in FY2016

DISTRIBUTABLE INCOME [4]

S$50.50M

18% decrease from S$61.58m in FY2016*

BUSINESS VALUE [6 7]

S$1.12B

1% decrease from S$1.13B in FY2016

DISTRIBUTION PER UNIT [4 5]

5.97¢

23% decrease from 7.72¢ in FY2016^

WEIGHTED AVERAGE CONTRACT EXPIRY [8]

10.3Years

11.3 years in FY2016

AVERAGE REVENUE PER OPERATING BED [10]

INR14.03M

5% increase from INR13.37m in FY2016

RETURN ON EQUITY [9 11]

21.13%

8.33% in FY2016

TOTAL RETURNS TO UNITHOLDERS [11 12]

28.65%

A one-off Special Distribution of S$24.8 cents, arising from the Disposal, was paid out in FY2017.

The Net Service Fee and Hospital Income would have been S$83.75m if the disposal of 51.0% economic interest in Fortis Hospotel Limited ("FHTL" and "the Disposal") occured in FY2016.

* The Distributable Income would have been S$53.65m if the Disposal occurred in FY2016.

^ The Distribution per Unit ("DPU") would have been S$6.72 cents if the Disposal occurred in FY2016.

1 Exchange rate for FY2016 and FY2017 was INR47.36 and INR48.39 respectively.

2 Exclude straight-lining, depreciation and amortisation.

3 Includes FHTL's performance up till 12 October 2016 and 49.0% share of FHTL's result from 13 October 2016 to 31 March 2017.

4 Excludes the Special Distribution of S$24.8 cents, arising from the Disposal.

5 FY2017 DPU represents 95% of Distributable Income. 100% of Distributable Income was paid before FY2017.

6 Exchange rate for FY2016 and FY2017 was INR49.17 and INR46.43 respectively.

7 Gurgaon Clinical Establishment and Shalimar Bagh Clinical Establishment are held by FHTL, which RHT has a 49.0% economic interest. The figure for FY2017 is on a 49.0% economic interest in FHTL.

8 No new contract was entered into in FY2017.

9 Computed based on Distributable Income.

10 These numbers are presented on the basis of a 100.0% economic interest in FHTL.

11 Includes Gain on Disposal.

12 Source: Bloomberg.

PERFORMANCE HIGHLIGHTS

	REVENUE PER CLINICAL ESTABLISHMENT[1] (INR MILLION)		OCCUPANCY LEVEL[2] (%)	
	FY2016	FY2017	FY2016	FY2017
ANANDPUR	1,510	1,730	81	88
BG ROAD	2,730	2,830	75	73
GURGAON	4,120	4,790	61	67
JAIPUR	1,740	1,630	72	67
MOHALI	3,970	4,260	79	80
MULUND	2,810	3,190	81	80
NOIDA	2,740	2,870	81	84
SHALIMAR BAGH	1,740	1,890	70	75

[1] Source: Fortis Investor Presentation for the quarter and year ended 31 March 2017.

[2] On the basis of a 100.0% economic interest in FHTL.

PERFORMANCE HIGHLIGHTS

RECONCILIATION TO UNITHOLDERS DISTRIBUTABLE INCOME

	Notes	FY2017 ~ S$'000	FY2016 (Restated)* S$'000
Net Profit for the period attributable to Unitholders of the Trust		**134,951**	**43,476**
Distribution adjustments:			
Impact of non-cash straight-lining		(2,101)	(2,424)
Technology Renewal Fee ("TRF")		(645)	(659)
Depreciation and amortisation		11,735	11,699
Trustee-Manager fees payable in units		7,451	3,296
Deferred tax		(9,947)	336
Foreign exchange differences	I	194	(1,660)
Transaction cost capital in nature	II	752	967
Compulsorily Convertible Debentures ("CCD") interest income	III	(7,183)	-
Non-Convertible Debentures ("NCD") interest expense	IV	3,138	-
Non-cash adjustments of discontinued operations		5,015	6,214
Non-cash adjustments of an associate		3,260	-
Gain on Disposal @		(96,631)	-
Others		513	338
Total Distributable Income attributable to Unitholders of the Trust ^		**50,502**	**61,583**

^ 95% of Distributable Income for FY2017 will be distributed.
* Prior period figures have been restated to reflect the reclassification of FHTL in connection with the Disposal.
~ The Distributable Income attributable to Unitholders of the Trust excludes the Special Distribution arising from the Disposal.
@ Gain on Disposal is excluded for comparative purposes.

Notes:

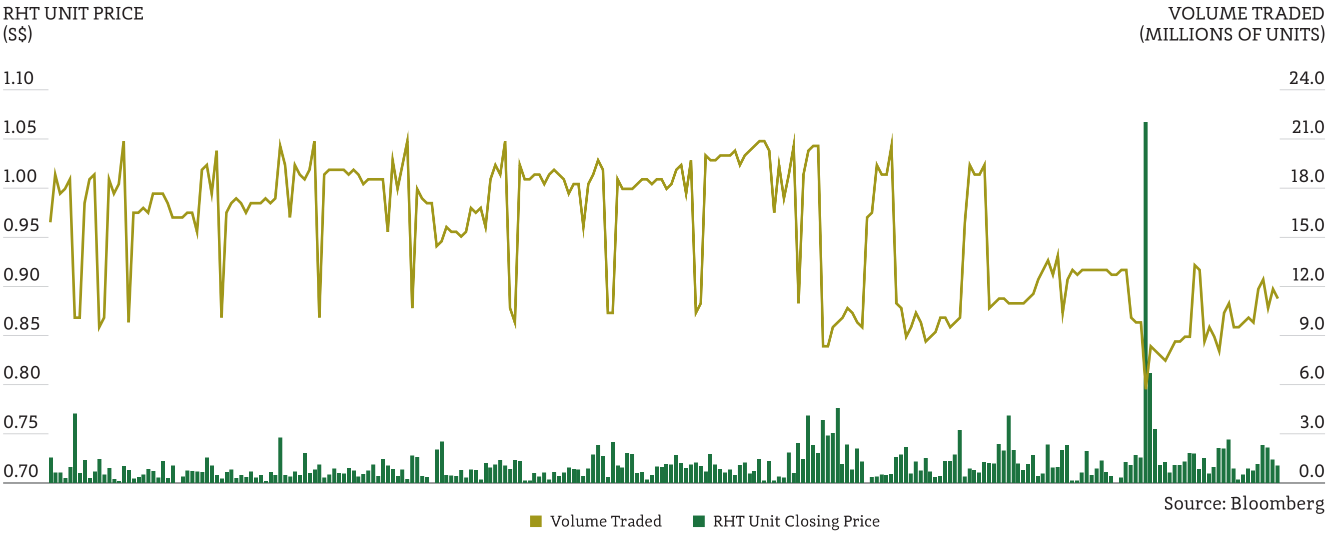
I Included in foreign exchange differences are:
(i) adjustments for the Distributable Income based on the average forward contracted INR/SGD rate against INR/SGD for the translation of the Statement of Comprehensive Income, (ii) changes in fair value on financial derivatives and; (iii) foreign exchange differences recorded in the Statement of Comprehensive Income.

II This relates to professional fees incurred in connection with the Disposal.

III At the time of Initial Public Offering ("IPO"), interest bearing CCDs were issued by entities in the RHT Group including, FHTL to one of the subsidiaries for the infusion of funds to complete the acquisition of the initial portfolio by RHT. As FHTL became an associate in October 2016, such interest income of the subsidiary which amounted to S$7.1 million is no longer eliminated. However, such CCD interest income is correspondingly recognised as CCD interest expense in the results of the associate and both the CCD interest income and expense will be added back for distribution purposes.

IV At the time of IPO, interest bearing Optionally Convertible Debentures ("OCDs") were issued by entities in the RHT Group including, one of the subsidiaries to FHTL for RHT Group's internal funding requirements. The OCDs were converted to NCDs as part of the Disposal. As FHTL became an associate in October 2016, such interest expense of the subsidiary which amounted to S$3.1 million is no longer eliminated. However, such NCD interest expense is correspondingly recognised as NCD interest income in the results of the associate and both the NCD interest expense and income will be added back for distribution purposes.

RHT UNIT PRICE AND TRADING VOLUME FROM 1 APRIL 2016 TO 31 MARCH 2017



Source: Bloomberg

FINANCIAL AND OPERATIONAL REVIEW

SUMMARY OF FINANCIAL RESULTS (FY2017 ACTUAL VS FY2016 ACTUAL)

	FY2017 S$'000	FY2016 S$'000	Variance %	FY2017 INR'000	FY2016 INR'000	Variance %
Group [a]						
Total Revenue	89,919	88,689	1%	4,351,591	4,200,075	4%
Net Service and Hospital Income (excluding straight-lining, depreciation and amortisation)	50,924	52,347	-3%	2,464,500	2,478,989	-1%
FHTL [b]						
Total Revenue	51,298	49,759	3%	2,482,517	2,356,575	5%
Net Service and Hospital Income (excluding straight-lining, depreciation and amortisation)	42,324	41,266	3%	2,048,241	1,954,334	5%
Cash flow contribution from FHTL [c]	27,858	31,999	-13%			
Distributable Income [d]	50,502	61,583	-18%	–	–	–
Distributable Income, had the Disposal occurred in comparative period	–	53,652	-6%	–	–	–

[a] Excludes FHTL results.
[b] FHTL's performance is presented on a 100.0% basis before RHT's share. On 12 October 2016, the Group disposed 51.0% of its economic interest in FHTL and consequentially shares 49.0% of the results of FHTL going forward.
[c] RHT's actual share of cashflow from FHTL, where it owns 49.0% of economic interest with effect from 12 October 2016.
[d] FY2017 excludes Special Distribution of S$198.3 million.

In FY2017, Total Revenue grew 4% in Indian Rupee ("INR") terms compared to FY2016. This was mainly due to the combination of an increase in Base Fee as well as Variable Fee (collectively the "Service Fee"). Base Fee increased due to contractual 3% annual increase, while Variable Fee grew on the back of increased revenue generated by the operator of RHT's Clinical Establishments, Fortis Healthcare Limited ("FHL"). This increase in Service Fee was offset by two events which took place in FY2017. Firstly, the Indian government announced the demonetisation policy, where 500 and 1,000 denominated INR notes were removed from circulation. While the demonetisation policy may prove positive in the long term for India, there was a negative short term impact due to a shortage of notes. Accordingly RHT's Variable Fee was impacted. Secondly, there was a cap imposed on the price chargeable for coronary stents in India, which was imposed by the Indian government and in turn, impacted FHL's margins.

Net Service Fee and Hospital Income[1] in INR terms remained at about the same level as FY2016 despite the increase in Total Revenue. This was due to an increase in certain cost categories, such as doctor charges, statutory compliance costs and Information Technology related costs. Such cost increases during FY2017 were contained in the last quarter of FY2017, following the undertaking of management's cost control measures.

During FY2017, management also completed the Disposal of a 51.0% economic interest in Fortis Hospotel Limited ("FHTL" and the "Disposal"). The Disposal was completed on 12 October 2016, and resulted in net proceeds of S$198.3 million, following with a Special Distribution of 24.8 Singapore cents per Unit. This was paid out to Unitholders on the 28 October 2016.

As RHT continues to retain a 49.0% economic interest in FHTL, FHTL had been accounted as an associate of RHT since 13 October 2016. The Total Revenue of FHTL was up 5% in INR terms for the year, similar to that of the growth of the rest of the RHT portfolio. This resulted in a higher Net Service Fee and Hospital Income for FHTL compared to FY2016.

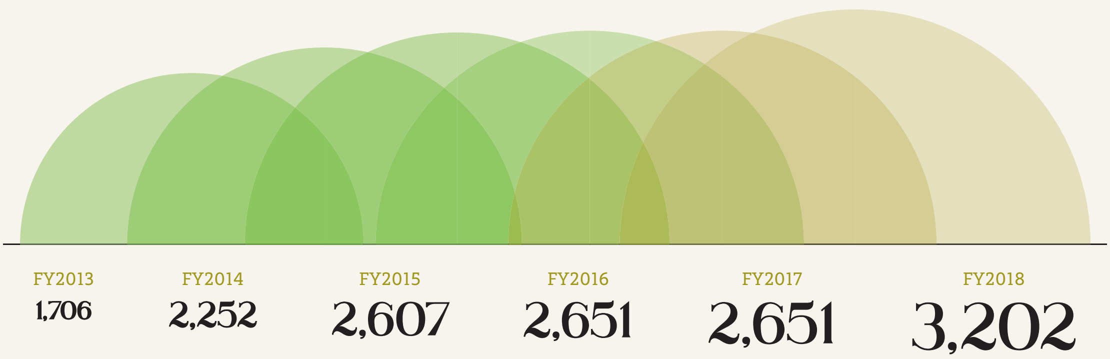
DISTRIBUTABLE INCOME

There was a reduction in Distributable Income by 18% in FY2017 compared to FY2016. This decrease is mostly attributable to the reduction of RHT's interests in FHTL. There was also an increase in corporate tax payable in India, as well as higher hedging costs for FY2017. A total of 5.97 Singapore cents was paid out to Unitholders for FY2017, excluding the Special Distribution of 24.8 Singapore cents arising from the Disposal.

[1] Excluding straight lining, depreciation and amortisation.

WE
DON'T SIMPLY
CREATE SPACES,
WE NURTURE
SOLUTIONS.

CONSISTENT GROWTH IN OPERATIONAL BEDS



Trifolium subterraneum (the **subterranean clover**) is is a species of clover, The plant’s name comes from its underground seed development (geocarpy), a characteristic not possessed by other clovers. It can thrive in poor-quality soil where other clovers cannot survive, allowing for wide distribution of the plant over varied environments.

CAPITAL RISK MANAGEMENT

OVERVIEW

Key Indicators

Indicator	As at 31 March 2017
Gearing Ratio	20.5%
Interest Coverage Ratio	7.1 times
Percentage of Fixed Rate Debt	33.9%
Effective Weighted Average Cost of Debt	6.01%
Average Hedged Rates	
June 2017	52.03
December 2017	50.23

CAPITAL RISK MANAGEMENT

The Trustee-Manager employs an appropriate mix of debt and equity to finance the acquisition and enhancement initiatives of medical and healthcare assets under RHT's portfolio.

As at 31 March 2017, RHT's net debt amounted to S$181.5 million with a gearing ratio of approximately 20.5%. RHT has an ample debt headroom of S$394.2 million for future growth opportunities before the internally set gearing ratio limit of 45% is reached. This is in line with the gearing ratio limits set out under the Monetary Authority of Singapore's Guidelines to Real Estate Investment Trust Managers ("MAS REIT Guidelines"). The Group has issued S$120 million fixed rate notes under the existing S$500 million Multicurrency Medium Term Note Programme ("MTN Programme") which was established in FY2015.

Upon completion of the ongoing and planned future asset enhancement initiatives for Clinical Establishments in BG Road, Ludhiana, Jaipur, Mulund, Nagarbhavi, Amritsar and Noida, as well as the expansion of the Mohali Clinical Establishment, RHT's gearing ratio will increase to approximately 26.2%.

REFINANCING RISK

As at 31 March 2017, RHT has a weighted average debt maturity profile of 0.8 years. RHT has total bank borrowings amounting to S$95 million due in the first quarter of FY2018. In May 2017, the Trustee-Manager issued S$60 million 4.50 per cent. fixed rate notes which are due in July 2018 and payable semi-annually in arrears (the "Series 1 Tranche 2 Notes"). The Series 1 Tranche 2 Notes will be consolidated to form a single series with the existing S$60 million 4.50 per cent. fixed rate notes issued on 22 July 2015 and due in July 2018. The remaining S$35 million has been refinanced through bank borrowings of S$55 million in June 2017. The additional S$20million will be used for working capital requirements. RHT's weighted average debt maturity after the refinancing activities is 1.7 years.

INTEREST RATE RISK

As at 31 March 2017, approximately 66% of RHT's loans and borrowings are exposed to interest rate risks as they are pegged to the Singapore Swap Offer Rate and Indian Base Rate. Post the refinancing activities, the exposure is reduced to 39%. RHT has been benefiting from the decreasing Indian Base Rate by utilising Rupee loans for working capital and project financing. We will continue to monitor the cost of entering into interest rate swaps to mitigate the interest rate risks.

CURRENCY RISK

RHT derives all its revenue from India as all its assets and operations are currently located in India. As distributions to Unitholders are paid in Singapore Dollars, there is an element of currency risk faced by Unitholders. To provide some certainty to Unitholders, management has adopted the policy of hedging the anticipated amount of cash flows from India to Singapore. From 1 April 2017, the Trustee-Manager will hedge 50% of anticipated cash flows from India to Singapore. This is in contrast to RHT's previous hedging policy where the Trustee-Manager hedged 100% of anticipated cash flows from India to Singapore. Back testing on the results of hedging performed by the Trustee-Manager supports the reduction in the hedged amount.

Distributions are paid out to Unitholders semi-annually and forward contracts to effect the hedging policy are entered into one year before the cash flows are repatriated from India to Singapore. This mitigates the risk of any Indian Rupee volatility in the period before income is repatriated to Singapore.

RHT takes on Indian Rupee denominated borrowings for major expansion and Greenfield development projects which provides natural hedging for the currency mismatch. RHT may refinance the Indian Rupee denominated borrowings with Singapore Dollar denominated borrowings to take advantage of any lower cost of borrowings upon the commencement of operations of the completed expansion and Greenfield development projects. RHT does not currently hedge currency exposure on capital due to the cost of long term currency swaps and fluctuation in the valuation of underlying assets, which are carried at fair value. The Trustee-Manager will continue to monitor its policies and make adjustments if required by prevailing market conditions.

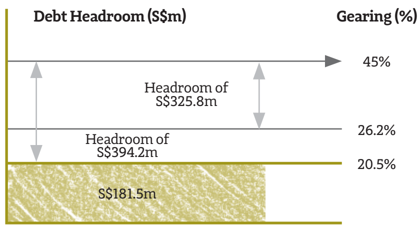
LIQUIDITY RISK

The Trustee-Manager monitors and maintains a level of cash and cash equivalents, through a balance between continuity funding and the use of stand-by credit facilities against RHT's financial obligations. The Trustee-Manager also retains 5% of RHT's Distributable Income, which may be used to mitigate such liquidity risk. The cash generated from India operations are placed in fixed deposits with banks and mutual funds to maximise interest income prior to the intended repatriation.

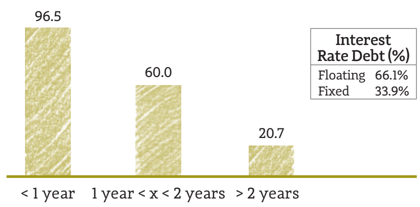
DISTRIBUTION POLICY

RHT's current policy is to distribute at least 90% of its Distributable Income. The Trustee-Manager has distributed 100% of RHT's Distributable Income since the Initial Public Offering up till FY2016. Since FY2017, the Trustee-Manager has been distributing 95% of its Distributable Income. The retained 5% will be used for cash flow mismatches, future capital expenditure and further growth.

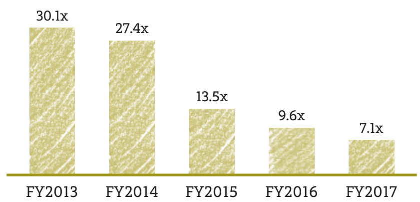
AMPLE DEBT HEADROOM FOR GROWTH AS AT 31 MARCH 2017



DEBT MATURITY PROFILE AS AT 31 MARCH 2017 (S$M)



INTEREST COVERAGE RATIO[1]



[1] Interest Coverage Ratio is defined as the ratio between EBITDA divided by Financial Expense including interest capitalised during the year.

MARKET REVIEW AND OUTLOOK

INDIA'S HEALTHCARE MARKET

The Indian healthcare market is characterised by fast growing demand and a lagging supply. Demand has been increasing over the years due mainly to increases in:

- Growing and Aging Population;
- Affluence;
- The use of Health Insurance;
- Medical Tourism; and
- Inadequate Supply.

At the same time, the supply of medical services and hospital beds have not been increasing at the same rate. Public spending on healthcare in India stood at 1.4%[1] of Gross Domestic Product ("GDP") based on latest available statistics. This is compared to 4.9% in Singapore.

GROWING AND AGING POPULATION

i) Increase in Number of People

India with a population of approximately 1.3 billion is the second largest country in the world, just behind China which has a population of 1.4 billion[2]. Together, China and India account for approximately 37% of the world's population. Between 2015 and 2050, half of the world's population growth is expected to be concentrated in nine countries: India, Nigeria, Pakistan, Democratic Republic of the Congo, Ethiopia, United Republic of Tanzania, United States of America, Indonesia and Uganda, listed according to the size of their contribution to the total growth. Amongst the projections by the United Nations, the population of India is expected to surpass that of China. After 2022, India's population is projected to continue growing for several decades to 1.5 billion in 2030 and 1.7 billion in 2050, while the population of China is expected to remain fairly constant until the 2030s, after which it is expected to decrease slightly.

ii) Increase in Life Expectancy

The fast growing population in India will result in an increase in demand for healthcare. This increase in demand is compounded by the rise in life expectancy. A United Nations study noted that, globally, life expectancy at birth is projected to rise from 70 years in 2010-2015 to 77 years in 2045-2050 and to 83 years in 2095-2100. In particular, Asia is projected to gain 13-14 years of life expectancy by 2095-2100. With a growing population and longer life expectancy, the volume of demand for healthcare in India is expected to correspondingly increase.

INCREASING AFFLUENCE

The Organisation for Economic Co-Operation and Development ("OECD") published a paper in 2010 that looked at the emerging middle class consumer[3] in different countries and regions. The findings from the OECD study expects global spending by the middle class to grow to US$56 trillion in 2030 from US$21 trillion in 2010. Of more significance was that 80% of this growth is expected to come from Asia, particularly China and India. In 2009, these two countries accounted for approximately 5% of global middle class consumer spending and is expected to increase to 41% in 20 years time[4].

i) Increased Ability to Spend on Healthcare

Patterns in other developing nations have shown that rising income leads to significant changes in spending patterns. As wealth increases, spending tends to shift away from basic necessities such as food and clothing, and towards discretionary items including healthcare. A McKinsey Global Institute study done in May 2007 showed that spending on the means to improve the quality of life (health, education, transportation, communications, etc) will increase even more significantly in India, as compared to other countries, as a result of rising income. It was noted that spending on private healthcare would grow by almost 10% per year and account for 13% of Indian household consumption by 2025 (please refer to the chart on page 10 of this Annual Report), which is a larger share than current levels in countries such as Brazil, China, Germany and South Korea[5]. This was reiterated in a study by Deutsche Bank which looked at the middle class in India and their spending patterns[6]. Apart from increasing household consumption in India as a result of the growth of the middle class in India, the middle class also demands better healthcare and education. In turn, this is also expected to lead to better healthcare facilities as a result of greater consumer spending in these areas.

ii) Change in Disease Profile

Non-communicable diseases ("NCDs"), also known as chronic diseases, are of long duration and generally slow in progression. They are not transmitted from person to person. The four main types of NCDs are cardiovascular diseases (such as heart attacks and stroke), cancers, chronic respiratory diseases (such as chronic obstructive pulmonary disease and asthma) and diabetes[7]. These diseases are driven by forces that include ageing, rapid unplanned urbanisation, and the globalisation of unhealthy lifestyles. For example, globalisation of unhealthy lifestyles such as unhealthy diets may show up in individuals as raised blood pressure, increased blood glucose, elevated blood lipids, and obesity. These are called 'intermediate risk factors' which can lead to cardiovascular disease, an NCD.

According to the World Health Organisation ("WHO"), an Indian today has over twice the odds of succumbing from a NCD than a communicable disease. India's NCD burden continues to grow and NCD's account for approximately 60% of deaths in India[8].

MARKET REVIEW AND OUTLOOK

The pace of growth of NCDs in India is further evidenced by the following - between 1995 and 2004, the number of urban women suffering from hypertension and diabetes rose fourfold. During the same time period, the incidence of heart disease among urban males rose threefold and that of diabetes almost fourfold. By 2012, cardiovascular diseases made up a fourth of all deaths in India. Chronic respiratory diseases accounted for 13%, cancers for 7%, diabetes for 2% and all the other NCDs for another 12%.

India's public health care system is catered towards the treatment of communicable diseases such as tuberculosis, malaria and acute respiratory infections, which have been prevalent in the country since the 1960s. They are not equipped to deal with NCDs, leaving people to seek treatment for NCDs from the private healthcare operators.

Most NCDs are chronic, of long duration and slow progression, which also tends to increase the amount of expenditure required for treatment. It is expected that private healthcare operators will be the main providers of treatment for NCDs in India, while the public healthcare system remains as the primary healthcare.

HEALTH INSURANCE

The latest available WHO data issued in 2014 shows that 62.4% of out of pocket expenditure in India was spent on healthcare[9]. This is compared to the world average of 18.1%. The high percentage of out of pocket expenditure for healthcare in India is mainly due to the under development of health insurance in India. In 2013, only 11% of the Indian population in India was covered by health insurance[10]. This is changing with increasing penetration of health insurance in India. In 2014-2015, about 24% of India's total population is covered under one health insurance policy[11]. It was announced in the National Health Policy 2017 that the government will provide health insurance for over 100 million families below the poverty line through the National Health Protection Scheme ("NHPS"), which envisages an annual coverage of 100,000 India Rupees per family. Implementation plans for the NHPS are currently underway.

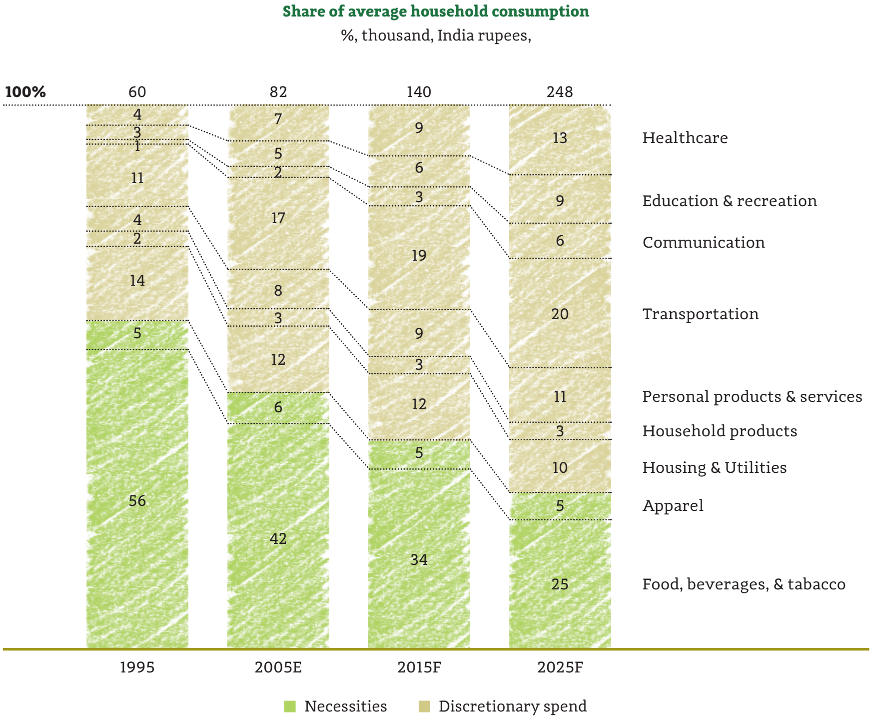
Health insurance in the form of healthcare financing was introduced in India in 1986-1987 by four subsidiaries of a government linked insurance company. In recent years, the Indian government has liberalised the Indian healthcare sector, to allow the private insurance market to emerge. This coupled with growing affluence among the Indian population, has led to the entry of a number of private health insurance companies, as well as an uptake in the health insurance policies. During 2014-2015, the gross health insurance premium collected by non-life insurance companies grew 14.87% over the previous period, according to data collected by the Insurance Regulatory and Development Authority of India. With more widespread health insurance coverage, healthcare should become more affordable for the average Indian, including the higher end and more sophisticated medical treatments.

MEDICAL TOURISM

In the last 10 years, India has become a fast growing healthcare destination. There are two key drivers to the rise of India as a healthcare destination.

Firstly, India is an accessible option to people in some of the neighbouring conflict stricken countries such as Afghanistan, Iraq, Yemen, Sudan and Republic of Congo. These countries have been in a protracted state of conflict, and the healthcare infrastructure in these countries are either already non-existent or serves only very basic needs. India sees about 400,000 medical tourists a year, about half of which are from these war torn countries[12].

SPENDING PATTERNS WILL EVOLVE MARKEDLY OVER THE NEXT 20 YEARS



Note: Figures are rounded to the nearest integer and may not add up to 100%.
Source: MGI India Consumer Demand Model, v1.0.

MARKET REVIEW AND OUTLOOK

Secondly, medical tourists to India seek quality healthcare care at a lower cost compared to their own home countries. For them, India provides high quality of medical treatments, often times at a fraction of the cost of the West. As healthcare costs increases in developed countries, it is predicted that India's medical tourism market will more than double in size from the current USD 3 billion to approximately USD 8 billion by 2020. The increasing demand for affordable healthcare and accredited facilities has led to the rise of global medical tourism in Singapore, India, Thailand, Malaysia, Taiwan, Mexico and Costa Rica. India has the second largest number of accredited facilities after Thailand[13]. India also has a large number of doctors who have trained and worked abroad before returning to India. In recent years, India has seen a number of doctors returning from abroad, encouraged by improved living standards and better medical technology at home. This provides reassurance to the patients that they can expect to receive an international standard of care in India. Some of the most commonly sought procedures in India include bone marrow transplants, reconstructive surgeries, heart transplants, treatment of cancers, orthopaedic and neurological treatments[14].

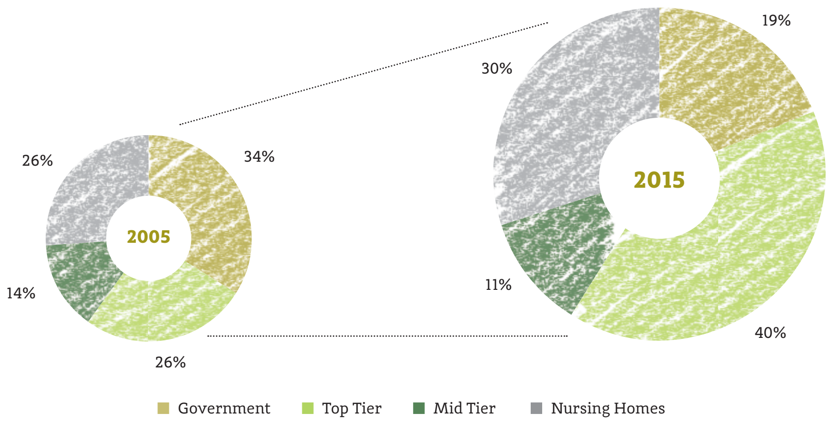
INADEQUATE SUPPLY

Despite the increasing demand for healthcare services in India, supply is still lagging behind the demand. This can be attributed to the low level of spending on healthcare by the government. Firstly, government spending on healthcare is lower compared to other more developed nations. Based on the latest available WHO data, government spending as a percentage of GDP in India is at 4.69%. In the United States of America, government spending is at 17.14% of GDP, while it stands at 9.12% in the United Kingdom. In terms of healthcare infrastructure, the number of hospital beds in India is also insufficient at 0.5 beds for every 1,000 people in the population[15]. This is compared to countries like United Kingdom with 2.7 beds per 1,000 population and Japan with 13.2 beds.

Most of the development in India's hospital industry, is likely to be contributed by investments from the private sector. Currently the private sector hospital industry comprises around 80% of the total market[16]. In terms of healthcare expenditure, private healthcare in India accounts for almost 74% of the country's total healthcare expenditure. The charts below show the growth in share of healthcare spending among the top and mid-tier private hospitals.

The large investments by the private sector is also likely to contribute to the development of India's hospital industry, and the sector is poised to grow to US$280 billion by 2020[17].

The increasing demand coupled with a supply that is keeping pace, provides opportunities for the private infrastructure providers like RHT Health Trust to capitalise and expand in the market.



1 World Bank Data.

2 World Population Prospects, The 2015 Revision, United Nations.

3 "The Emerging Middle Class in Developing Countries," Homi Karas, OECD Development Centre, January 2010. Middle class consumers had been defined to mean those living in households with daily per capita income of between US$10 and $100, adjusted for local purchasing power.

4 "Asian Affluence, the Emerging 21st Century Middle Class", Morgan Stanley Smith Barney, June 2011.

5 "The "Bird of Gold", The Rise of India's Consumer Market", McKinsey Global Institute, May 2017.

6 "The Middle Class in India, Issues and Opportunities", Deutsche Bank, 15 February 2010.

7 "Non-Communicable Dieases", World Health Organisation, January 2015.

8 Global Status Report on Non-communicable Disease 2014, World Health Organisation.

9 Out of pocket expenditure is any direct outlay by households, including gratuities and in-kind payments, to health practitioners and suppliers of pharmaceuticals, therapeutic appliances, and other goods and services whose primary intent is to contribute to the restoration or enhancement of the health status of individuals or population groups. It is a part of private health expenditure.

10 "Penetration of Health Insurance Sector in Indian market", M Akila, Opinion: International Journal of Management, 1 June 2013.

11 "Health insurance market maintained double digit growth last fiscal year", The Hindu, 27 January 2016.

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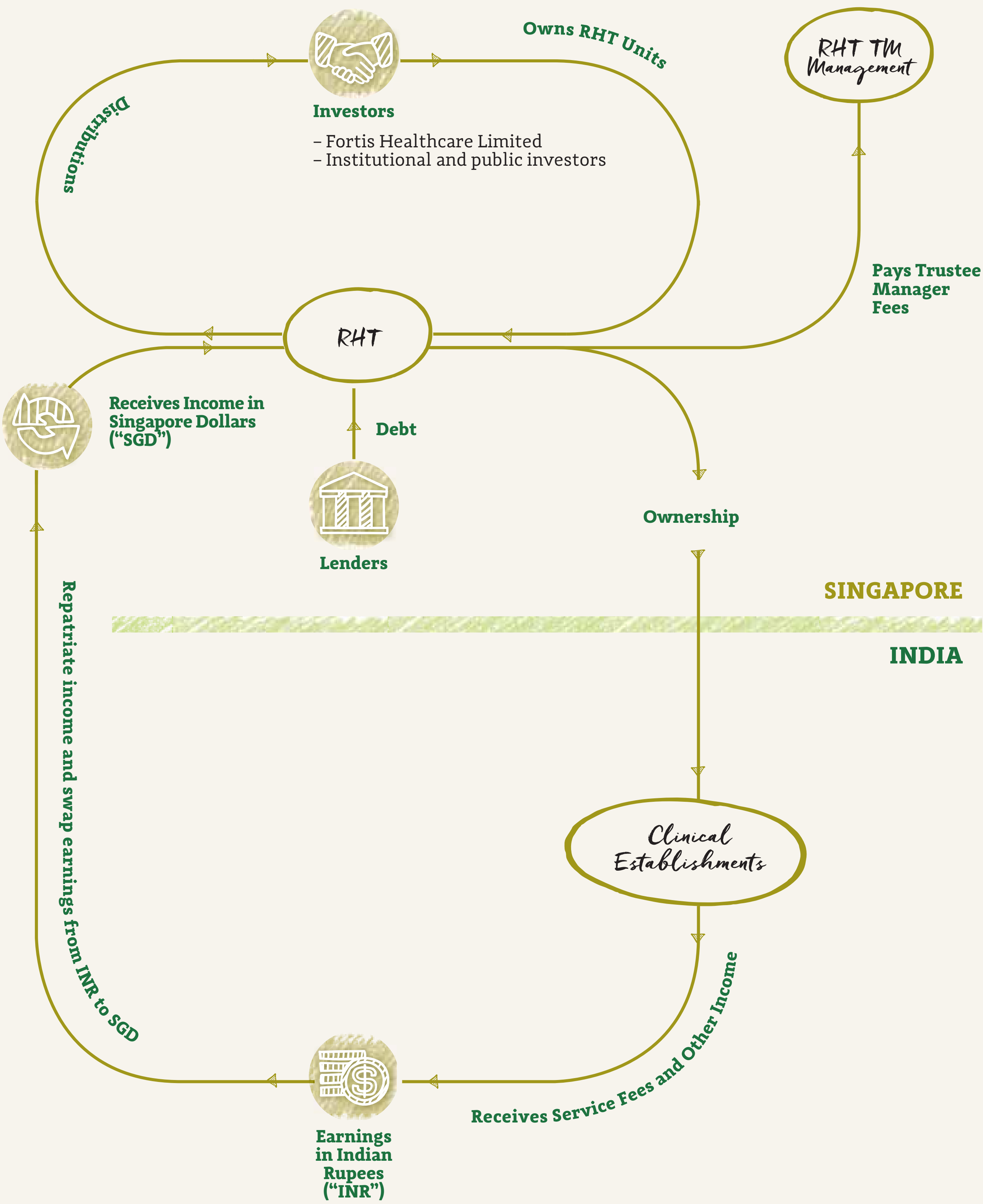
TRUST STRUCTURE



GROWTH STRATEGY

ENHANCING AND DEVELOPING THE EXISTING PORTFOLIO

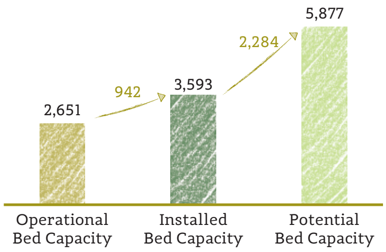
As we have seen from the review of the Indian healthcare market which can be found on pages 9 to 10 of this Annual Report, there is potential for private healthcare providers to grow in India. At RHT, we are focusing on the big cities where we can play a role in providing quality medical facilities with an operator offering specialty medical programs. Quality doctors and nurses tend to be more readily available in the big cities than in rural areas. The demand for healthcare also tends to be more constant as many people in the less urban areas seek medical care, particularly specialty medical care, in the cities rather than in their home town.

This potential in the Indian healthcare industry, has led to the entry of more providers and increased competition. There have been many private equity groups investing into the Indian healthcare industry in the last few years, which have driven up the valuations of healthcare related firms in India. According to the Fifth Annual Global Healthcare Private Equity and Corporate M&A Report published by Bain & Company in April 2016, healthcare Private Equity ("PE") investments in Asia Pacific again broke new records in 2015- the second year in a row. Vigorous activity in China and India amplified the region's performance, representing the majority of deal value relative to Asia Pacific's developed markets and demonstrating the changing pattern of capital flows across the region. The increase in funds chasing quality investments in India has served to push valuations up to a level which we feel are no longer compelling for RHT. We are therefore focusing on organic growth and expansion for the coming year.

Within the existing portfolio of RHT, there lies potential for growth in many areas. Management constantly assesses and undertakes activities to increase the value of the portfolio in order to be able to generate more revenue from the Clinical Establishments. The key areas of growth from the existing portfolio are from:

1. Increasing the Number of Operational Beds

At present, the total number of beds that are operating at RHT's Clinical Establishments and Operating Hospitals stands at 2,651 beds. However, the maximum number of beds that can be installed at the Clinical Establishments and Operating Hospitals is 5,877 beds. This is because the existing structures and building approvals of the Clinical Establishments allow for more floors to be added or new blocks to be built, which will increase the floor area within. The chart below highlights the potential growth in bed capacity within the existing portfolio.



The various initiatives currently underway to increase capacity include:

- Addition of 50 beds at Mulund Clinical Establishment.
- Addition of 40 beds at Jaipur Clinical Establishment.
- Addition of 102 beds at Amritsar Clinical Establishment by FY2017.

In FY2015, the Trustee-Manager acquired a piece of freehold land adjacent to the existing Mohali Clinical Establishment that has a potential bed capacity of 500 beds.

2. Enhancing the Use of Space within the Clinical Establishments

We are also constantly evaluating and working to change the use of the space within the Clinical Establishments. This includes refurbishments to existing spaces within different Clinical Establishments to allow the operator to offer different medical programmes. The operator, FHL, seeks to provide increasingly sophisticated medical treatments which in turn aims to enhance both its reputation as a medical service provider and increase its margins. In turn, RHT benefits from this as its Variable Fee will increase along with the operator's revenue.

At present, there are a number of space enhancement initiatives underway across the various Clinical Establishments:

- A new oncology block is being developed at the BG Road Clinical Establishment. Apart from serving to increase the number of operational beds by 200, it also helps to establish FHL's position as a specialist in the oncology medical programme in Bengaluru.
- Addition of a Maternal and Child Health programme at Noida Clinical Establishment which will add 40 beds by July 2017.
- Addition of 60 beds, two operating theatres and a catherisation laboratory at Nagarbhavi Operating Hospital.
- Revamping space at the Shalimar Bagh Clinical Establishment to allow for the commencement of an oncology programme.

During FY2017, we completed the addition of 59 beds at the Jaipur Clinical Establishment, which are being used for the provision of mother and child related programmes.

3. Development of the Greenfield Clinical Establishments

RHT has four Greenfield Clinical Establishments – Ludhiana, Chennai, Hyderabad, and Greater Noida. Together, these four Greenfield Clinical Establishments have a potential capacity of 874 beds.

Currently, the Ludhiana Greenfield Clinical Establishment is under development and is expected to be ready in 2017. The Ludhiana Greenfield Clinical Establishment will be a single specialty Clinical Establishment focusing on the provision of mother and child related medical programmes. We will be looking to enter into a new Hospital and Medical Services Agreement with the operator, FHL, once it is ready to commence operations.

ACQUISITIONS

Right of First Refusal ("ROFR") Assets

RHT currently has a ROFR Agreement with FHL, the Sponsor of RHT, over the Clinical Establishments that FHL owns. Where FHL intends to dispose of any of its Clinical Establishments, it must first have to be offered to RHT.

Currently some of the Clinical Establishments owned by FHL which are potential ROFR assets, are relatively young hospitals which commenced operations less than 5 years ago. RHT will have the opportunity to evaluate and acquire these assets from FHL when they are operationally stable and offered for purchase by the Sponsor.

Potential Third Party Acquisitions

Whilst competition for quality healthcare assets in India is high, management is still constantly on the lookout for potential yield accretive acquisitions. We focus our efforts in sourcing Clinical Establishments which are strategically located within the top tier cities, and are suitable for the provision of multi-specialty medical services.

ORGANISATION CHART

BOARD OF DIRECTORS

MR RAVI MEHROTRA
Executive Chairman

MR GURPREET SINGH DHILLON
Chief Executive Officer ("CEO")
and Executive Director

MR PAWANPREET SINGH
Chief Financial Officer ("CFO")
and Executive Director

DR. YOGENDRA NATH MATHUR
Lead Independent Director

MR PETER JOSEPH SEYMOUR ROWE
Chairman of Audit and
Risk Management Committee
and Independent Director

MR SYDNEY MICHAEL HWANG
Chairman of Nominating Committee
and Independent Director

MR ENG MENG LEONG
Chairman of Remuneration
Committee and
Independent Director

TRUSTEE-MANAGER

MR GURPREET SINGH DHILLON
CEO

MS TAN SUAN HUI
Head of Compliance/
Investor Relations

MR PAWANPREET SINGH
CFO

RHT, INDIA

DR VIRENDER SOBTI
Chief Operating Officer

MRS SHALINI TYAGI
Head of Human
Resources

MR NAVEEN BHATIA
Head of Accounts/
Finance

MR FAIZAL IMTIAZ
Head of Operations/
Compliance

MR VISHESH VERMA
Vice President
Investments and
Projects

LETTER TO UNITHOLDERS

"For a longer term investor who has remained invested since RHT's listing in October 2012, they would have earned a total return of 97.14%[2]."

Dear Unitholders,

In the financial year ended 31 March 2017 ("FY2017"), we made a disposal of RHT's 51.0% economic interests in an entity, Fortis Hospotel Limited ("FHTL") (the "Disposal"), and distributed a special dividend of 24.8 Singapore cents to Unitholders. The returns from the Disposal itself represented an internal rate of return of approximately 14% for Unitholders in Singapore dollar terms. We believe that this is a fairly attractive rate of return for Unitholders, over the period of approximately 4 years in which RHT owned the asset. The Disposal also had the effect of reducing the uncertainty surrounding RHT's interests in FHTL, where RHT's option to acquire the remaining 51.0% equity interests in FHTL was taking longer than anticipated. Overall, we are pleased with the outcome from the Disposal.

On the 8 November 2016, the removal of the 500 and 1,000 Rupees denominated notes from circulation in India (the "Demonetisation") was implemented. The Demonetisation affected businesses throughout the country as transactions slowed down due to the lack of cash. India today is still a predominantly cash based economy, with an estimate of 90%[1] of transactions in the country taking place using cash. After the implementation of the Demonetisation, we saw a lowering of the volume of hospital business in the second half of FY2017. This impacted the revenue of the operator, Fortis Healthcare Limited ("FHL"), and accordingly the Variable Fee earned by RHT. The business of the operator is expected to recover, as FHL provides tertiary to quaternary medical programmes, where such treatments are generally essential and non-elective.

Apart from the events which occurred above, the business and operations of RHT were stable. Base Fee grew by its contracted 3% per annum. Variable Fee also increased in line with the growth in FHL's revenue, apart from the dampening effect from the Demonetisation which affected the second half of FY2017. There was a slight drop in Net Service Fee and Hospital Income for the year, owing to an increase in costs across certain categories of expenses. With costs on an uptrend, we consciously monitored areas in which we can contain these increases, whether through improved processes or changes in operations or vendors. Some of the cost containing measures which we put in place, resulted in an improvement in Net Service Fee and Hospital Income in the last quarter of FY2017 over the preceding quarter of 3QFY2017.

[1] "Why India wiped out 85% of its Cash Overnight", BBC News, 14 November 2016.
[2] Source: Bloomberg.

LETTER TO UNITHOLDERS

Apart from the Special Distribution of 24.8 Singapore cents, we distributed a total of 5.97 Singapore cents for FY2017 to Unitholders. This is lower than the 6.72 Singapore cents distributed in FY2016 mostly due to RHT's reduced interests in FHTL. Additionally, there were corporate taxes payable in India as well as a stronger Singapore dollar in FY2017, which led to lower distributions compared to FY2016. However, the total returns to Unitholders who had invested in RHT at the beginning of the financial year 1 April 2016 to 31 March 2017, was 28.65%. For a longer term investor who has remained invested since RHT's listing in October 2012, they would have earned a total return of 97.14%[2]. This is a very respectable return to an investor, for a holding period of approximately 5 years.

On the financial side, our balance sheet remains healthy. Following the Disposal, our asset value decreased by a marginal 6.8%. This is in part due to the stronger Indian Rupee ("INR") of INR 46.43 to a Singapore dollar, compared to INR 49.17 to a Singapore dollar in March last year. Our gearing ratio remains low at 20.5%. We have also successfully refinanced about S$100 million of loans which were due in June this year. The refinancing came from the proceeds of the additional issuance of S$60 million notes to add on to our existing Series 1 notes ("Series 1 Notes"). The Series 1 Notes which were first issued in July 2015 at 4.5% coupon rate under RHT's Medium Term Note Programme ("MTN"), will be due in July 2018. Through this refinancing, we have converted the previous floating rate loan into a fixed rate loan, thereby reducing interest rate risks which are expected to be on an uptrend. There is no refinancing requirements till July 2018 when this Series 1 Notes is due.

BUILDING FOR THE FUTURE

The healthcare sector has grown to be one of India's largest sectors, both in terms of revenue and employment[3]. The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services and increasing expenditure by public as well as private providers. The growth in demand calls for a corresponding increase in the number of hospital beds that are required in the country. However, at present moment, India is in a situation where the number of hospital beds is below what is required to adequately serve its population. Based on the latest available data from the Organisation for Economic Co-operation and Development ("OECD") gathered in 2014, India has 0.5 hospital beds for every 1,000 people in its population. This is compared to 2.5-2.7 beds per 1,000 population in countries like United States and United Kingdom.

While there is a need for an expansion in the current healthcare capacity, the shortage of hospital beds is more acute in the areas outside of the big cities. The availability of specialised medical treatments in the rural areas is also scarce. As such, most of the patients with critical illnesses travel to the cities to seek medical attention. This led to our focus on first class medical facilities in the tier 1-2 cities within India. The major cities are also where demand for speciality medical treatments is higher, as patients come from surrounding areas to seek treatment for more complicated ailments. Furthermore, good quality hospital operators and doctors tend to be more readily available in the big cities, as most of them would rather base themselves in the cities than smaller towns.

By catering to the speciality medical treatment segment, we are able to focus more on the operator's margins rather than volume business. We have seen increased competition in the private healthcare space in India in recent years, which means that we have to provide increasingly higher quality medical programmes utilising sophisticated technologies. Investing in enhancing our medical facilities and working alongside a leading hospital operator, will help us to stay abreast of competition.

To this end, we support FHL through the retrofitting of areas within the Clinical Establishments to enable the provision of specific medical programmes. So far, FHL has been concentrating on establishing oncology, mother and child and cardiac medical specialities at every Clinical Establishment. We are also pleased to note that the average revenue per operating bed for the RHT portfolio has increased steadily over the last 5 years. The asset enhancement works on the existing portfolio will continue to be another key strategy for RHT going forward.

Since RHT was established to date, we have also been continuously adding capacity to the existing portfolio. Whilst there are acquisition opportunities abound, their attractiveness depends on the pricing and quality of the operator which we do not find compelling. However, we believe there is still a lot of value to be unlocked from within the existing RHT portfolio. The capacity for hospital beds in the Clinical Establishments is double the current number of operating hospital beds, whether through brownfield or greenfield developments. We will over the course of the next few years be working on building and making such beds operational.

[2] Source: Bloomberg.
[3] India Brand Equity Foundation, May 2017 Report.

Mr Ravi Mehrotra
Executive Chairman and
Executive Director

Mr Gurpreet Singh Dhillon
Chief Executive Officer and
Executive Director

The current development projects which we have been working on over the last 3 years or so are expected to be completed in the current year. We are looking forward to handing the completed facilities over to our operator, FHL to commence operations. Of the two development projects, one of them is a greenfield development in Ludhiana. We are looking to enter into a new Hospital and Medical Services Agreement with FHL for this medical facility specialising in mother and child medical programmes. Mother and child medical programmes is one of the specialities which FHL focuses on partly due to the increase in demand for such specialised medical facilities in India as the population gets increasingly affluent. Furthermore, this particular medical speciality commands higher margins compared to the other medical programmes.

We are also excited about the impending completion and handing over of the new oncology block at BG Road Clinical Establishment. The opening of this oncology block will help to augment FHL's position in the Bengaluru market where there are many competitors nearby our BG Road Clinical Establishment.

We believe that there is still a lot of work that needs to be done to bring the current portfolio to its maximum operating capacity, as well as optimising the revenue generated. We will be working hard to put these plans into action over the coming year.

NET SERVICE FEE AND HOSPITAL INCOME [4] [5]

S$83.2M

TOTAL REVENUE [5] [6]

S$129.0M

ACKNOWLEDGEMENTS

To round off a good year, we would like to thank our fellow Directors, the management and employees for their dedication and hard work. We would also like to thank our sponsor, FHL, our business partners including our bankers, lawyers and auditors for their unwavering support. We wish to close off by expressing our sincere gratitude to our Unitholders for your continued support and confidence in us. We look forward to continuing our dialogue with our Unitholders, and we will strive to continue to deliver consistent stable distributions in the years to come.

[4] Excludes straight-lining, depreciation and amortisation.
[5] Includes FHTL's performance up till 12 October 2016 and 49.0% share of FHTL's result from 13 October 2016 to 31 March 2017.
[6] Excludes straight-lining.

BOARD OF DIRECTORS

MR RAVI MEHROTRA
EXECUTIVE CHAIRMAN AND EXECUTIVE DIRECTOR

Mr Ravi Mehrotra has been the Executive Chairman and Executive Director of RHT Health Trust Manager Pte. Ltd. ("RHT TM" or 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 funds management, particularly in the areas of investment, corporate banking and equities. Prior to his appointment at RHT TM, 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 was previously 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
CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR

Mr Gurpreet Dhillon is the Chief Executive Officer and Executive Director of RHT TM 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 Health Trust 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 with a leading India financial services company, before he joined RHT TM 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
CHIEF FINANCIAL OFFICER AND EXECUTIVE DIRECTOR

Mr Pawanpreet Singh has been the Chief Financial Officer ("CFO") of RHT TM since 2011. He was also appointed as an Executive Director in January 2013, Mr Pawanpreet Singh has more than 25 years of experience in accounting and finance.

Prior to his appointment as CFO of RHT TM, Mr Singh spent most his career working in the healthcare sector in India. Between 2005 and 2011, Mr Singh held the position of Corporate Controller of Finance in Fortis Healthcare Limited ("FHL"), where he played a key role in its Initial Public Offering ("IPO"), 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
LEAD INDEPENDENT DIRECTOR

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 that 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 Radha Soami Satsang Beas Society.

MR PETER JOSEPH SEYMOUR ROWE
INDEPENDENT DIRECTOR

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 40 years of experience in the financial services industry, particularly in the areas of funds management and compliance. He is currently a consultant at Herbert Smith Freehills where he was previously made Partner and was also appointed Head of the Financial Services Group. Apart from the Board of RHT TM, 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.

BOARD OF DIRECTORS

MR ENG MENG LEONG
INDEPENDENT DIRECTOR

Mr Eng Meng Leong is an Independent Director and serves on the Board of RHT TM 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., Trustee-Manager of another listed business trust in Singapore.

Prior to his appointment with RHT TM in 2013, Mr Eng was the Director of Tax Services and Head of Financial Services in KPMG Tax Services Pte. Ltd. ("KPMG"). During his stint with KPMG, he played a key role in taxation works in relation to Mergers & Acquisitions, 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
INDEPENDENT DIRECTOR

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 ("DIFC") 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 United Nation 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 has served as Singapore's Non-Resident Ambassador to Switzerland and is currently Non-Resident Ambassador to Argentina.

SENIOR MANAGEMENT OF THE TRUSTEE-MANAGER, SINGAPORE

MR GURPREET SINGH DHILLON
CHIEF EXECUTIVE OFFICER

MR PAWANPREET SINGH
CHIEF FINANCIAL OFFICER

Please refer to the biography under Board of Directors

MS TAN SUAN HUI
HEAD OF COMPLIANCE AND INVESTOR RELATIONS

Ms Tan Suan Hui joined the Trustee-Manager in June 2011, as Head of Compliance and Investor Relations.

Prior to her current appointment at RHT TM, Ms Tan held the position of Vice President, Listings at the Singapore Exchange Limited ("SGX-ST"). She brings with her over 10 years of experience, particularly in the area of capital markets and related regulations. During her time at the Listings function in SGX-ST, she was involved in assessing and advising corporates on a potential listing on the SGX-ST. She was also involved in new product developments such as the launch of the FTSE ST Indices as well as the Global Depository Receipts. Prior to the Listings function, Ms Tan was with the Issuer Regulation function in SGX-ST which was responsible for the review of listing applications as well as corporate actions by listed entities.

Ms Tan holds a Bachelor of Business Administration (Honours) from the National University of Singapore.

SENIOR MANAGEMENT TEAM OF RHT INDIA

DR VIRENDER SOBTI
CHIEF OPERATING OFFICER

Dr Virender Sobti has over 15 years of experience in hospital management and is the Chief Operating Officer ("COO") of RHT. Based in India, he oversees the operations of the Clinical Establishments under the RHT portfolio.

Before joining RHT, Dr Sobti was the Vice President of Operations and Business Strategy at the Metro Group of Hospitals in 2012. Between 2007 to 2012, he was the COO and Medical Superintendent at Paras Hospitals Gurgaon and Paras Spring Meadows Hospital New Delhi. Dr Sobti was based in Mata Chanan Devi Hospital as its Medical Superintendent where he was responsible in the areas of strategic planning, operational management, human resources and also has been responsible for profitability of these institutions.

During his career, Dr Sobti played an integral role in the implementation of the National Accreditation Board for Hospitals ("NABH") certification.

Dr Sobti holds a Diploma in Hospital Management from The National Institute of Health and Family Welfare as well as a Bachelor of Medicine, Bachelor of Surgery ("MBBS") degree from the Post Graduate Institute of Medical Services Rothak, Haryana.

SENIOR MANAGEMENT TEAM OF RHT INDIA

MR NAVEEN BHATIA
HEAD OF ACCOUNTS AND FINANCE

Based in India, Mr Bhatia holds the position of Head of Accounts and Finance for RHT India's operations. Prior to his current appointment, Mr Bhatia was the Finance and Accounts Controller at iYogi Technical Services Private Limited from January 2010 to July 2012 where he was involved in a US IPO (U.S. Securities and Exchange Commission ("SEC") Listing). He was previously the Deputy General for the Finance and Accounts Department at IREO Management and had also held the position of Head of Accounts at Chaman Lal Setia Exports Limited.

Mr Bhatia graduated from the Kurukshetra University with a Bachelor of Commerce degree and also holds a Diploma in Information System from the Institute of Chartered Accountants of India.

MR FAIZAL IMTIAZ
HEAD OF OPERATIONS AND COMPLIANCE

Mr Faizal Imtiaz brings with him a wealth of experience in operations, compliance and risk management, spanning over 13 years. As Head of Operations and Compliance, he is responsible for operations and compliance related activities of RHT in India. Prior to his current appointment, Mr Imtiaz was the Assistant Vice President of the Operations and Compliance department at Religare Securities Australia Pte Limited.

Mr Imtiaz holds a Post Graduate Diploma in Planning and Management from the Indian Institute of Planning and Management as well as a Master of Business Administration (Finance and Marketing) Degree from the International Management Institute, Belgium.

MR VISHESH VERMA
VICE PRESIDENT, INVESTMENT AND PROJECTS

As Vice President of Investment and Projects, Mr Vishesh Verma is responsible for sourcing investment opportunities and expansion of the RHT portfolio. Based in India, he brings with him over 10 years of experience in advisory, transactions and investment banking, particularly in the commercial real estate, healthcare and education sector.

Prior to his current appointment, Mr Verma was Associate Director and Pan-India Vertical Head for Social Real Estate (Healthcare, Education and Senior Living) at Jones Lang LaSalle ("JLL") Property Consultants (India) Pvt Ltd. During his stint with JLL, he took on key roles in the areas of asset valuation, business feasibilities, transaction management and investment advisory in national and international assignments.

Mr Verma holds a Bachelor of Commerce (Honours) degree from Delhi University and obtained a Master in Business Administration, with a specialisation in Finance from Amity Business School, Noida.

MRS SHALINI TYAGI
HEAD OF HUMAN RESOURCES

Mrs Shalini Tyagi brings with her over 18 years of experience in the fields of Human Resources and Industrial Relations. Prior to her career at RHT, Mrs Tyagi led the Human Resources division at Jessaram hospital, a hospital operated by Fortis Healthcare Limited. She was the Head Human Resource, Compliance and Administration Manager at Orient Craft Ltd as well as Senior Executive at Phoenix Lamps Limited where she was responsible for recruitment, training and development, managing Industrial Relations and other welfare activities. Mrs Tyagi also accumulated experience in industrial relations from her stint at Oriental Fashions as Personnel Manager.

Mrs Tyagi received a Bachelor of Arts degree and also a Master of Social Work degree, with a specialisation in Industrial Relations, Human Resources and Labour Laws, from Kurukshetra University.

THE YEAR IN PERSPECTIVE

*for the financial period 1 April 2016 to 31 March 2017**

RHT HOSTS AGM & EGM

JULY 2016

RHT hosted the Annual General Meeting ("AGM") and Extraordinary General Meeting ("EGM") at Suntec Singapore International Convention & Exhibition Centre. All Ordinary Resolutions put to vote for Unitholders approval were passed.

The Trustee-Manager announced the launch of a new corporate identity, effective 3 August 2016, including a change in name of the Trust and Trustee-Manager.

REVENUE INCREASES 0.8% Y-O-Y.

AUGUST 2016

For the first quarter of FY2017, total revenue increased by 0.8% compared to the corresponding quarter in the previous financial year following increases in the Base Fee and Variable Fee. Occupancy for the RHT portfolio of Clinical Establishments stood at 76% in the first quarter of FY2017, an increase of 3% over the last quarter.

SPECIAL DISTRIBUTION OF 24.8 SINGAPORE CENTS PER UNIT ON COMPLETION OF THE DISPOSAL AND RELATED ARRANGEMENTS

OCTOBER 2016

The Trustee-Manager announced the completion of the proposed disposal of 51.0% of its economic interest in Fortis Hospotel Limited ("FHTL"), (the "Disposal").

RHT distributed a Special Distribution of 24.8 Singapore cents per unit to Unitholders in relation to the completion of the Disposal.

REVENUE INCREASES 3.8%. DIVIDEND DECLARED AT 3.60 SINGAPORE CENTS

NOVEMBER 2016

For the second quarter and first half of FY2017, total revenue increased 3.8% compared to the previous quarter following growth in the occupancy and an increase in certain high end medical procedures at the Clinical Establishments. RHT declared a Distribution Per Unit ("DPU") of 3.60 Singapore cents, for the first half of FY2017.

CHANGE IN INVESTOR ADVISOR TO STELLANT CAPITAL ADVISORY SERVICES

DECEMBER 2016

The Trustee-Manager announced the change in Investment Advisor to Stellant Capital Advisory Services Private Limited ("Stellant"), a wholly-owned indirectly held subsidiary of Fortis Healthcare Limited ("FHL").

TOTAL REVENUE MARGINALLY LOWER BY 1.2% IN 3Q FY2017 DUE TO DEMONETISATION IN INDIA

FEBRUARY 2017

For the third quarter of FY2017, total revenue was marginally lower by 1.2% compared to the corresponding quarter in the previous financial year due to the demonetisation policy introduced in India on 8 November 2016. DPU was lower compared to the corresponding quarter mainly due to the Disposal and less favourable foreign exchange rates.

* All S$ references on this page are based on the exchange rate as at date of respective announcements.

WE PLANT THE SEEDS OF TODAY AND HARVEST THE FRUITS OF TOMORROW.

By increasing the exposure of our portfolio in India's growing healthcare sector, we continue to deliver stable returns to our Unitholders.

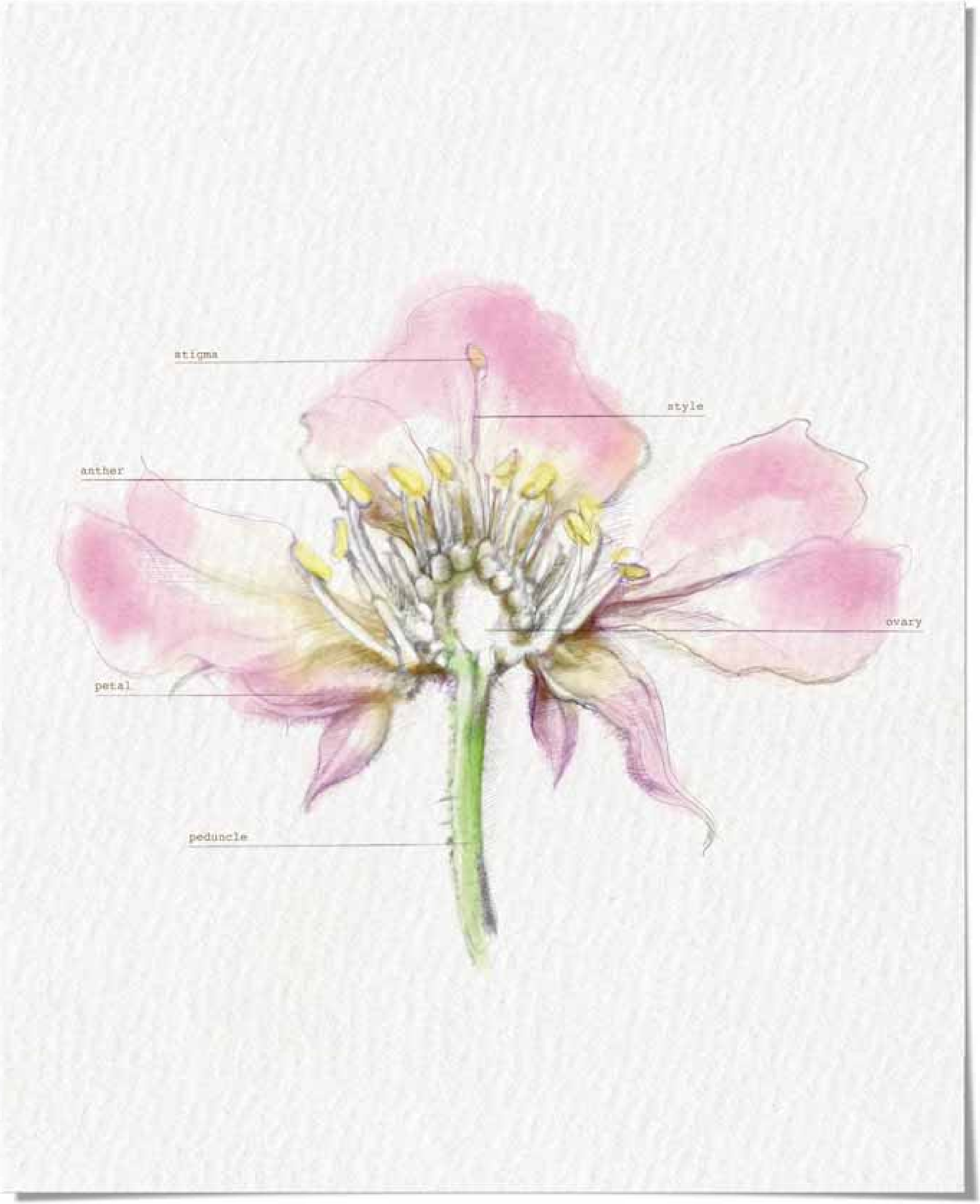
DEVELOPMENT PROJECT PIPELINE

LUDHIANA GREENFIELD CLINICAL ESTABLISHMENT	BG ROAD BROWNFIELD CLINICAL ESTABLISHMENT	EXPANSION OF MOHALI CLINICAL ESTABLISHMENT
79 beds	200 beds	500 beds
Mother & Child Programmes	Oncology, Operating Theatre	

CAPACITY ENHANCEMENT INITIATIVES

JAIPUR CLINICAL ESTABLISHMENT	MULUND CLINICAL ESTABLISHMENT	NAGARBHAVI OPERATING HOSPITAL
59 beds	39 beds	45 beds
Mother & Child Programmes, Orthopedics	Mother & Child Programmes	Addition of 2 operating theatres and a cath lab

AMRITSAR CLINICAL ESTABLISHMENT	NOIDA CLINICAL ESTABLISHMENT	SHALIMAR BAGH CLINICAL ESTABLISHMENT
102 beds	27 beds	–
Addition of Oncology Block	Addition of Gastroenterology unit	Addition of Oncology programme



Germination is a form of propagation that occurs in most plants. The process can be initiated by the absorption of water and oxygen, coupled with the seed's surrounding temperature, light sensitivity and intensity, etc. Before germination occurs, the seed does not have the required nutrients for plant growth. When the seed receives the nutrients and water required, then enzymes inside the seed are activated and the process of growth begins. First, a root grows from the seed, which allows the plant to have access to more water. Next, shoots or plumules (above ground) begin to grow, including the stem and leaves that harness the sun's energy for more development.

GEOGRAPHICALLY DIVERSIFIED ASSET PORTFOLIO

RHT CLINICAL ESTABLISHMENTS

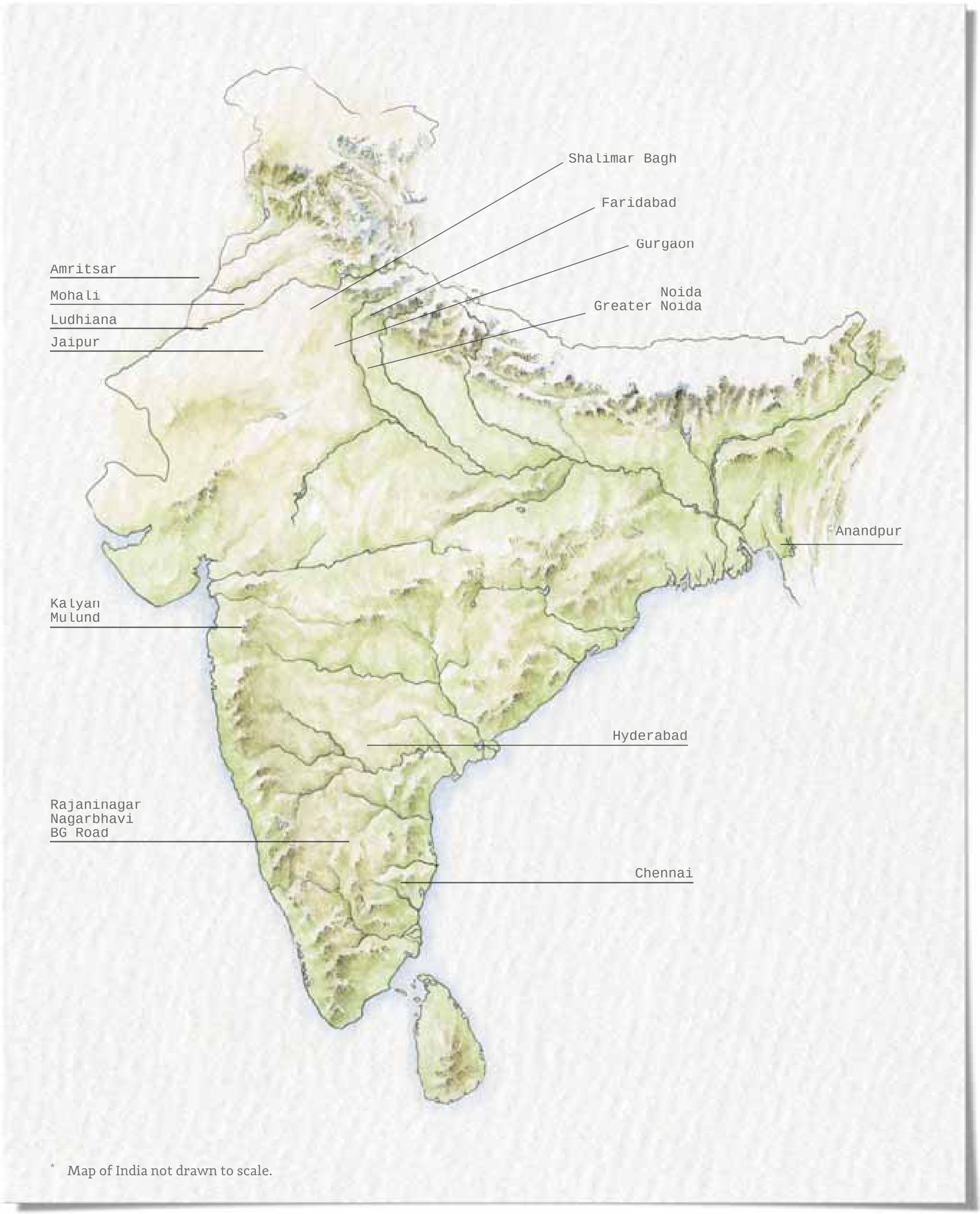
Location	Operational beds	Installed bed capacity	Potential bed capacity
AMRITSAR	155	166	89
MOHALI	346	355	500
JAIPUR	245	320	
KALYAN	49	52	
MULUND	288	567	
ANANDPUR	200	373	
SHALIMAR BAGH	200	350	
GURGAON	268	450	550
NOIDA	191	200	31
FARIDABAD	210	210	
BG ROAD	255	258	197
MALAR	151	178	

GREENFIELD CLINICAL ESTABLISHMENTS

Location	Potential bed capacity
LUDHIANA	79
GREATER NOIDA	350
HYDERABAD	400
CHENNAI	45

OPERATING HOSPITALS

Location	Operational beds	Installed bed capacity	Potential bed capacity
RAJANINAGAR	48	52	
NAGARBHAVI	45	62	43



* Map of India not drawn to scale.

PORTFOLIO SUMMARY
12 CLINICAL ESTABLISHMENTS

AMRITSAR

ADDRESS
Amritsar

NATURE OF INTEREST
Freehold

HOSPITAL SERVICES COMPANY
International Hospital Limited (“IHL”)

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

NAME OF FORTIS HOSPITAL
Fortis Escorts Hospital, Amritsar

CARE TYPE
Secondary and Tertiary

APPROXIMATE LAND SIZE (ACRES)
4.6

APPROXIMATE BUILT-UP AREA (SQ FT)
145,948

OPERATIONAL BEDS AS AT 31 MARCH 2017
155

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
166

OCCUPANCY FOR FY2017
88% (FY2016: 83%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
1,550 (S$33.38m)* (FY2016: 1,339 (S$27.23m)#)

SERVICE INCOME (S$ M)
3.78[1] (FY2016: 3.80)[2]

Amritsar Clinical Establishment is a multi-specialty hospital, 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.

Amritsar is an important city in Punjab with good connectivity to other parts of the state and India. It is also a major commercial and cultural centre. It has a bed to population ratio of 1.3 beds per 1,000 population, considering its total primary and secondary catchment population. As of 2011, Amritsar requires an additional 3,527 beds over and above the existing supply of 6,989 beds to cater to its direct primary and secondary catchment population of 5.2 million.

* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
\# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.
1 Based on an average exchange rate of S$1 = INR 48.39 as at 31 March 2017.
2 Based on an average exchange rate of S$1 = INR 47.36 as at 31 March 2016.

AWARDS & ACCOLADES

NABH Accredited

ANANDPUR

ADDRESS
Kolkata

NATURE OF INTEREST
99-years leasehold commencing August 2005 with an option to renew for another 99 years

HOSPITAL SERVICES COMPANY
International Hospital Limited ("IHL")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

NAME OF FORTIS HOSPITAL
Fortis Hospital, Anandpur, Kolkata

CARE TYPE
Tertiary

APPROXIMATE LAND SIZE (ACRES)
1.49

APPROXIMATE BUILT-UP AREA (SQ FT)
295,038

OPERATIONAL BEDS AS AT 31 MARCH 2017
200

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
373

OCCUPANCY FOR FY2017
88% (FY2016: 81%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
2,550 (S$54.92m)* (FY2016: 1,818 (S$36.97m)#)

SERVICE INCOME (S$ M)
6.07[1] (FY2016: 5.78)[2]

Anandpur Clinical Establishment is a super-specialty tertiary hospital, 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.

Kolkata is the capital of the state of West Bengal. Located on the east bank of the Hooghly river, it is the principal commercial, cultural, and educational centre of East India, while the Port of Kolkata is India's oldest operating port as well as its sole major riverine port. Kolkata is the third most populous metropolitan area in India. As of 2011, the city had 4.5 million residents. The urban agglomeration, which comprises the city and its suburbs, was home to approximately 14.1 million residents.

* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.
1 Based on an average exchange rate of S$1 = INR 48.39 as at 31 March 2017.
2 Based on an average exchange rate of S$1 = INR 47.36 as at 31 March 2016.

AWARDS & ACCOLADES

No. 2 Best Hospital in multi-specialty category in Kolkata in a survey conducted by AC Nielson for The Week Magazine

Received the CII Energy Efficient Unit Award 2014

NABH accredited

PORTFOLIO SUMMARY
12 CLINICAL ESTABLISHMENTS

BG ROAD

ADDRESS
Bangalore

NATURE OF INTEREST
Freehold

HOSPITAL SERVICES COMPANY
International Hospital Limited ("IHL")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

NAME OF FORTIS HOSPITAL
Fortis Hospital, Bannerghatta Road, Bengaluru

CARE TYPE
Quaternary

APPROXIMATE LAND SIZE (ACRES)
2.93

APPROXIMATE BUILT-UP AREA (SQ FT)
357,447

OPERATIONAL BEDS AS AT 31 MARCH 2017
255

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
258

OCCUPANCY FOR FY2017
73% (FY2016: 75%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
4,500 (S$96.92m)* (FY2016: 3,515 (S$71.49m)#)

SERVICE INCOME (S$ M)
10.35[1] (FY2016: 10.22)[2]

BG Road Clinical Establishment is a super-specialty hospital and is located on Bannerghatta Road, opposite the Indian Institute of Management, Bengaluru. The hospital commenced operations in 2006 and its key specialties are cardiac care, neurosciences, orthopaedics, renal care and gynaecology.

Bengaluru is the capital of the Indian state of Karnataka, known as the Garden City, and is India's fifth most populous urban agglomeration. It is also known as the Silicon Valley of India because of its position as the nation's leading IT exporter. It has a bed to population ratio of 1.4 beds per 1,000 population for its primary and secondary catchment population. As of 2011, Bengaluru requires an additional 12,891 beds over and above the existing supply of 30,869 beds to cater to its direct primary and secondary catchment population of 21.9 million.

* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
\# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.
1 Based on an average exchange rate of S$1 = INR 48.39 as at 31 March 2017.
2 Based on an average exchange rate of S$1 = INR 47.36 as at 31 March 2016.

AWARDS & ACCOLADES

Awarded as the "Best Medical Tourism Hospital" at the Karnataka Tourism Awards 2016

Ranked no. 2 as best multi-specialty hospital in respective city, The Week Magazine Awards

Recognised for the fifth consecutive year by the Medical Travel Quality Alliance ("MTQUA") and ranked third amongst Top 20 hospitals across the globe in its annual rankings

NABH accredited

FARIDABAD

ADDRESS
Faridabad

NATURE OF INTEREST
Freehold

HOSPITAL SERVICES COMPANY
International Hospital Limited ("IHL")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

NAME OF FORTIS HOSPITAL
Fortis Escorts Hospital, Faridabad

CARE TYPE
Secondary

APPROXIMATE LAND SIZE (ACRES)
5.07

APPROXIMATE BUILT-UP AREA (SQ FT)
177,330

OPERATIONAL BEDS AS AT 31 MARCH 2017
210

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
210

OCCUPANCY FOR FY2017
84% (FY2016: 80%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
1,200 (S$25.84m)* (FY2016: 982 (S$19.97m)#)

SERVICE INCOME (S$ M)
4.90[1] (FY2016: 4.78)[2]

Faridabad Clinical Establishment is a multi-specialty secondary hospital, 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.

Faridabad comes under the Gurgaon Division of Haryana and is about 25.0 km from Delhi. It is an important city and a major industrial and commercial centre in Haryana. It has a bed to population ratio of 1.11 beds per 1,000 population for its primary and secondary catchment population. Faridabad requires an additional 3,213 beds over and above the existing supply of 4,033 beds to cater to its direct primary and secondary catchment population of 3.6 million.

* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
\# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.
1 Based on an average exchange rate of S$1 = INR 48.39 as at 31 March 2017.
2 Based on an average exchange rate of S$1 = INR 47.36 as at 31 March 2016.

AWARDS & ACCOLADES

NABH Accredited

PORTFOLIO SUMMARY
12 CLINICAL ESTABLISHMENTS

GURGAON

ADDRESS
Gurgaon

NATURE OF INTEREST
Freehold

HOSPITAL SERVICES COMPANY
Fortis Hospotel Limited ("FHTL")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
49.0%

NAME OF FORTIS HOSPITAL
Fortis Escorts Hospital, Gurgaon

CARE TYPE
Tertiary

APPROXIMATE LAND SIZE (ACRES)
10.7

APPROXIMATE BUILT-UP AREA (SQ FT)
711,922

OPERATIONAL BEDS AS AT 31 MARCH 2017
268

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
450

OCCUPANCY FOR FY2017
67% (FY2016: 61%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)^
10,045 (S$216.34m)* (FY2016: 19,023 (S$386.86m)#)

SERVICE INCOME (S$ M)@
24.66[1] (FY2016: 31.70)[2]

Gurgaon Clinical Establishment is a multi-specialty tertiary hospital, located in Sector 44, Gurgaon. The key specialties of the hospital are trauma, paediatrics, oncology, cardiac sciences, gynaecology and orthopaedics.

Gurgaon is the sixth largest city in the state of Haryana and one of the major cities of the National Capital Region ("NCR"). It is the main industrial and financial centre of Haryana, and is slated to be among the top 12 mega cities in India by 2021. It has the third highest per capita income in India and with over 40 malls, it is considered the Mall Capital of India. It has a bed to population ratio of 1.66 beds per 1,000 population for its primary and secondary catchment population. As of 2011, it requires an additional 1,010 beds over and above the existing supply of 5,034 beds to cater to its direct primary and secondary catchment population of 3.0 million.

^ The valuation for FY2017 has been adjusted for RHT's 49.0% economic interest. The appraised value would have been INR 9,321 million (S$189.56m#) if the Disposal occured in FY2016.
* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
\# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.
@ Includes Gurgaon Clinical Establishment's service income up till 12 October 2016 and 49.0% share of results from 13 October 2016 to 31 March 2017. The service income would have been S$24.13m.[2]
1 Based on an average exchange rate of S$1 = INR 48.39 as at 31 March 2017.
2 Based on an average exchange rate of S$1 = INR 47.36 as at 31 March 2016.

AWARDS & ACCOLADES

No. 2 globally on '30 Most Technologically Advanced Hospitals in the World' by 'topmastersinhealthcare.com'

Won two awards under the categories of "Process Innovation" and "Safety" in Frost and Sullivan's Project Evaluation & Recognition Program 2015

JAIPUR

ADDRESS
Jaipur

NATURE OF INTEREST
99-years leasehold commencing 24 November 1999

HOSPITAL SERVICES COMPANY
Escorts Heart and Super Speciality Institute Limited ("EHSSIL")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

NAME OF FORTIS HOSPITAL
Fortis Escorts Hospital, Jaipur

CARE TYPE
Tertiary

APPROXIMATE LAND SIZE (ACRES)
6.68

APPROXIMATE BUILT-UP AREA (SQ FT)
343,648

OPERATIONAL BEDS AS AT 31 MARCH 2017
245

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
320

OCCUPANCY FOR FY2017
67% (FY2016: 72%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
4,960 (S$106.82m)* (FY2016: 3,881 (S$78.93m)#)

SERVICE INCOME (S$ M)
10.80[1] (FY2016: 11.13)[2]

Jaipur Clinical Establishment is a multi-specialty tertiary hospital, 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.

Jaipur is the capital and largest city of the state of Rajasthan. The city has a population of 3.1 million and is known as the Pink City of India. Jaipur is a centre for both traditional and modern industries.

* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
\# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.
1 Based on an average exchange rate of S$1 = INR 48.39 as at 31 March 2017.
2 Based on an average exchange rate of S$1 = INR 47.36 as at 31 March 2016.

AWARDS & ACCOLADES

Ranked no. 2 as best multi-specialty hospital in respective city, The Week Magazine Awards

NABH accredited

National Quality Council of India ("QCI") award for three consecutive years

Won top honours at the QCI D.L. Shah Awards for the third time

Won the Rajasthan State Productivity Council's Productivity Excellence Award for reducing "Hospital Acquired Pressure Ulcers (bed sores)" to zero

Won the QCI D.L. Shah Award for the fourth time in a row under Lean Six Sigma project titled "Dock to Stock Cycle Reduction Time in Critical Care Kaizen"

PORTFOLIO SUMMARY
12 CLINICAL ESTABLISHMENTS

KALYAN

ADDRESS
Thane

NATURE OF INTEREST
Freehold

HOSPITAL SERVICES COMPANY
International Hospital Limited ("IHL")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

NAME OF FORTIS HOSPITAL
Fortis Kalyan Hospital, Mumbai

CARE TYPE
Tertiary

APPROXIMATE LAND SIZE (ACRES)
0.45

APPROXIMATE BUILT-UP AREA (SQ FT)
25,881

OPERATIONAL BEDS AS AT 31 MARCH 2017
49

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
52

OCCUPANCY FOR FY2017
88% (FY2016: 87%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
220 (S$4.74m)*
(FY2016: 179
(S$3.64m)#)

SERVICE INCOME (S$ M)
1.12[1] (FY2016: 1.11)[2]

Kalyan Clinical Establishment is a multi-specialty tertiary hospital, 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.

Mumbai is the capital of Maharashtra. It is the most populous city in India, and the fifth most populous city in the world. Along with the neighbouring urban areas, including the cities of Navi Mumbai and Thane, it is one of the most populous urban regions in the world. Mumbai is the commercial and entertainment capital of India. As of 2008, Mumbai's Gross Domestic Product ("GDP") was USD204.1 billion and its per capita income in 2009 was USD2,840, almost three times the national average. Mumbai has a bed to population ratio of 1.3 beds per 1,000 population for its primary and secondary catchment area population. As of 2011, Mumbai requires an additional 21,686 beds above the existing supply of 41,455 beds to cater to its direct primary and secondary catchment population of 31.6 million.

* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
\# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.
1 Based on an average exchange rate of S$1 = INR 48.39 as at 31 March 2017.
2 Based on an average exchange rate of S$1 = INR 47.36 as at 31 March 2016.

AWARDS & ACCOLADES

NABH accredited for two consecutive years in 2013 and 2014

MALAR

ADDRESS
Chennai

NATURE OF INTEREST
Freehold

HOSPITAL SERVICES COMPANY
Fortis Health Management Limited ("FHML")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

NAME OF FORTIS HOSPITAL
Fortis Malar Hospital

CARE TYPE
Secondary and Tertiary

APPROXIMATE LAND SIZE (ACRES)
0.67

APPROXIMATE BUILT-UP AREA (SQ FT)
107,922

OPERATIONAL BEDS AS AT 31 MARCH 2017
151

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
178

OCCUPANCY FOR FY2017
61% (FY2016: 62%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
1,240 (S$26.71m)* (FY2016: 941 (S$19.14m)#)

SERVICE INCOME (S$ M)
4.14[1] (FY2016: 4.01)[2]

Malar Clinical Establishment is a multi-specialty secondary and tertiary hospital, 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.

Chennai is the fourth most populous metropolitan city and the sixth most populous city in India. The urban agglomeration of metropolitan Chennai has an estimated population of over 8.2 million.

Chennai's economy has a broad industrial base in the automobile, computer, technology, hardware manufacturing, and healthcare industries. Chennai zone contributes 39.0% of the state's Gross Domestic Product ("GDP"). It has a bed to population ratio of 1.6 beds per 1,000 population for its primary and secondary catchment area population. As of 2011, Chennai requires an additional 7,413 beds over and above the existing supply of 31,659 beds to cater to its direct primary and secondary catchment population of 19.5 million.

* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
\# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.
1 Based on an average exchange rate of S$1 = INR 48.39 as at 31 March 2017.
2 Based on an average exchange rate of S$1 = INR 47.36 as at 31 March 2016.

PORTFOLIO SUMMARY
12 CLINICAL ESTABLISHMENTS

MOHALI

ADDRESS
Mohali

NATURE OF INTEREST
Freehold

HOSPITAL SERVICES COMPANY
Escorts Heart and Super Speciality Hospital Limited ("EHSSHL")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

NAME OF FORTIS HOSPITAL
Fortis Hospital, Mohali

CARE TYPE
Tertiary

APPROXIMATE LAND SIZE (ACRES)
13.43

APPROXIMATE BUILT-UP AREA (SQ FT)
464,851

OPERATIONAL BEDS AS AT 31 MARCH 2017
346

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
355

OCCUPANCY FOR FY2017
80% (FY2016: 79%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
3,130 (S$67.41m)* (FY2016: 3,236 (S$65.82m)#)

SERVICE INCOME (S$ M)
10.13[1] (FY2016: 10.10)[2]

Mohali Land

POTENTIAL BED CAPACITY AS AT 31 MARCH 2017
500

PLANNED BUILT-UP AREA (SQ FT)
408,421

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
1,316 (S$28.34m)* (FY2016: 1,368 (S$27.82m)#)

The Mohali Clinical Establishment is located in Sector 62 of Mohali, a city close to Chandigarh in northwest India. It is a multi-specialty hospital which provides emergency trauma care services, and serves as a "hub" for a number of smaller, secondary hospitals in the surrounding areas. The hospital commenced operations in 2001 and its key specialties are cardiac sciences, orthopaedics and joint replacement, neurosciences, renal care, medical and surgical gastroenterology and medical and surgical oncology. The hospital includes a super-specialty cardiac centre equipped to provide advanced cardiac treatments for all forms of heart disease, a cancer institute and a general multi-specialty hospital.

Chandigarh has a bed to population ratio of 1.5 beds per 1,000 population for its primary and secondary catchment area population. As of 2011, Chandigarh requires an additional 546 beds above the existing supply of 5,875 beds to cater to its direct primary and secondary catchment population of 3.2 million.

The Group, through its subsidiary, successfully bidded for a freehold piece of land designated for hospital use offered by the Greater Mohali Area Development Authority ("GMADA") (the "Land") through a public auction held on 18 August 2015. The acquisition of the Land was completed on 10 February 2016. The Land is an extension of the Mohali Clinical Establishment.

* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
\# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.
1 Based on an average exchange rate of S$1 = INR 48.39 as at 31 March 2017.
2 Based on an average exchange rate of S$1 = INR 47.36 as at 31 March 2016.

AWARDS & ACCOLADES

Won two awards at the sixth MT India Healthcare Awards 2016

National Energy Conservation Award 2015

Won the prestigious Asia Pacific Hand Hygiene Excellence Award 2015 for demonstrating outstanding leadership in implementation of an effective hand hygiene campaign

MULUND

ADDRESS
Mumbai

NATURE OF INTEREST
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

HOSPITAL SERVICES COMPANY
International Hospital Limited ("IHL")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

NAME OF FORTIS HOSPITAL
Fortis Mulund Hospital, Mumbai

CARE TYPE
Quaternary

APPROXIMATE LAND SIZE (ACRES)
8.15

APPROXIMATE BUILT-UP AREA (SQ FT)
348,105

OPERATIONAL BEDS AS AT 31 MARCH 2017
288

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
567

OCCUPANCY FOR FY2017
80% (FY2016: 81%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
6,830 (S$147.10m)* (FY2016: 5,577 (S$113.42m)#)

SERVICE INCOME (S$ M)
14.91[1] (FY2016: 14.48)[2]

Mulund Clinical Establishment is a multi-specialty quaternary hospital 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.

Mumbai is the capital of Maharashtra. It is the most populous city in India, and the fifth most populous city in the world. Along with the neighbouring urban areas, including the cities of Navi Mumbai and Thane, it is one of the most populous urban regions in the world. Mumbai is the commercial and entertainment capital of India. As of 2008, Mumbai's Gross Domestic Product ("GDP") was USD204.1 billion and its per capita income in 2009 was USD2,840, almost three times the national average. Mumbai has a bed to population ratio of 1.3 beds per 1,000 population for its primary and secondary catchment area population. As of 2011, it requires an additional 21,686 beds above the existing supply of 41,455 beds to cater to its direct primary and secondary catchment population of 31.6 million.

* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
\# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.
[1] Based on an average exchange rate of S$1 = INR 48.39 as at 31 March 2017.
[2] Based on an average exchange rate of S$1 = INR 47.36 as at 31 March 2016.

AWARDS & ACCOLADES

Awarded the "Best Hospital Unit in Cardiac Care" and the "Best Medical Tourism Facility" at the CIMS Healthcare Excellence Awards 2016

Won the "Patient Safety Award" for its insulin Super League Program and the "Outstanding Achievement in Healthcare Award" for its efforts in organ donation

PORTFOLIO SUMMARY
12 CLINICAL ESTABLISHMENTS

NOIDA

ADDRESS
Noida

NATURE OF INTEREST
90 years leasehold commencing 2 January 1996

HOSPITAL SERVICES COMPANY
International Hospital Limited ("IHL")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

NAME OF FORTIS HOSPITAL
Fortis Hospital, Noida

CARE TYPE
Quaternary

APPROXIMATE LAND SIZE (ACRES)
5.54

APPROXIMATE BUILT-UP AREA (SQ FT)
271,568

OPERATIONAL BEDS AS AT 31 MARCH 2017
191

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
200

OCCUPANCY FOR FY2017
84% (FY2016: 81%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
6,260 (S$134.82m)* (FY2016: 4,651 (S$94.58m)#)

SERVICE INCOME (S$ M)
13.39[1] (FY2016: 13.36)[2]

Noida Clinical Establishment is 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.

The New Okhla Industrial Development Authority ("NOIDA") city was created under the Uttar Pradesh ("UP") Industrial Area Development Act. It is located in Gautam Budh Nagar district of UP state and is only 14.0 km away from Connaught Place, Delhi. It is well connected via rail and road to key cities in UP and India. Noida has a bed to population ratio of 0.97 beds per 1,000 population for its primary and secondary catchment population. As of 2011, Noida requires an additional 3,458 beds over and above the existing supply of 3,268 beds to cater to its direct primary and secondary catchment population of 3.4 million.

* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
\# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.
1 Based on an average exchange rate of S$1 = INR 48.39 as at 31 March 2017.
2 Based on an average exchange rate of S$1 = INR 47.36 as at 31 March 2016.

AWARDS & ACCOLADES

Received the National Energy Conservation Award in 2015

Won 'Comprehensive Neurosciences Service Provider of the Year' award at Frost and Sullivan's 7th Annual India Healthcare Excellence Awards 2015

SHALIMAR BAGH

ADDRESS
New Delhi

NATURE OF INTEREST
Perpetual leasehold commencing December 2003

HOSPITAL SERVICES COMPANY
Fortis Hospotel Limited ("FHTL")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
49.0%

NAME OF FORTIS HOSPITAL
Fortis Hospital, Shalimar Bagh

CARE TYPE
Tertiary

APPROXIMATE LAND SIZE (ACRES)
7.34

APPROXIMATE BUILT-UP AREA (SQ FT)
388,641

OPERATIONAL BEDS AS AT 31 MARCH 2017
200

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
350

OCCUPANCY FOR FY2017
75% (FY2016: 70%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)^
4,435 (S$95.52m)* (FY2016: 6,707[1] (S$136.40m)#)

SERVICE INCOME (S$ M)@
14.54[1] (FY2016: 19.01)[2]

Shalimar Bagh Clinical Establishment is a multi-specialty hospital. It is located 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.

National Capital Territory of Delhi ("NCT") is the largest metropolis by area and the second-largest metropolis by population in India. It comprises nine districts and three statutory towns and the capital of India, New Delhi, falls under the administration of the statutory town, New Delhi Municipal Committee ("NDMC"). NCT has a bed to population ratio of 1.7 beds per 1,000 population for its primary catchment. As of 2011, NCT requires an additional 6,839 beds over and above the existing supply of 39,595 beds to cater to its direct primary and secondary catchment population of 23.2 million.

^ The valuation for FY2017 has been adjusted for RHT's 49.0% economic interest. The appraised value would have been INR 3,287 million (S$66.84m#) if the Disposal occured in FY2016.
* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
\# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.
@ Includes Shalimar Bagh Clinical Establishment's service income up till 12 October 2016 and 49.0% share of results from 13 October 2016 to 31 March 2017. The service income would have been S$14.47m[2].
1 Based on an average exchange rate of S$1 = INR 48.39 as at 31 March 2017.
2 Based on an average exchange rate of S$1 = INR 47.36 as at 31 March 2016.

AWARDS & ACCOLADES

Received a 3 Star rating by TERI GRIHA

3 Star rating by the Bureau of Energy Efficiency, Government of India, Ministry of Power

First prize in 'Best Poster Presentation' at National Conference of Consortium of Accredited Healthcare Organisations ("CAHOCON") in 2015

NABH accredited

PORTFOLIO SUMMARY
2 OPERATING HOSPITALS

NAGARBHAVI

ADDRESS
Bengaluru

NATURE OF INTEREST
Fifteen years lease commencing 15 March 2012

HOSPITAL SERVICES COMPANY
Fortis Health Management Limited ("FHML")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

NAME OF FORTIS HOSPITAL
Fortis Hospital, Nagarbhavi, Bengaluru

CARE TYPE
Secondary

APPROXIMATE LAND SIZE (ACRES)
0.5

APPROXIMATE BUILT-UP AREA (SQ FT)
31,500

OPERATIONAL BEDS AS AT 31 MARCH 2017
45

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
62

OCCUPANCY FOR FY2017
74% (FY2016: 84%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
920 (S$19.81m)* (FY2016: 376 (S$7.65m)#)

The Nagarbhavi hospital operates under the name Fortis Hospital, Nagarbhavi in Bengaluru, South India. The hospital is well equipped with the ideal combination of people, processes and technology 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.

* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
\# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.

AWARDS & ACCOLADES

National Energy Conservation Award 2014

NABH accredited

RAJAJINAGAR

ADDRESS
Bengaluru

NATURE OF INTEREST
Nine years eleven months lease commencing 1 April 2016 (Old block)

Nine years eleven months lease commencing 1 September 2012 (New block)

HOSPITAL SERVICES COMPANY
International Hospital Limited ("IHL")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

NAME OF FORTIS HOSPITAL
Fortis Hospital, Rajajinagar, Bengaluru

CARE TYPE
Secondary

APPROXIMATE LAND SIZE (ACRES)
0.25

APPROXIMATE BUILT-UP AREA (SQ FT)
19,631

OPERATIONAL BEDS AS AT 31 MARCH 2017
48

INSTALLED BED CAPACITY AS AT 31 MARCH 2017
52

OCCUPANCY FOR FY2017
56% (FY2016: 70%)

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)^
400 (S$8.61m)*
(FY2016: 315 (S$6.41m)#)

The Rajajinagar Operating Hospital commenced operations in 2007. It is a multi-specialty hospital 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.

* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.

PORTFOLIO SUMMARY
4 GREENFIELD CLINICAL ESTABLISMENTS

LUDHIANA

The proposed hospital at the Ludhiana Greenfield Clinical Establishment will be located on Mall Road, one of the prime commercial roads in Ludhiana. The project has commenced development and is expected to be completed by FY2017.

ADDRESS
Ludhiana

NATURE OF INTEREST
Freehold

HOSPITAL SERVICES COMPANY
Hospitalia Eastern Private Limited ("HEPL")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

CARE TYPE
Quarternary

APPROXIMATE LAND SIZE (ACRES)
0.48

APPROXIMATE BUILT-UP AREA (SQ FT)
92,835

OPERATIONAL BEDS AS AT 31 MARCH 2017
79

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
1,250 (S$26.92m)*
(FY2016: 417 (S$8.47m)#)

CHENNAI

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

ADDRESS
Chennai

NATURE OF INTEREST
Freehold

HOSPITAL SERVICES COMPANY
HEPL

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

CARE TYPE
Quarternary

APPROXIMATE LAND SIZE (ACRES)
0.3

APPROXIMATE BUILT-UP AREA (SQ FT)
38,072

OPERATIONAL BEDS AS AT 31 MARCH 2017
45

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
266 (S$5.73m)*
(FY2016: 251 (S$5.11m)#)

HYDERABAD

The Hyderabad Greenfield Clinical Establishment is located on the Kukatpally-Madhapur main road. The Hyderabad Greenfield Establishment is currently at a preliminary development stage. We are awaiting permission from the Hyderabad Metropolitan Development Authority for the proposed development.

ADDRESS
Hyderabad

NATURE OF INTEREST
33-year leasehold

HOSPITAL SERVICES COMPANY
HEPL

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

CARE TYPE
Tertiary

APPROXIMATE LAND SIZE (ACRES)
4.0

APPROXIMATE BUILT-UP AREA (SQ FT)
400,000

OPERATIONAL BEDS AS AT 31 MARCH 2017
400

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
345 (S$7.43m)*
(FY2016: 298 (S$6.05m)#)

GREATER NOIDA

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.

ADDRESS
Plot No. 2C, Sector Knowledge Park III, Greater Noida Industrial Development Area, Greater Noida

NATURE OF INTEREST
90-year leasehold commencing 24 December 2004

HOSPITAL SERVICES COMPANY
International Hospital Limited ("IHL")

INTEREST OF RHT IN HOSPITAL SERVICES COMPANY
100.0%

CARE TYPE
Tertiary

APPROXIMATE LAND SIZE (ACRES)
4.89

APPROXIMATE BUILT-UP AREA (SQ FT)
350,000

OPERATIONAL BEDS AS AT 31 MARCH 2017
350

APPRAISED VALUE BY THE INDEPENDENT VALUER AS AT 31 MARCH 2017 (INR M)
622 (S$13.40m)*
(FY2016: 622 (S$12.66m)#)

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* Based on an exchange rate of S$1 = INR 46.43 as at 31 March 2017.
# Based on an exchange rate of S$1 = INR 49.17 as at 31 March 2016.

CORPORATE SOCIAL RESPONSIBILITY

The Trustee-Manager recognises the growing importance of instituting socially responsible practices into its business practices. It is committed to the development of its operations and the well-being of its stakeholders through sustainable practices. Incorporating such responsibilities into its corporate culture will not only help achieve greater success for the business, but also lend a positive impact to the environment.

The following main areas of focus for incorporating aforementioned practices will help RHT achieve its sustainable goals:

- Organisational Resilience;
- Governance and Risk;
- Social Responsibility; and
- Environment.

ORGANISATIONAL RESILIENCE

Quality operators are key to the success of RHT's business.

To attract and retain quality operators, we work alongside our operator to understand their infrastructure needs in connection with the types of medical programs that they look to provide. As these needs can vary depending on the medical programs and medical needs of patients, RHT may customise the Clinical Establishments to cater for such needs. By working hand in hand with the operator to meet their needs for their medical programs, RHT supports them to improve their revenue. Furthermore, a portion of RHT's revenue is tied to the performance of the operator, which strengthens the mutually dependent relationship between the two parties.

The management of capital is another important aspect contributing to the resilience of RHT. In order to be able to provide quality healthcare infrastructure assets to operators at an attractive price, RHT needs to be able to obtain funding at competitive pricing. Investors are therefore another important stakeholder. To obtain funding from investors, they need to have a clear understanding of RHT and its growth potential. Hence, management actively engages with the investment community in order to update them on the operational and financial achievements of RHT. Regular face-to-face meetings, conference calls as well as media campaigns are conducted to communicate with the investors. An Annual General Meeting ("AGM") is held annually for Unitholders to engage with management.

GOVERNANCE AND RISK

RHT is managed by RHT Health Trust Manager Pte. Ltd. ("the Trustee-Manager"), which is based in Singapore, and supported by the RHT team in India, where RHT's portfolio of Clinical Establishments are based and managed. The inherent conflicts of interests in the ownership and management of RHT are aimed to be managed by encouraging a strong corporate governance culture within the management team, thus improving the sustainability of its business.

Please refer to the Corporate Governance Report which can be found on page 46 of this Annual Report, where key corporate governance policies have been outlined.

In addition, the Trustee-Manager has put in place processes to ensure that high standards of integrity are upheld in its business operations and conduct. A Gifts and Entertainment Policy restricts the giving or receipt of gifts and entertainment (whether in cash or in kind), which is in anyway unlawful or unethical, in order to gain any commercial, contractual or regulatory advantage for RHT.

SOCIAL RESPONSIBILITY

Employees

Employees play an instrumental role in the competitiveness and success of a business. Management believes in investing in the well-being of its employees to maximise their full potential. In order to attract, grow and retain employees, it follows the following guiding principles:

- Recruiting and promoting employees based strictly on merit, regardless of gender, race or religion. For instance, the balanced male to female employee ratio reflects the lack of discrimination against any particular gender.
- Maintaining a favourable working environment through the provision of adequate leave for employees, providing child care and maternity leave, in order to support employees to meet their family duties while performing their best on the job.
- Respecting human rights including having in place grievance redressal channels, sexual harassment complaint channels and respect for each employee's personal data and information.
- Providing employees with equal opportunities to be considered for training and development based on their strengths and needs, to help them achieve their full potential.
- Assisting with the occupational health and safety of our employees, by providing medical insurance that covers complete medical and partial dental needs of the employees.

Management also strives to provide an environment where constructive suggestions for improvements, as well as flexibility for employees who wish to broaden or change their job scope within the RHT Group are welcome.

CORPORATE SOCIAL RESPONSIBILITY

Community

RHT recognises the need to give back to and support the communities that it operates in. Through staff volunteering during working hours as well as donating its resources and expertise, RHT hopes to support the prosperity of a myriad of communities and charity initiatives.

In FY2017, Fortis Hospotel Limited ("FHTL"), a wholly-owned subsidiary of RHT, contributed approximately INR 7.2 million towards various Corporate Social Responsibility ("CSR") efforts.

CONTRIBUTION TO VARIOUS CHARITIES

FORTIS CHARITABLE FOUNDATION

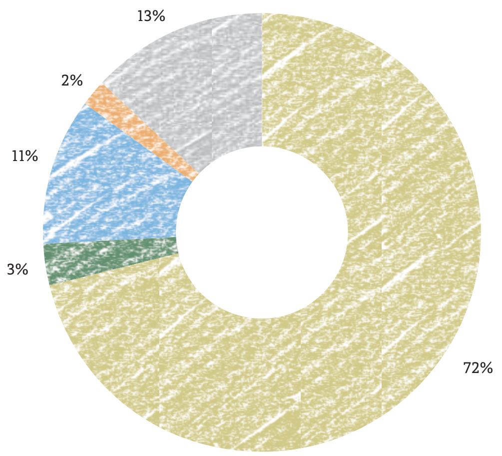
RHT funds Project Chhaya and runs health camps to ensure women and children from marginalised communities receive regular health assessments.

PAHAL MULTIPURPOSE SOCIAL SERVICES ORGANISATION

RHT supports a six-month vocational training program in basic computer and networking tailored for youth in underprivileged sections of society so they may secure employment.

VIDYA ROSHAN CHARITABLE TRUST

RHT supports Vidya Roshan Charitable Trust which promotes gender equality and female empowerment through vocational training for women and girls in basic computer skills and cosmetology so they may secure employment in society.



AMRIT FOUNDATION OF INDIA

RHT supports Amrit Foundation of India which provides sanitisation workshops at no cost to approximately 350 schools and college students. In addition, the Amrit Foundation conducts a one year training in skills development for young persons who may be intellectually disabled.

SARTHAK EDUCATIONAL TRUST

RHT supports Sarthak Educational Trust which provides skill development training to youth with disabilities of age group of 18 to 30 years in basic English, IT - ITES, Tourism & Hospitality and Organised Retail.

GALI PATHSHALA

RHT supports Gali Pathshala which promotes education through "Mobile Schools" by reaching out to vulnerable children who are out of school.

CORPORATE SOCIAL RESPONSIBILITY

ENVIRONMENT

RHT's business scope includes the construction and/or expansion of new and existing Clinical Establishments. However, before undertaking such activities, management looks into the impact of these activities on the environment and the ways the natural surroundings can be protected while going about its business. In doing so, management is able to adopt practices that may even result in cost savings for RHT.

Generating electricity from renewable energy offers multiple public health benefits. Wind and solar systems have minimal or no associated air pollution emissions nor impact the water resources and its supply. RHT's Clinical Establishments take an active stance in doing their part for the environment. These efforts have been recognised through various awards and certifications received by the Clinical Establishments.

Renewable Energy

Wind energy is a free, renewable resource and also a source of clean and non-polluting electricity. The BG Road and Mulund Clinical Establishments are currently the first of our Clinical Establishments to employ the use of this renewable energy. Approximately 15% of the energy at these Clinical Establishments are powered by wind energy generated by a provider in India.

Solar energy is an alternative source of clean and renewable energy as it reduces the need to burn fossil fuels. The Faridabad Clinical Establishment employs the use of electricity generated from its solar power plant which was installed in 2016.

Platinum LEED Certification

Platinum LEED certification is a set of rating systems for the design, construction, operation and maintenance of green buildings, homes and neighbourhoods that aims to help building owners and operators be environmentally responsible and use resources efficiently.

The Clinical Establishment being constructed at Ludhiana, aims to achieve the certification and will use solar power panels which would consume 10% less overall energy annually. Green creepers will cover the entire building from top to bottom including all the open shafts, thus providing a natural insulation. In addition, the kitchen and dining area will be run on induction instead of LPG, further promoting the use of renewable sources of energy.

The design of the Clinical Establishment encourages the optimised usage of both natural and material resources to better manage the available space and increase productivity. For instance, a pneumatic chute will be used for the transport of samples from lab to various departments and vice versa. Effort was also made to source building materials locally where possible, prefabricated materials and products were also used to minimize noise and environmental pollution for the neighbourhood.

National Energy Conservation Award

The National Energy Conservation ("NECA") Award aims to promote the efficient utilisation and conservation of energy levels among companies in India. Awards are given out to companies which have achieved such goals and the adoption of clean and innovative technologies by the Ministry of Power, India

To date, five of our Clinical Establishments have received this NECA award in recognition for its effort in energy conservation.

In particular , the Noida Clinical Establishment has won the NECA award numerous times, reflecting success in their strive to conserve energy and natural resources. This has led to cost savings over the years.

Year	Clinical Establishment
2016	Noida
2015	Noida Mohali
2014	Nagarbhavi BG Road
2013	Anandpur
2012	Mulund
2011	Noida

CII National Award for Excellence in Energy Management

Each year, the Confederation of India recognises energy efficient companies which undertake energy conservation initiatives and reduce carbon emissions.

Year	Clinical Establishment	Award
2013, 2015	Mohali	CII Energy Management Award
2014	Anandpur	CII Energy Efficient Unit Award

Green Building Certification

The Green Rating for Integrated Habitat Assessment ("GRIHA") is a rating tool used to evaluate the environmental performance of a building holistically over its entire life cycle, from construction to operation and then demolition, thereby providing a definitive standard for what constitutes a 'green building'. GRIHA is awarded by The Energy and Resources Institute ("TERI") and is a national rating system for green buildings in India. In developing our Clinical Establishments, our team seeks to apply green materials, technologies and practices.

The RHT portfolio, to date, comprises two Clinical Establishments in its portfolio which have been certified by TERI.

Year	Clinical Establishment	Award
2013	Gurgaon	4 star rating
2010	Shalimar Bagh	3 star rating

CORPORATE GOVERNANCE REPORT

RHT Health Trust ("RHT" or the "Trust") is constituted as a business trust under the Business Trusts Act (Chapter 31A) ("BTA") and is externally managed by RHT Health Trust Manager Pte. Ltd. ("RHT TM" or the "Trustee-Manager"). The Trustee-Manager recognises the importance of upholding high corporate governance standards, which will serve to safeguard the interests of Unitholders and contribute to the success of RHT. Under the BTA, the Trustee-Manager must act in the best interests of Unitholders as a whole.

The Trustee-Manager uses the Code of Corporate Governance 2012 ("CG Code 2012") as its benchmark for best corporate governance practices and has established policies and practices with the CG Code 2012 in mind. The Trustee-Manager has also incorporated specific provisions under the Business Trusts Regulations ("BTR") which may be required of the Trustee-Manager in its corporate governance framework.

The Trustee-Manager also proactively tracks the requirements under the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore ("CIS Code"), including the Property Funds Appendix in Appendix 6 of the CIS Code, as well as the various laws and regulations which are applicable to Capital Market Services Licence ("CMS Licence") holders. Wherever possible, the Trustee-Manager has voluntarily complied with the provisions under the CIS Code (including the Property Funds Appendix 6) and the laws and regulations applicable for CMS Licence holders.

In this Corporate Governance Report ("CG Report"), we have described the main corporate governance policies and practices which the Trustee-Manager has established, with reference to the CG Code 2012. Any deviations from the CG Code 2012 are explained in the CG Report.

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and Management remains accountable to the Board.

The Board of RHT TM (the "Board") provides entrepreneurial leadership, sets the strategic direction for RHT, ensures that necessary financial and human resources are in place, reviews management performance, and guides management of RHT TM in achieving efficient management of the Trust. Along with monitoring the achievement of these goals, the Board is also responsible for ensuring that management has a framework of internal and risk management controls in place, which help RHT to achieve its goals while taking into account the interest of its Unitholders.

To assist the Board in the discharge of its duties, a total of three Committees have been set up with their own terms of reference. These three Committees are:

(1) the Audit & Risk Management Committee ("ARMC");
(2) the Nominating Committee ("NC"); and
(3) the Remuneration Committee ("RC").

The ARMC assists the Board in reviewing significant financial reporting issues and considering the report of the external auditor. The ARMC also oversees the risk management framework and policies of RHT and has oversight of the internal audit function. The NC supports the Board through evaluating and recommending the Board composition in terms of size, independence and skill requirements. The RC will in turn evaluate and recommend an appropriate remuneration framework to the Board. The terms of reference for each Committee, as well as the members of each Committee (together with their role in the Committee and whether they are independent/ executive) are described in the Appendix to this CG Report.

The Board of Directors meet at least four times a year to review and approve the financial results of RHT as well as receive key reports from both the external professionals such as the internal auditors, and senior management. The Board also review and approve, amongst others, the strategic direction of RHT, its annual budget, capital structuring, risk reports and key policies. As and when warranted by circumstances, Board meetings are also held outside of the quarterly meetings to discuss the strategies, policies or key activities of RHT such as acquisitions and disposals. Under the Constitution of the Trustee-Manager, Board meetings are permitted to be held via way of conference by telephone or by means of similar communication equipment whereby all persons participating in the meeting are able to hear and/or see each other.

The current Directors and details of their membership on Board Committees, number of Board and Committee meetings held for FY2017 between 1 April 2016 to 31 March 2017, as well as their attendance at these meetings are disclosed in the table below:

Name	Board		Audit & Risk Management Committee		Nominating Committee		Remuneration Committee	
	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended	No. of Meetings Held	No. of Meetings Attended
Ravi Mehrotra	5	5	-	-	1	1	-	-
Gurpreet Singh Dhillon	5	5	-	-	-	-	-	-
Pawanpreet Singh	5	5	-	-	-	-	-	-
Dr Yogendra Nath Mathur	5	5	5	5	1	1	-	-
Sydney Michael Hwang	5	5	-	-	1	1	1	1
Peter Joseph Seymour Rowe	5	5	5	5	-	-	1	1
Eng Meng Leong	5	5	5	5	-	-	1	1

The Trustee-Manager has formalised the matters which are specifically reserved for decision and approval by the Board. These matters are in relation to:

(1) RHT's long term objectives, strategy and budget including internal limits on authority in relation to investments, acquisitions and disposals as well as capital expenditures.
(2) Changes to RHT's structure and capital, including new unit issuances and new material debt facilities.
(3) Financial reporting and internal risk controls, including significant changes in accounting policies, review of interested party transactions, conflict of interest situations and corporate governance arrangements.
(4) Communication to regulators or Unitholders involving matters which has been deliberated or approved by the Board.

Outside of the matters reserved specifically for the Board's decision, the Board has delegated the management of the day to day operations to the Management of RHT TM as well as the decision making over certain operational matters in order to facilitate operational efficiency.

Newly appointed Directors to the Board of RHT TM are issued an appointment letter that spells out their duties and obligations as a Director, whereby they are required to objectively discharge their duties and responsibilities at all times as fiduciaries in the interests of RHT and RHT TM. They will also be briefed by senior management to provide an overview of the business of RHT as well as the key policies and Board processes. Material documents pertaining to RHT are also made available to the new Directors. Where there are first time Directors being appointed to the Board, they will be provided external training by professional providers, such as the Singapore Institute of Directors, on what they need to know as a Director of a listed company in Singapore. The Independent Directors conduct a site visit to India every year where the assets of RHT are located. During the site visit, the Independent Directors also meet with the India based senior management of RHT and external professionals such as internal auditors and external auditors.

The Trustee-Manager monitors new laws, regulations and rules that are implemented, for implications on RHT and RHT TM. Where relevant, Directors are updated about the changes to existing or new rules and regulations. There have been briefings conducted during Board meetings whereby either the senior management or external professionals have briefed the Directors on new developments or where the Board deems that expert advice is required in order to formulate key decisions. In FY2017, management briefed the Board on the Monetary Authority of Singapore's ("MAS") new Guidelines on Outsourcing. Industry experts were also invited to give a presentation on the recent developments in the Indian healthcare industry. KPMG Services Pte. Ltd. ("KPMG") also briefed the Board on the overall state of RHT's corporate governance disclosures and provided recommendations for improvement. Where required, the Trustee-Manager also arranges and funds the training for Directors, to ensure that they are kept abreast of any regulatory changes. Our Directors also received copies of the recent guidebooks purchased by RHT TM which were released in Singapore for the ARMC, NC and RC.

CORPORATE GOVERNANCE REPORT

In light of the recent Singapore Exchange Limited ("SGX") rules which requires all listed companies in Singapore to prepare an annual Sustainability Report, the Board has engaged KPMG to assist the Trustee-Manager with developing its first Sustainability Report for RHT.

As part of the sustainability reporting process, management conducted a stakeholder mapping exercise to identify key stakeholders in relation to Environmental, Social and Governance ("ESG") factors, taking into account their level of influence on RHT's business operations and strategic objectives as well as RHT's level of dependence on each stakeholder to operate and achieve objectives. A materiality exercise was also conducted by management to identify material ESG factors which act as barriers or enablers to achieving business goals. Key stakeholders and material ESG factors identified have been presented and approved by the Board. Policies, practices and performance in relation to material ESG factors identified will also be set out, providing descriptive and quantitative information on each of the identified material ESG factors.

The Board has ultimate responsibility and oversight for the Sustainability Report. Management has established a Sustainability Working Committee and a Sustainability Steering Committee, for reporting of sustainability issues to the Board on at least a quarterly basis.

BOARD'S COMPOSITION AND GUIDANCE

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board of RHT TM is made up of seven Directors, of which a majority or four of the Directors are independent and Non-executive Directors. The remaining three Directors, including the Chairman of the Board, are Executive and Non-independent Directors.

The BTR provides that:

(1) at least a majority of the Directors shall be independent from management and business relationships[1] with the Trustee-Manager;
(2) At least one-third of the Directors shall be independent from management and business relationships with the Trustee-Manager and from every substantial shareholder of the Trustee-Manager; and
(3) At least a majority of the Directors shall be independent from any single substantial shareholder[2] of the Trustee-Manager.

Once every year, and as and when the circumstances require, the NC will assess the independence of each Director. The NC has carried out its assessment, and with the concurrence of the Board, considered and found Mr Sydney Michael Hwang, Mr Eng Meng Leong, Dr Yogendra Nath Mathur and Mr Peter Joseph Seymour Rowe to be independent from:

(1) the management and business relationships with the Trustee-Manager;
(2) the management and business relationships with Stellant Capital Advisory Services Private Limited ("Stellant") (the substantial shareholder of the Trustee-Manager) and its related corporations; and
(3) Fortis Healthcare Limited ("FHL") (the substantial shareholder of RHT) and their related corporations.

Mr Ravi Mehrotra, our Executive Chairman, Mr Gurpreet Singh Dhillon, our Chief Executive Officer ("CEO") and Mr Pawanpreet Singh, our Chief Financial Officer ("CFO") are not considered to be independent under the CG Code 2012 and/or the BTR Section 3 and 4.

Currently, the Board does not comprise of any Director who has served on the Board for more than nine years from the date of his first appointment. Refer to page 64 of the CG Report for details on the appointment dates of the Board of Directors.

The current Board comprise of seven Directors with extensive experience in various fields ranging from legal, investments, tax and accounting to healthcare. Although none of the current Board of Directors are female, RHT TM does not discriminate against gender diversity within the Board. However, RHT TM does not actively set targets on the proportion of males to females sitting on the Board. Instead, Board of Directors are appointed based on best fit and qualification for the role.

[1] Independent from management and business relationships with the Trustee-Manager as defined under Section 3 of the BTR.
[2] Independent from substantial shareholder of the Trustee-Manager as defined under Regulation 4 of the BTR.

The NC has evaluated the size and composition of the Board and is of the view that the size of the Board is appropriate in relation to the scale of operations of RHT, and possesses the requisite experience for managing a healthcare infrastructure related trust such as RHT.

Although all Directors have equal responsibility in overseeing the performance of RHT, Non-executive Directors in particular are responsible for ensuring that conflict of interests, if any, are appropriately managed and ensure that decisions are taken in the interest of the Trust. Non-executive Directors also participate in annual strategy discussions, review the performance of management in achieving agreed goals and objectives and monitor the reporting of performance. The Non-executive Directors have met at least once during FY2017 without management present.

CHAIRMAN AND EXECUTIVE OFFICER

Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a concentration of power.

The positions of the Chairman of the Board and the CEO are held by two separate persons, so that there is an effective segregation of duties and accountability. The Board of RHT TM is led by our Executive Chairman, Mr Ravi Mehrotra while Mr Gurpreet Singh Dhillon is our CEO. Mr Ravi Mehrotra and Mr Gurpreet Singh Dhillon are not immediate family members. The division of responsibilities between the Chairman and CEO are clearly established, set out in writing and approved by the Board.

As Chairman of the Board, Mr Mehrotra leads the Board to carry out its role effectively and engages the Directors in discussing and debating on issues while working towards important decisions. He sets the agenda for the Board meetings and ensures adequate time is available for discussion of all agenda items. The Chairman also ensures that Directors receive complete, adequate and timely information, whereby Board papers are disseminated to the Board approximately five business days before each Board meeting. The Chairman is responsible for promoting effective communication with Unitholders. Refer to Principle 15 on page 57 of the CG Report for details on measures taken by the Trustee-Manager to promote effective communication with Unitholders.

The Chairman also serves to encourage constructive relations within the Board and between the Board and management. As our Non-executive Directors have diverse background and experience, the Board and management benefit from their views on matters being tabled before the Board. Mr Mehrotra facilitates the effective contribution of Non-executive Directors and pushes for high standards of corporate governance to be maintained within RHT.

As Executive Chairman of the Board, Mr Mehrotra plays a key role in guiding the strategy of RHT and monitoring the performance of the management. The CEO is responsible for managing the daily operations of the Trust and the Trustee-Manager in accordance with the business plans and strategies as set out by the Board.

There is clear segregation of roles within the Board, and the ARMC, NC and RC each have their own terms of reference and responsibilities. Each of the three Committees are headed by a different Independent Director, and there is no individual Director on the Board who has a considerable concentration of power. The NC has also obtained approval from the Board to have the Chairman of each committee reviewed once every three years. This is also recommended under Clause 1.10 of the Board Risk Committee Guide ("BRCG") issued on 31 March 2016. Clause 1.10 recommends reviewing the tenure and renewal of Board Committee members so as to introduce new perspectives and allow for transfer of accumulated knowledge.

Dr Yogendra Nath Mathur is our lead Independent Director, who serves as a conduit between Unitholders and the Board, or between the Independent Directors and the Board, wherever there are concerns from either party.

The Independent Directors have private sessions without the presence of management, and also have feedback sessions with the Chairman without management around.

CORPORATE GOVERNANCE REPORT

BOARD MEMBERSHIP

Principle 4: There should be a formal and transparent process for the appointment and re-appointment of Directors to the Board.

The Board approved the establishment of an NC comprising of a majority of Independent Directors, including the lead Independent Director. The role of the NC under its terms of reference as approved by the Board includes making recommendations on:

(i) The review of Board succession plans for Directors, in particular the Chairman and CEO;
(ii) The development of a process for evaluation of the performance of the Board, its Board Committees and Directors;
(iii) The review of training and professional development programs for the Board; and
(iv) The appointment and re-appointment of Directors.

When conducting a search for a new Director, the Board will shortlist suitable candidates based on criteria which will be drawn up taking into consideration the roles and expertise that is required of the new Director and the needs of the Board. The potential candidates may originate from various sources such as recommendations from management and Directors, the Singapore Institute of Directors or utilising external search consultants. The shortlisted candidates will be put forth to the NC for consideration, with the final candidate as selected by the NC being put up to the Board for approval.

Under the appointment letters signed with the Independent Directors that are appointed to the Board of RHT TM, the Directors are required to put themselves up for re-nomination and re-election once every three years. The re-nominated Directors are evaluated by the NC, approved by the Board, presented to Unitholders during the Annual General Meeting ("AGM") and approved by Stellant (the substantial shareholder of RHT TM).

The NC is also tasked with ascertaining if each Director, having multiple directorships, is able and has been adequately carrying out his duties as a Director. This review is done by the NC once a year, and takes into consideration the Director's number of listed company Board representations and other principal commitments. The NC holds the view that the number of directorships held by a Director does not determine the performance of the Director. A Director's performance is assessed based on a number of factors including their time commitment towards Board meetings and discussions, their ability to draw on their experience to contribute to the strategy and decision making required of the Board. As such, the NC proposed with the concurrence of the Board, not to fix a limit on the number of directorships which a Director may hold but rather to assess the performance of each Director as a whole.

RHT TM does not currently permit the appointment of alternate Directors and has not adopted any polices and guidelines for the appointment of alternate Directors.

Information on the academic and professional qualifications of the Directors are contained on pages 18 to 20 of the Annual Report. The shareholdings of the Directors in RHT Group and its related corporations, Board Committees served on, date of first appointment, directorships and chairmanships both present and past held over the preceding three years in other listed companies, and other principal commitments are disclosed on pages 64; 69, 70 and 72 of the Annual Report.

BOARD PERFORMANCE

Principle 5: There should be a formal annual assessment of the effectiveness of the Board as a whole and its Board Committees and the contribution by each Director to the effectiveness of the Board

An annual formal assessment is conducted on the effectiveness of the Board, the Board Committees and on each Director. The assessment is conducted using an evaluation form which is constantly updated for relevance. The evaluation form seeks feedback from each Director on a confidential basis, on their views relating to:

(1) Board composition and size;
(2) Board and Committee process;
(3) Board's effectiveness and training;
(4) Board Committees;
(5) Board Committee process;
(6) Provision of information to the Board;
(7) Standards of conduct;
(8) Assessment of the financial performance of RHT; and
(9) Board compensation.

For the annual assessment conducted in respect of the financial year ended 31 March 2017 ("FY2017"), the Company Secretary was responsible for sending and collating the information provided by each Director in response in the evaluation form. The results of the evaluation survey were then presented to the NC for its assessment and recommendations. In formulating the feedback form, attention was given to ensure feedback was sought from the Directors on the core areas, whilst also providing room for each Director to freely express their opinions on other matters in a confidential manner. The results of the evaluation, and the NC's recommendations, were put up to the Board for their concurrence.

Management is planning to conduct a review of the evaluation form and will consider including evaluation criteria to allow for comparison with industry peers and contribution to long-term value for Unitholders.

ACCESS TO INFORMATION

Principle 6: In order to fulfil their responsibilities, Directors should be provided with complete, adequate and timely information prior to Board meetings and on an on-going basis so as to enable them to make informal decisions to discharge their duties and responsibilities.

The calendar for Board and Committee meetings are scheduled one year in advance to allow for better planning. Management provides the Board with monthly reports and/or calls, in addition to Board papers on matters which are being tabled during the Committee or Board meetings. Board papers are to be sent to the Board approximately five business days before the meeting takes place. Directors are also entitled to request for separate and independent access to the management, the Company Secretary or external professionals. The Chairman of the ARMC meets separately on a regular basis with the management, internal auditor and external auditor. Such meetings take place on a quarterly basis with the management and internal auditors, and on a half yearly basis with the external auditor. As stipulated in the Director's appointment letter, they are also entitled to seek independent professional advice relating to their roles and responsibilities as a Director of RHT TM, at RHT TM's expense.

Management provides the Board with a call and/or report each month on the operating environment and management financials of RHT. During the quarterly Board meetings, matters such as the financial results, the report from the independent auditors, management's internal risk assessment report as well as business and operational updates for the quarter are presented for the Board's review. Once a year, the strategy, forecast and annual budget are presented for the Board's review and approval. On an on-going basis, where there are material variances against the forecast and actual financial figures, explanations would be provided.

The Company Secretary attends all Board and Board Committee meetings and is responsible for keeping accurate minutes on the proceedings. Their advice on matters relating to corporate governance may also be sought during these meetings. The Head of Compliance in RHT TM works together with the Company Secretary to ensure good and timely information flow to the Board of Directors. Where there should be any proposed change to the Company Secretary, Board approval will be obtained.

REMUNERATION MATTERS

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing remuneration packages of individual Directors. No Director should be involved in fixing his own remuneration.

Principle 8: The level and structure of remuneration should be aligned with the long term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the Directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

Principle 9: Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to Directors and key personnel, and performance.

The Board approved the establishment of a RC with its own terms of reference. The members of the RC and the terms of reference of the RC are set out in the Appendix of this CG Report. The RC comprises of wholly independent Non-executive Directors, and they are responsible for reviewing the remuneration policy and framework of the Directors and the key management.

In the RC meeting held in February 2017, the RC reviewed the compensation structure for the Directors, as well as the compensation structure and package for the key management of RHT TM respectively. Under RHT TM's compensation structure for its Directors, Executive Directors would not be paid any Director fees, while Non-executive Directors are paid a base fee which is a fixed amount, with a variable fee for every additional role which each Director may take on. This serves to compensate the Directors according to the amount of responsibility, time and effort required for the role. In general, the Chairman of the Board and Board Committees are paid higher variable fees compared to that of members of the Committees. The remuneration framework for the Non-executive Directors is shown in the following table:

Fee	Base Fee	Variable Fee	
Executive Director	Nil	Nil	
Non-Executive Director	Base Fee per annum	**Chairman**	**Member of Committee**
		50% of Base Fee as Chairman of Board/ARMC	12.5% of Base Fee
		25% of Base Fee as Chairman of RC / NC	

Non-executive Director fees are benchmarked against the market and industry levels to ensure that the amounts are sufficient to motivate and attract Directors, without being too generous to pose a potential compromise of the independence of the Directors. The remuneration that is paid to the Directors of RHT TM are determined and paid from RHT TM (in its personal capacity) as approved by its shareholder, Stellant, and not out of RHT Trust property. Director fees paid to each of the following Non-executive Directors for FY2017 did not exceed S$250,000:

(1) Mr Eng Meng Leong;
(2) Mr Sydney Michael Hwang;
(3) Dr Yogendra Mathur Nath; and
(4) Mr Peter Joseph Seymour Rowe.

Once a year, a review of the remuneration framework and the amounts paid to key management of RHT and RHT TM is conducted. The Trustee-Manager has put in place a performance based remuneration framework for its key management. There are currently no short-term and long-term incentive schemes in place. At present, the key management of RHT TM, including the CEO, are paid a fixed yearly salary with a performance related bonus that is tied to the performance of RHT TM. The performance of RHT TM is in turn linked to the performance of RHT. The main regular source of revenue earned by RHT TM is from the fees paid from RHT to RHT TM. The fees payable by RHT to RHT TM are based on (i) the value of the assets under management at RHT and (ii) the amount of Distributable Income generated at RHT. A greater growth in the value of RHT's assets and the amount of Distributable Income available for Unitholders of RHT, will result in higher revenue for RHT TM.

This serves to align management's interests with that of the Trust. The Trustee-Manager has also elected for the variable bonus to make up a higher proportion of the total salary payable to key employees, in order to tighten the link between the performance of the individual and their remuneration.

To assist the RC in their assessment on the appropriate compensation level for key management, expert advice is sought from an appointed remuneration consultant, Aon Hewitt, whereby a report is commissioned yearly to provide information on the remuneration paid by comparable peers in the industry. Aon Hewitt is an independent third party with no existing relationships with RHT and RHT TM. The Trustee-Manager does not engage any remuneration consultant with regard to the remuneration of its Directors.

Similar to the Directors, key management and employees of RHT TM are paid by the Trustee-Manager and not out of RHT Trust property.

No Director or employee of RHT TM is paid in the form of shares or interests in the Trustee-Manager's controlling shareholder or its related entities. There are currently no share incentive or employee share option scheme in place for management. There is also no scheme to encourage Non-executive Directors to hold shares in RHT.

The following table shows the remuneration in bands of S$250,000, of the CEO, CFO as well as key management of the Trustee-Manager. The key management of the Trustee-Manager is based on the importance of their roles in the Trustee-Manager.

Executive Directors	Remuneration Band	Fixed Salary	Bonus
Gurpreet Singh Dhillon	S$750,001-1,000,000	66%	34%
Pawanpreet Singh	S$500,001- 750,000	53%	47%

Key Management	Remuneration Band	Fixed Salary	Bonus
Tan Suan Hui	S$ 250,001 – 500,000	53%	47%

Dr Ramnik Ahuja who is employed as Vice President of Research and Strategy, is the spouse of Mr Pawanpreet Singh, the CFO and Executive Director of RHT TM. Her annual remuneration fell within the band of S$100,000-150,000 in FY2017. Other than Dr Ramnik Ahuja, there are no other employees who are immediate family members of any Director or the CEO.

The Trustee-Manager is of the view that the disclosure of the specific remuneration of each of the management and key employees may lead to retention or recruitment difficulties in light of the relatively small number of trusts currently operating in Singapore. As compared to the number of listed companies in Singapore, listed trusts are relatively fewer in number and competition for talent in the trusts space may increase the risk of losing or retaining staff, if such information were to be disclosed. For the same reasons, the Board has decided not to disclose the total aggregate remuneration of the Directors and key management personnel. However, their remuneration have been disclosed in bands, such that the minimum and maximum range is apparent. Furthermore, the remuneration paid to the management of RHT TM is from RHT TM, and not out RHT's Trust property. The fees paid by RHT to RHT TM is disclosed on page 59 of this CG report.

The CG Code 2012 encourages the disclosure of the top five key management personnel (who are not Directors or the CEO) on a named basis in bands of S$250,000 as well as the aggregate remuneration paid to the key management personnel. Due to the small size of the team at the Trustee-Manager, we have chosen to only disclose the remuneration of key personnel who has the authority and responsibility to assist the CEO in the strategic activities of the Trustee-Manager.

Currently, none of the Directors or key management has a contract with RHT TM that contain provisions on termination, retirement and post-employment benefits. There are also no contractual provisions to allow RHT TM to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to RHT.

ACCOUNTABILITY AND AUDIT

Principle 10: The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board is committed to providing Unitholders of RHT with a balanced and understandable assessment of RHT's performance, position and prospects. The financial results of RHT and any other material price sensitive information are disseminated via SGXNET, published on the website of RHT, and also presented during investor meetings and quarterly conference calls with investors.

As mentioned under Principle 6 on Access to Information, the Board is provided with a monthly report on RHT, which summarises the key financial performance of RHT against that forecasted, as well as the business environment and pertinent operations of RHT. Where there are material differences from month to month, explanations are provided to the Board. The Board has also approved an internal Compliance Manual which compiles the relevant rules and regulations applicable to both RHT and RHT TM. This Compliance Manual serves to assist management in meeting the regulatory requirements.

AUDIT COMMITTEE

Principle 12: The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

The members of the ARMC of RHT TM are appointed from among the Directors of the Board and comprise of three Non-executive Independent Directors. They are:

(1) Mr Peter Joseph Seymour Rowe, Chairman;
(2) Dr Yogendra Nath Mathur; and
(3) Mr Eng Meng Leong.

Both Mr Peter Joseph Seymour Rowe and Mr Eng Meng Leong are appropriately qualified to discharge their responsibilities and have relevant accounting and related financial management expertise and experience. Mr Rowe has 40 years of experience in the financial services industry, particularly in the areas of funds management and compliance. He has been the Chairman and Audit Committee member of other real estate management related companies in Australia. Mr Eng is currently a member of the Institute of Certified Public Accountants of Singapore and is an accredited Tax Advisor of the Singapore Institute of Accredited Tax Professionals. He has over 25 years of experience, in the fields of taxation in Singapore and internationally. Dr Mathur has experience and expertise in the healthcare sector and is a qualified doctor. He spent a large portion of his career with the United Nations Children's Fund ("UNIFEF"), where he held key positions and memberships in several government bodies.

The background and qualifications of the ARMC members are set out on pages 19 and 20 of the Annual Report. The terms of reference of the ARMC are set out in the Appendix on pages 65 to 67 of this CG Report. Within the role and function of the ARMC, it is provided that the ARMC may investigate any matter within the ARMC's terms of reference, whenever it deems necessary, where it should have full access to and cooperation by management and full discretion to invite any Director or Executive Officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

The ARMC met five times in FY2017. During the year, the ARMC reviewed the quarterly and full year results of FY2017, including the adequacy of disclosures as well as the key changes in accounting policies applied. Management is kept abreast of changes in the accounting standards by both the external auditors and other sources. Every year, management would review the changes in the accounting standards applicable to RHT, and brief the ARMC and Board about such changes.

On a quarterly basis, the ARMC also reviews the reports from the internal auditors with respect to their findings from the ground, as well as the Internal Risk Committee of RHT TM on changes in key risks and policies affecting RHT. There are also quarterly reports provided by management to the ARMC on the actions taken to resolve previous internal audit findings. In addition, management prepares a liquidity report on RHT for the ARMC's information and review. Key policies are reviewed by management on a regular basis to ensure that they are up to date and approved by the ARMC before it is presented to the Board.

All Interested Party Transactions ("IPT") are tabled to the ARMC, including the terms on which the IPT were conducted. This is in accordance with our IPT policy, which sets out the procedure whereby such transactions are identified, reported and recorded in the IPT register. The terms of the transactions, including information to support that the transactions are conducted on normal commercial terms, are also recorded in the IPT register.

Details of the IPT entered into between the RHT Group and with interested persons (including Fortis, Religare Enterprises Limited and their respective subsidiaries and associates) during the course of the current financial year ending 31 March 2017 which fall under the Listing Manual of the SGX-ST are set out below:

No.	Interested Person	Nature of Transaction	Value of Transaction (S$) [1]	Percentage of NTA [2]
1.	RWL Healthworld Limited	Revenue share from pharmaceutical operations	1,925,185	0.30%
2.	SRL Diagnostics Limited	Revenue share from pathology operations	551,583	0.08%
3.	Religare Support Services Limited	IT support services for Oracle	11,506	Not Significant
			2,448,274	**0.38%**

[1] Values are converted at the end of each month as per the prevailing exchange rate at that month end.
[2] Based on the latest audited net tangible assets of RHT as of 31 March 2017 of S$652,397,000.

The transactions with RWL Healthworld Limited and SRL Diagnostics Limited involve the leasing out of space at various RHT Clinical Establishments to the aforementioned companies which are owned by Fortis Healthcare Limited and RHC Holding Private Limited respectively. One-off IT support services were purchased from Religare Support Services Limited for the roll out of a new financial system, Oracle, for RHT.

The ARMC also reviews the audit plans submitted by each of the internal and external auditor for the forthcoming year. In FY2017, both the external and internal auditors each met at least once during the year with the ARMC without management being present. In the same financial year, the Chairman of the ARMC also met separately with the internal auditors once every quarter and separately with the external auditor twice. It is also the practice of the Chairman of the ARMC to meet with the CFO of the Trustee-Manager prior to the quarterly ARMC meetings to review the financial reports.

One of the roles of the ARMC is to review the independence of the external auditors. For FY2017, the ARMC noted that S$152,000 was paid to the external auditors as audit fees and S$22,000 was paid for non-audit services. A discussion was held with the external auditors in relation to the type of non-audit services that were provided, and the ARMC was satisfied with the independence of the external auditors. No ARMC member is a former Partner or Director with the external audit firm. There are also no business or family relationships between the external auditors and management.

The Trustee-Manager has complied with Rule 712 and 715 of the SGX-ST Listing Manual. All of RHT's foreign incorporated subsidiaries are audited by Deloitte Haskins & Sells LLP ("DHS"). The ARMC has assessed the track record and capabilities of DHS and the partner in carrying out work for similar companies in India. They have also discussed with DHS, the manner in which audit work is proposed to be carried out by DHS. The ARMC is of the view that DHS is a suitable audit firm to meet the RHT Group's audit obligations.

RHT TM has established a Whistleblowing Policy to provide a channel for whistleblowers to report any actual or suspected wrongdoings, as well to provide assurance that the whistleblower will be protected from reprisals or victimisation for whistleblowing. The Whistleblowing Policy is approved and overseen by the ARMC, and it provides for both the employees and the public to raise concerns to both the Head of Compliance of RHT TM and/or the Chairman of the ARMC. Investigations will commence upon receiving a whistleblowing report and follow up actions would be taken if required.

INTERNAL AUDIT

Principle 13: The company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Trustee-Manager is committed to having an internal audit function at all times. The current internal audit firm which has been appointed to perform the function for RHT is KPMG. KPMG is guided by the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors and the engagement team is staffed with persons with the relevant qualifications and experience.

The selection and appointment of the internal audit firm for RHT was determined by the ARMC, and the internal audit plan for each financial year is approved by the ARMC. The scope of the internal audit is intended to cover key aspects of RHT and RHT TM's internal controls in the areas of finance, operations, compliance and information technology. During the course of their work, the internal auditors are given full access to any documents, records or personnel, and they report directly to the ARMC Chairman.

As mentioned under the section "Audit Committee", the Chairman of the ARMC meets the internal auditors every quarter. These meetings take place without the presence of management, which allows the discussions to be as open and candid as possible. The ARMC has reviewed the internal audit plan for FY2017, the resources allocated to carrying out the plan, as well as the work done by the internal auditors over FY2017, and they are satisfied with the adequacy and effectiveness of the current internal auditor.

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 11: The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

Having an effective and sound system of risk management and internal controls system in place enables the Trustee-Manager to achieve its strategic objectives, whilst keeping the business and assets of RHT secure. An effective risk management system keeps both management and the Board up to date with the key risks and challenges that RHT faces. It also serves to guide the Trustee-Manager in its decision making and allocation of resources.

Keeping with the above goal of having a sound system of risk management and internal controls, the Trustee-Manager has established an Internal Risk Committee ("IRC") comprising of senior management, to undertake the task of managing the risk management system and internal controls. Under the Trustee-Manager's risk management system, the IRC is responsible for the identification of risks. Key risks are rated and the controls for mitigating the risks are evaluated. A register which tracks the rating of each key risk after the implementation of controls is maintained. Each IRC member is responsible for risks in their respective areas such as finance, operations, compliance, investments and information technology.

The IRC meets on a quarterly basis, or where the situation requires, to evaluate how the risks faced by RHT might have evolved following changes in both the operating environment and internal operations of RHT. Key risk indicators are used as a means for early identification of escalating risks or signals of changes in areas that affect RHT. The key risk indicators will assist management and the Board in signalling issues that may be developing (whether internally or externally) and may potentially have an adverse impact on RHT. Key risk indicators also provide information to the management and the Board to consider when executing strategies for RHT.

The IRC also debates on whether new processes or existing processes need to be implemented in order to manage any of the new risks. During some of the IRC meetings, relevant staff might be invited to join the meetings or discussions in order to brief the IRC in terms of changes that might have occurred in their respective areas, and to give their views on how new risks might have risen. The involvement of various staff within RHT in risk management discussions help to promote a culture where risk awareness and governance is integral to the daily operations of RHT.

The IRC also meet with the internal auditors, to compare each other's assessment of the key risks and the adequacy of the internal controls. This helps to ensure that all gaps are filled wherever possible and no key risk is inadvertently left out. The implementation of the Control Self-assessment ("CSA") exercise has also been rolled out within RHT. The aim of the CSA is to raise the awareness of staff within RHT in relation to key policies and processes, as well as allow themselves to undertake a check on whether they have been complying with these policies and processes.

The discussions of the quarterly IRC are put up to the ARMC at each quarter's meeting, where the ARMC will assess the effectiveness and adequacy of the risk management and internal controls within RHT TM. This is complemented by a quarterly report provided by the internal auditor to the ARMC on their findings, together with a quarterly report from management on the actions taken to address issues which were previously highlighted by the internal auditors. Apart from the quarterly reports by the internal auditor, the internal auditor also provides the ARMC with an annual review of the adequacy and effectiveness of the internal controls within RHT, including financial, operational, compliance and information technology controls. Where there are areas for enhancements, the internal auditor will highlight it to the ARMC.

Both the ARMC and the Board also receives a quarterly letter of assurance from the CEO and CFO in relation to the quarter's and/or full year results (whichever is applicable). The letter provides assurance in terms of the proper maintenance of the financial records of RHT, and that the financial statements give a true and fair view of RHT's operations and finances, and in relation to the effectiveness of RHT's risk management and internal control systems.

After assessing the internal risk management framework that is in place, as well as the quarterly reports from the IRC and internal auditor, coupled with the annual assessment undertaken by both the internal auditor and external auditor, the ARMC and Board are in a position to comment on the adequacy of the internal controls of RHT.

For FY2017, based on the ARMC's review of the internal risk management framework and internal controls which the management of RHT TM has put in place, the creation of an IRC to continuously monitor the risks affecting RHT and evaluate the efficacy of the internal processes, as well as the reports from the internal auditor and external auditor, the Board with the concurrence of the ARMC, is of the opinion, that RHT has in place reasonable, adequate and effective risk management and internal controls including financial, operational, compliance and information technology controls.

However, the Board notes that the risk management structure which the Trustee-Manager has put in place cannot provide absolute assurance that RHT will not be affected by any event that may be unforeseen as well as poor judgements in decision making, human errors, fraud and other irregularities.

Material Contracts

There were material contracts subsisting at the end of FY2017, between RHT Group and Fortis Healthcare Limited ("FHL"). Most of these contracts were entered into at the time of the listing of RHT on the SGX-ST. These material contracts are summarised within the section "Exempted Agreements" in the RHT Initial Public Offering ("IPO") prospectus which can be found on RHT's website, www.rhealthtrust.com. These exempted agreements were deemed to have been specifically approved by Unitholders upon their subscription for the units of RHT at the time of the IPO of RHT. There was another Hospital and Medical Services Agreement entered into in FY2015, between RHT Group and FHL, during the acquisition of the Mohali Clinical Establishment.

UNITHOLDERS RIGHTS AND RESPONSIBILITIES

Principle 14: Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights and continually review and update such governance arrangements.

Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

Principle 16: Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

RHT has established an Investor Relations Policy which aims to provide current and potential Unitholders with accurate and timely information in accordance with best practices and rules, so as to enable them to make well-informed investment decisions. The Investor Relations Policy has been approved by the Board and is published on RHT's website.

The Trustee-Manager ensures that material information is disseminated to Unitholders on an accurate and timely basis, with full and complete information to enable Unitholders to make form their investment decisions. Our announcements are disseminated via the SGXNET and the RHT website. Where necessary, the announcements may also be placed in the local newspapers. There is no selective disclosure of information.

CORPORATE GOVERNANCE REPORT

Every quarter, after the release of our financial results, or when there are announcements on material corporate actions, the Trustee-Manager holds analyst briefings as well as investor conference calls. The analyst briefings facilitate research coverage on RHT, based on independent analysis from the analysts. The investor calls are a great opportunity for investors to hear from management, and to have their questions answered.

Management participates actively in investor conferences which are held in different locations throughout the year, and embark on dedicated non-deal roadshows. Reaching out to investors through such means enables management to obtain direct feedback from investors or analysts. The Board is in turn briefed each quarter by management on the conferences and investor meetings which were held, in order for them to understand the investors' views.

Whenever a Unitholders' meeting is to be held, the notice of meeting will be disseminated to each Unitholder together with the circular and/or report, as well as published in the local newspapers and via SGXNET. Should any Unitholder not be able to attend the meeting, he is allowed to appoint up to two proxies to vote on his behalf at the meeting. RHT TM is not implementing absentia voting methods as we are of the opinion that the current provision for proxy voting is sufficient. Where there are separate issues to be put forth for Unitholders' approval at the general meetings, such resolutions are separate and not bundled together, unless the resolutions are interdependent and form one significant proposal.

We held one AGM and Extraordinary General Meeting ("EGM") in FY2017, at which all Board of Directors were present. The external auditors were also present at the AGM to address Unitholders' queries regarding the conduct of audit, preparation and content of the auditors' report. The EGM was held to seek Unitholders' approval of the disposal of the 51.0% economic interest in Fortis Hospotel Limited ("FHTL"). The professionals involved such as the Independent Financial Advisor and legal counsels were present to answer questions posed by Unitholders. Our Company Secretary prepared the minutes of the AGM and EGM, which included relevant comments or questions from Unitholders, and the minutes are available for Unitholders upon request. In both the AGM and EGM, the voting was conducted by way of an electronic poll in order to promote greater transparency and allow exact and definitive results at the general meeting. Unitholders are briefed on rules of the AGM and EGM by the Chairman and are informed of the voting procedures by the electronic polling vendor. Unitholders are also given an opportunity to put forth any queries they may have before each resolution is put to vote. The detailed results of the AGM and EGM, which included the number of votes cast for and against each resolution, were disclosed via the SGXNET.

DEALING IN UNITS

It is RHT TM's internal policy that (i) an officer of the Trustee-Manager should not deal in RHT's units on short term considerations; and (ii) the Trustee-Manager and its officers should not deal in RHT's units during the period commencing two weeks before the announcement of RHT's quarterly financial results, and one month commencing before the announcement of RHT's fourth quarter and full year results. Reminders are sent to the Board of Directors as well as the staff of RHT TM when such blackout periods for trading in RHT's units commence.

At any point in time, when any of the Directors or officers are in possession of confidential and price sensitive information, they are also reminded not to trade in the units of RHT, and to be mindful of the laws relating to insider trading at all times.

STATEMENT OF POLICIES AND PRACTICES

RHT TM, as Trustee-Manager of RHT, and the Board of Directors are responsible for safeguarding the interests of the Unitholders of RHT as a whole and managing the business of RHT. RHT TM is also required to act in the best interests of all the Unitholders of RHT as a whole, and give priority to the interests of all Unitholders of RHT over its own interests in the event of a conflict between the interests of all Unitholders as a whole and its own interests. The Trustee-Manager has put in place policies and practices in the management and governance of RHT, in order to ensure that RHT is managed in the interests of its Unitholders. The policies and practices include ensuring that:

(1) **The Trust Property is properly accounted for and such property is kept distinct from the property of the Trustee-Manager held in its own capacity**

The Trustee-Manager has separate bank accounts for RHT and RHT TM and also separate accounting teams to handle the accounts of RHT and RHT TM. The Trustee-Manager also prepares separate budgets for RHT and RHT TM which are approved by the Board. Any material deviances are explained to the Board. The financial accounts are audited by the external auditor and approved by the Board of RHT TM.

(2) **Adherence to business scope**
RHT's investment mandate is 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. The Head of Compliance within the Trustee-Manager checks that the business scope of RHT is consistent with the requirements of the Trust Deed. Any intentions for deviation will be brought to the attention of the Board of Directors. In addition, whilst the Trustee-Manager currently has no intention of owning, fully operating and managing hospitals other than the Operating Hospitals of Rajajinagar and Nagarbhavi, if RHT should in the future wish to own, fully operate and manage hospitals other than Operating Hospitals, the approval of Unitholders will be sought.

(3) **Conflict of interests**
The promoters of the controlling shareholder of RHT TM are the same as that of FHL, which is the Sponsor of RHT. As such, there may be potential conflict of interests between RHT TM, RHT and the Sponsor. The Trustee-Manager has the following processes in place to mitigate such potential conflicts of interest:

- The Board of RHT TM comprises of seven Directors, of whom four of the Directors are independent from management and business relationships with the Trustee-Manager and from the Sponsor. Where any Director has an interest in any transaction involving the Sponsor and/or its subsidiaries, that Director will abstain from voting on the transaction. The same resolution is also required to be approved by all the Independent Directors. In particular, the CEO and CFO, both of whom are Executive Directors of RHT TM, do not have any positions within the Sponsor or its related entities.
- As mentioned in "Adherence to business scope", should RHT contemplate entering into the operation and management of hospitals, which is the core business of the Sponsor, the approval of Unitholders will be sought.
- Similarly, should any Director have interest in any transaction or entity with competing interests to RHT, they would also abstain from voting on such matters. The CEO and CFO are both dedicated to RHT TM on a full time basis and they do not have any positions in an entity with competing interests to RHT.

(4) **Procedures for interested party transactions**
The Trustee-Manager has instituted internal controls to ensure that interested party transactions which fall below the threshold that require Unitholders approval as provided under the Listing Manual of the SGX-ST, are undertaken on normal commercial terms and are not prejudicial to the interests of the Unitholders of RHT. It is also included in the scope of the work of the internal auditor, to check on the adherence to such internal controls for interested party transactions. Further information on the processes which are in place for interested party transactions are included under the section on "Audit Committee".

(5) **Expense and cost allocation to RHT**
- Fees payable to RHT TM out of Trust property are provided in the Trust Deed constituting RHT (as amended, dated 25 September 2012), as well as disclosed in the RHT IPO prospectus issued on 15 October 2012, and approved by Unitholders via subscription in the units of RHT at the time of the IPO. Should there be any change to the structure of the fees payable to the Trustee-Manager, the approval of Unitholders will be sought at a general meeting. The fees payable to RHT TM are put up to the Board for approval every half yearly. Where there are issuance of units in RHT to be made as payment of fees, the timelines for the issuance of such units strictly follow the internal timelines approved by the Board. The fees that have been paid to the Trustee-Manager out of the Trust property in FY2017 is as follows:

	Amount S$('000)
Management Fee	10,235
Trustee Fee	267
Total Fee	**10,502**

- Fees and expenses charged to RHT are appropriate and in accordance with the Trust Deed. The Trust Deed specifies what kind of expenses can be charged to RHT, which RHT TM adheres to. Further information on the computation methodology for fees payable to RHT TM are provided on pages 60 to 63 of this CG Report.

(6) **Compliance with Business Trust Act and listing rules**
The Trustee-Manager has an internal Compliance Manual which serves to summarise all the applicable rules and regulations as well as key internal policies and processes which RHT and RHT TM need to comply with. The Compliance Manual is consistently updated whenever there are changes in the rules and regulations, and it helps management to check that applicable rules and regulations are complied with. The Trustee-Manager has also appointed an external legal firm on a retainer basis to advise on matters related to its compliance with the Business Trusts Act and SGX listing rules.

FEES PAYABLE TO THE TRUSTEE-MANAGER

Under the revised Code of Collective Investment Scheme (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") which took effect on 1 January 2016, where fees are payable out of the deposited property of a property fund, the methodology and justifications for each type of fees payable should be disclosed. While RHT is constituted as a Business Trust, and is not required to comply with the CIS Code, management has elected to disclose the fee computation methodology in this CG report for greater transparency. All the fees below 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.

No.	Fee Payable by RHT	Rationale for Fee
(1)	Management Fee **Base Fee** The base fee ("Base Fee") is 0.4% per annum of the value of the Trust Property [3], and paid quarterly in arrears. **Performance Fee** The performance fee ("Performance Fee") is 4.5% of the Distributable Income of RHT (as defined in the Trust Deed) [4], and paid quarterly in arrears. The Base Fee and Performance 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.	The Trustee-Manager receives a Management Fee (comprising of the Base Fee and Performance Fee) from RHT for managing all aspects of RHT, including but not limited to, managing and enhancing the assets, financing needs, investor relations and ensuring regulatory compliance. The Base Fee increases in line with any increase in value of RHT's assets, reflecting the increase in work load and scope with a greater volume of assets being managed. In addition, it serves to incentivise the Trustee-Manager to increase the value of the assets through asset enhancement initiatives or other means. The Performance Fee is pegged to the amount of Distributable Income generated at RHT for Unitholders. The ability of RHT TM to generate higher revenue and manage expenses for RHT, the higher the Distributable Income available for Unitholders of RHT. This has the effect of directly aligning the interests of the Trustee-Manager with that of the Unitholders of RHT.
(2)	**Trustee Fee** The trustee fee is 0.03% per annum of the value of the Trust Property, subject to a minimum of S$15,000 per month, and paid quarterly in arrears.	As RHT TM performs the dual functions of both a manager and a trustee for RHT, it also charges a trustee fee. This trustee fee is pegged to the value of the assets to reflect the increase in volume and scope of work with an increase in asset value.

[3] "**Trust Property**" has the meaning ascribed to it in the Business Trusts Act.
[4] "**Distributable Income**" means the distributable amount determined by the Trustee-Manager in accordance with the terms of the 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).

Any other substantial fee or charge (i.e. 0.1% or more of RHT's asset value)

No.	Fee Payable by RHT	Rationale for Fee
(3)	**Acquisition Fee** The acquisition fee ("Acquisition Fee") will be: • where the Sponsor 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). No Acquisition Fee is payable to the Trustee-Manager in connection with the acquisition of the portfolio acquired at the time of the initial public offering (the "Initial Portfolio"), the acquisition of the Sponsor's 51.0% interest in FHTL pursuant to the FHTL Call Option [5] and the Compulsorily Convertible Preference Shares ("CCPS") Subscription. Any payment to third party agents or brokers in connection with the acquisition 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 received or to be received by the Trustee-Manager.	In connection with the Performance Fee, the Acquisition Fee serves to encourage the Trustee-Manager to look for yield accretive quality assets to add to the portfolio of RHT. When undertaking an acquisition, a fair amount of time and expenses are incurred due to the lengthy process involved when carrying out due diligence and the number of external professionals involved. The Acquisition Fee also serves to compensate the Trustee-Manager for the additional time and expenses outside of that incurred for day to day operating expenses. The lower divestment fees payable to investments acquired from the Sponsor Group or promoter linked companies reflect the reduced effort required in sourcing for the acquisition.

[5] To govern the relationship of the Sponsor and Fortis Health Management Limited ("FHML") as shareholders of FHTL, the Sponsor, FHML and FHTL entered into a Shareholders' Agreement dated 17 September 2012 (the "FHTL Shareholders' Agreement"). Under the FHTL Shareholders' Agreement, FHML, a wholly owned subsidiary of RHT, has a call option on the remaining 51.0% of the issued equity shares in FHTL, which are held by the Sponsor ("FHTL Call Option"). The FHTL Call Option is exercisable if at any time the Sponsor becomes entitled to transfer such 51.0% shareholding interest after having obtained all necessary regulatory consents and approvals.

No.	Fee Payable by RHT	Rationale for Fee
(4)	**Divestment Fee** The divestment fee ("Divestment Fee") will be 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). No Divestment Fee is payable to the Trustee-Manager for the divestment by RHT to the Sponsor or its nominees of (i) the securities in FHTL pursuant to the FHTL Put Option[6] and the put option in favour of Fortis Global Healthcare Infrastructure Pte. Ltd. ("FGHIPL") in the FHTL Compulsorily Convertible Debentures ("CCD") Subscription Agreement, and (ii) the CCPS pursuant to the put option in favour of Kanishka Healthcare Limited ("KHL") in the CCPS Subscription. Any payment to third party agents or brokers in connection with the 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 Divestment Fee received or to be received by the Trustee-Manager.	Where it is deemed to be in the best interests of Unitholders, RHT TM may recommend the divestment of certain assets in the portfolio in order to unlock value. The process of undertaking a divestment incurs time and expenses, including that of appointing external professionals, above that of normal day to day management of the Trust. The Divestment Fee serves to compensate the Trustee-Manager for undertaking the divestment process. Management Fee arising from a smaller portfolio would serve to lower the possibility of indiscriminate selling by RHT TM. Accordingly, there was no Divestment Fee paid to RHT TM when the 51.0% economic interest in FHTL was disposed of in October 2016.
(5)	**Development Fee** 2.0% of the total project costs[7] for undertaking (directly or indirectly) a Development Project on behalf of RHT incurred (pro-rated if applicable to the interest of RHT in the Development Project). "**Development Project**" means a project involving the development or redevelopment of medical and healthcare assets which are acquired or held by RHT. For the avoidance of doubt, this includes any redevelopment undertaken on the Initial Portfolio.	A Development Project involves the construction of new assets which is frequently carried out over a few years. Developing a project requires a dedicated project team to be assigned to oversee the project and often includes the appointment of specialised external project managers as well. The Development Fee compensates the Trustee-Manager for maintaining a separate team of personnel and the expenses related to the project over the years.
(6)	**Asset Management Fee** 1.0% of the total Gross Revenue[8] for asset management services provided in respect of assets in the Trust Property, and paid quarterly in arrears. No Asset Management Fee will be payable in respect of assets operated by the Sponsor Group. For the avoidance of doubt, no Asset Management Fee is payable to the Trustee-Manager in respect of the Initial Portfolio and the CCPS in Escorts Heart Institute & Research Centre Limited ("EHIRCL") held pursuant to the CCPS Subscription.	In managing RHT's assets, RHT TM incurs expenses, including but not limited to, ensuring the smooth running of assets for the operators, compliance with regulations and negotiations with vendors. This Asset Management Fee will reimburse the Trustee-Manager for such expenses incurred. Linking the Asset Management Fee of the Trustee-Manager to that of the gross revenue of the operator aligns the interests of the Trustee-Manager with that of the Unitholders of RHT. As a portion of RHT's revenue is pegged to the gross revenue of the operator, a higher revenue generated by the operator results in higher revenue for RHT. This also benefits the Unitholders of RHT as the Trustee-Manager is incentivised to manage the assets in a way that generates more revenue for the operator.

[6] FHML, a wholly owned subsidiary of RHT, is entitled to exercise a put option granted to it under the FHTL Shareholders' Agreement, to require the Sponsor to purchase all its securities in FHTL including its 49.0% shareholding in FHTL (the "FHTL Put Option").

[7] "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.

[8] "Gross Revenue" means revenue attributable to the investments forming part of the Trust Property of RHT, whether directly held by the Trustee-Manager or indirectly held by the Trustee-Manager through a holding vehicle.

No.	Fee Payable by RHT	Rationale for Fee
(7)	**Marketing Services Fee** Where the Trustee-Manager secures a lease (outside India) and/or service contract with any person (other than a member of the Sponsor Group) for a particular medical and healthcare asset (or part thereof) on behalf of RHT, the Trustee-Manager will be entitled to a marketing services fee ("Marketing Services Fee") of: • 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. • 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 and healthcare asset (or part thereof) on behalf of RHT, the Trustee-Manager will be responsible for all Marketing Services Fee payable to such third party agent, and the Trustee-Manager will be entitled to a Marketing Services Fee of: • 1.2 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 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 structured to incentivise the Trustee-Manager to secure leases for RHT's assets with longer lease terms and which command a higher revenue. There is also a higher Marketing Services Fee payable when it involves a new tenant due to the extra work involved in sourcing and attracting new operators for RHT's assets.

CORPORATE GOVERNANCE REPORT

Board of Directors	Appointed
Mr Ravi Mehrotra, Executive Chairman	7 September 2012 [2]
Mr Gurpreet Singh Dhillon, Executive Director & CEO	22 July 2011 [1]
Mr Pawanpreet Singh, Executive Director & CFO	1 July 2013 [3]
Mr Eng Meng Leong, Independent Director	1 July 2013 [3]
Mr Sydney Michael Hwang, Independent Director	7 September 2012 [2]
Dr Yogendra Nath Mathur, Lead Independent Director	7 September 2012 [2]
Mr Peter Joseph Seymour Rowe, Independent Director	7 September 2012 [2]

[1] reappointed on 28 July 2014.
[2] reappointed on 6 August 2015.
[3] reappointed on 29 July 2016.

Board Committees & Members		
Audit & Risk Management Committee	**Nominating Committee**	**Remuneration Committee**
1. Mr Peter Joseph Seymour Rowe, Chairman	1. Mr Sydney Michael Hwang, Chairman	1. Mr Eng Meng Leong, Chairman
2. Mr Eng Meng Leong	2. Mr Ravi Mehrotra	2. Mr Sydney Michael Hwang
3. Dr Yogendra Nath Mathur	3. Dr Yogendra Nath Mathur	3. Mr Peter Joseph Seymour Rowe

APPENDIX

TERMS OF REFERENCE OF THE AUDIT & RISK MANAGEMENT COMMITTEE ("ARMC")

Objectives
The main objective of the ARMC shall be to assist the Board in fulfilling its responsibilities as the Board of the Trustee-Manager of RHT. In pursuance of this goal, the ARMC shall:

(1) monitor and evaluate the adequacy and effectiveness of the Trustee-Manager's internal controls;
(2) review the quality and reliability of information prepared for inclusion in the financial reports of RHT;
(3) nominate external auditors and review the adequacy of external audits in respect of qualifications, independence, cost, scope and performance;
(4) in relation to risk management, ensure that the risk management framework is adequate and effective in the identification, measurement, monitoring and control of the Trustee-Manager's principal risks;
(5) in relation to risk governance of the Trustee-Manager, determine the nature and extent of risks which the Trustee-Manager may undertake, and assess if management maintains a sound system of risk management and internal controls (including financial, operational, compliance and information technology controls); and
(6) assess appropriate means to carry out its responsibility of overseeing the Trustee-Manager's risk management framework and policies.

Roles and Function
The duties and functions of the ARMC shall include the following:

Financial Reporting
(1) Reviewing the significant financial reporting issues and judgements so as to consider the integrity of the financial statements of RHT and any announcements relating to the financial performance of RHT;
(2) Reviewing the application and consistency of the accounting standards used. Assessing the accuracy, completeness and consistency of financial reports;
(3) Reviewing the balance sheet and profit and loss account of the Trustee-Manager of RHT and the balance sheet, profit and loss account and cash flow statement of RHT submitted to it by the Trustee-Manager, and thereafter to submit them to the Board of Directors;
(4) Reviewing, with the auditor of RHT:

    (i) the audit plan of RHT;
    (ii) the auditors' evaluation of the system of internal accounting controls of the Trustee-Manager of RHT;
    (iii) the auditors' audit report for RHT;
(5) Reviewing audit reports (whether external or internal) to determine if deficiencies in internal controls have been identified, and appropriate and prompt remedial action has been taken by management; and
(6) Reviewing the financial statements and the internal audit report. The review of the internal audit report shall be carried out at least twice a year to ascertain that the guidelines and procedures established to monitor Interested Person Transactions have been complied with. The review shall include the examination of the nature of the transaction and its supporting documents or such other data that the ARMC deems necessary.

Risk Management and Internal Controls
(1) Oversee and review the adequacy of the resources, policies and practices put in place by the Trustee-Manager to maintain compliance with the applicable legislation, the Business Trusts Act, the Business Trusts Regulations, the Code of Corporate Governance, the Listing Manual, the Trust Deed of RHT and any applicable guidelines;
(2) Initiating audits of the internal controls of RHT Group as and when it deems fit to satisfy itself that the internal controls of RHT Group remain adequate and effective;
(3) Reviewing and reporting to the Board at least annually, the adequacy and effectiveness of the risk management systems and internal controls of RHT, including financial, operational, compliance and information technology controls;
(4) Obtaining regular updates from management and the Company Secretary regarding compliance matters; and
(5) Overseeing RHT's risk management framework and policies and assessing appropriate means to carry out its responsibility of doing so.

Internal & External Audit Processes

Internal Audit

(1) Determine the scope and role of the internal audit function. Review the results of the internal audit procedures of the Trustee-Manager of RHT;
(2) Approving the hiring, removal, evaluation and compensation of the head of the internal audit function, or accounting/auditing firm or corporation if the internal audit function is outsourced;
(3) Determine if the internal audit function is adequately resourced and has appropriate standing within the company and at least annually, review the adequacy and effectiveness of the internal audit function;
(4) Reviewing the activities of the internal auditors on factors such as their independence, adequate resources and appropriate standing to perform an effective role;

External Audit

(5) Making recommendations to the Board on the proposals to the Unitholders of RHT on the appointment, re-appointment or removal of the external auditors and to approve the remuneration and terms of engagement of the external auditors;
(6) Discuss key audit matters and follow up actions with external auditors;
(7) Review the audit representation letter and the external auditor's management letter;
(8) Reviewing the assistance given by the officers of the Trustee-Manager to the auditor of RHT;
(9) Nominating external auditors and reviewing the adequacy of external audits in respect of cost, scope and performance, and reviewing the independence and objectivity of the external auditors. Where external auditors also supply a substantial amount of non-audit services to RHT, the ARMC should keep the nature and extent of such services under review, seeking to maintain objectivity; and
(10) Meeting with external and internal auditors, without the presence of management, at least on an annual basis.

Interested Person Transactions and Conflicts of Interest

(1) Reviewing the procedures put in place by the Trustee-Manager of RHT for managing any conflict that may arise between the interests of the Unitholders and the interests of the Trustee-Manager, including Interested Person Transactions, the indemnification of expenses or liabilities incurred by the Trustee-Manager and the setting of fees or charges payable out of the Trust Property of RHT;
(2) Deliberating on conflict of interest situations involving RHT;
(3) Monitoring the procedures established to regulate Interested Person Transactions, including compliance with the Trustee-Manager's internal control system and the relevant provisions of the Listing Manual; and
(4) Periodically reviewing the transactions constituting Interested Person Transactions to review compliance with the Trustee-Manager's internal control system and with the relevant rules of the Listing Manual. The review will include the examination of the nature of the transaction and its supporting documents or such other data deemed necessary to the ARMC.

Other areas of responsibility of the ARMC include:

(1) Investigating any matters within the ARMC's terms of reference, whenever it deems necessary, where it should have full access to and cooperation by the management and full discretion to invite any Director or Executive Officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly;
(2) Reviewing the policy and arrangements by which staff and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters, and review the arrangements in place for such concerns to be raised and independently investigated and for appropriate follow-up action to be taken;
(3) Reporting to the Board of Directors:

    (i) any inadequacies, deficiencies or matters of concern of which the ARMC becomes aware or that it suspects arising from its review of financial reporting, risk management and internal controls, internal and external audit processes and Interested Person Transactions and conflicts of interest; and
    (ii) any breach of the Business Trusts Act or any breach of the provisions of the Trust Deed of RHT, of which the ARMC becomes aware or that it suspects;
(4) Reporting to the MAS if the ARMC is of the view that the Board of Directors has not taken, or does not propose to take, appropriate action to deal with a matter reported under Paragraph (iii) (a) and (iii) (b) above;
(5) In addition to the functions listed above, undertaking such other functions as may be agreed to by the ARMC and the Board of Directors; and
(6) Monitoring changes to regulations and accounting standards, including accounting standards and issues which have a direct impact on Financial Statements;

(7) In connection with Interested Person Transactions:

(i) reviewing at regular intervals, transactions (either (1) individually or (2) as part of a series or (3) if aggregated with other transactions involving the same Interested Person during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of RHT's net tangible assets based on the latest audited accounts;
(ii) reviewing and approving transactions (either (1) individually or (2) as part of a series or (3) if aggregated with other transactions involving the same Interested Person during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of RHT's net tangible assets based on the latest audited accounts. Such transactions shall be reviewed and approved prior to such transactions being entered into, on the basis that the transactions are on commercial terms and are consistent with similar types of transactions made by the Trustee-Manager with third parties that are unrelated to the Trustee-Manager; and
(iii) reviewing and approving transactions (either (1) individually or (2) as part of a series or (3) if aggregated with other transactions involving the same Interested Person during the same financial year) equal to or exceeding 5.0% of the value of RHT's net tangible assets based on the latest audited accounts. Such transactions will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the ARMC which may, as it deems fit, request advice on the transaction from independent sources or advisers. Further, under the Listing Manual, such transactions would have to be approved by the Unitholders at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed of RHT.

(8) to ascertain that the terms of the Right of First Refusal Agreement dated 18 September 2012 entered into between the Trustee-Manager and the Sponsor (the "ROFR Agreement") have been complied with. The review will include the examination of supporting documents and such other data deemed necessary to the ARMC.

TERMS OF REFERENCE OF THE NOMINATING COMMITTEE ("NC")

Objectives
The main objective of the NC shall be to make recommendations to the Board on all Board appointments. The NC shall decide how the Board's performance is to be evaluated and develop objective performance criteria which address how the Board has enhanced long-term Unitholders' value. It shall also implement a process for assessing the effectiveness of the Board as a whole and for assessing the contribution of each individual Director to the effectiveness of the Board. The Chairman will review the results of the performance evaluation of the Board, and where appropriate, propose new members to be appointed to the Board of Directors or seek the resignation of Directors, in consultation with the NC.

Roles and Function
The duties and functions of the NC shall include the following:

(1) Review the Board composition which includes the structure, size and mix annually and recommend to the Board any new Board appointments, whether of Executive or Non-executive Directors, including their membership and chairmanship of any Board Committees.
(2) Review and assess candidates for directorships (including executive directorships) before making recommendations to the Board for the appointment of Directors.
(3) Recommend to the Board the selection, appointment and re-nomination for re-election or re-appointment of Directors (including alternate Directors, if applicable) in accordance with the Trustee-Manager's Articles of Association, having regard to the following factors which shall not be exhaustive in any respect:
- the composition and progressive renewal of the Board;
- the respective Director's contribution to the effectiveness of the Board as a whole;
- the respective Director's competencies, commitment, contribution and performance (e.g.attendance, preparedness, participation and candour), including if applicable such contribution and performance as an independent Director;
- the respective Director's appointment on Board Committees (as a member or Chairman);
- the respective Director's age, date of first appointment to the Board, date of last re-election or re-appointment;
- the respective Director's unitholding in RHT and its related corporations;
- the respective Director's current directorships and past directorships held in the preceding three years in related corporations of RHT and in other listed companies and other major appointments and;
- if the respective Director has multiple Board representations, whether sufficient time and attention is given to the affairs of each company.

(4) Recommend to the Board the responsibilities of Non-executive Directors, including their membership and chairmanship of Board committees.
(5) Recommend the appointment of suitable persons for the senior key executive positions, including that of Chief Executive Officer ("CEO"), Chief Operating Officer ("COO"), Chief Financial Officer ("CFO") or other Executive Officers of equivalent rank.
(6) Determine annually, and as and when circumstances require, whether or not a Director is independent in the manner provided in the Business Trusts Regulations and bearing in mind the circumstances set forth in Guidelines 2.3 and 2.4 as set out in the Code of Corporate Governance 2012 (as may be amended, supplemented or replaced from time to time) ("CG Code 2012") and any other salient factors. If the NC considers that a Director who has one or more of the relationships mentioned therein can be considered independent, it shall provide its views to the Board for the Board's consideration. Conversely, the NC has the discretion to consider that a Director is not independent even if he does not fall under the circumstances set forth in CG Code 2012 Guidelines 2.3 or 2.4, and should similarly provide its views to the Board for the Board's consideration.
(7) Decide whether or not a Director is able to and has been adequately carrying out his duties as a Director, taking into consideration the Director's number of listed company Board representations and other principal commitments, and determine the maximum number of listed company Board representations which any Director may hold.
(8) Implement and carry out the process of assessing the effectiveness of the Board as a whole, and the contribution by each individual Director to the effectiveness of the Board. Individual evaluation should aim to assess whether each Director continues to contribute effectively and demonstrate commitment to the role (including commitment of time to the Board and Board Committee meetings, and other duties).
(9) Decide on how the performance of the Board, the Board Committees and Directors may be evaluated and recommend to the Board for approval, objective performance criteria for such purpose, which may be changed subsequently where circumstances deem it necessary. In addition to any relevant performance criteria which may be proposed, the performance evaluation should also consider RHT's unit price performance over a five-year period vis-à-vis the Singapore Straits Times Index and a benchmark index of its industry peers.
(10) Consider the various disclosure requirements relating to Directors (in particular, those required by regulatory bodies such as the Singapore Exchange Securities Trading Limited) and ensure that the Trustee-Manager has provided adequate disclosure in RHT's Annual Report on key information regarding its Directors and its process for assessment of the Board and the Directors.
(11) Review of training and professional development programs for the Board.
(12) Carry out such other duties and functions as may be agreed to by the NC and/or directed by the Board.

TERMS OF REFERENCE OF THE REMUNERATION COMMITTEE ("RC")

Objectives
The primary objective of the RC is to recommend to the Board a framework and specific remuneration package for the Directors and the CEO of RHT TM.

With regard to remuneration, the RC will review the framework of remuneration and the specific remuneration packages for the Directors and the key executive officers of the Trustee-Manager. The RC shall cover all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind.

Roles and Function
(1) The duties and functions of the RC are as follows:

   (i) Review, determine and recommend to the Board for endorsement the Trustee-Manager's compensation structure or framework for remuneration of its Directors and CEO to ensure that the framework is appropriate and sufficient to attract, retain and motivate the Directors and CEO of the required quality to run RHT successfully.
   (ii) Determine and recommend to the Board for endorsement the specific remuneration packages for each of the Directors and CEO of the Trustee-Manager upon recruitment, and thereafter on an annual basis to review such remuneration, determine and recommend to the Board for endorsement any appropriate adjustments, including any variable components in such remuneration, which may be performance-related or designed to align the interests of the Directors and CEO with those of the Unitholders of RHT.
   (iii) Liaise with the Board, the NC and Management, as appropriate, on the measurement and assessment of (a) the corporate performance of the Trustee-Manager and the Group and where appropriate, relative to other companies or its competitors, and (b) the performance and level of contribution of the individual Directors and the CEO, as a prelude to reviewing, determining and recommending (as appropriate) the remuneration for each Director and the CEO.

(iv) Review and recommend to the Board other incentive schemes and compensation policies of the Trustee-Manager and the remuneration of senior management (CEO and direct reports to CEO).

(v) Review whether Executive Directors and key management personnel of the Trustee-Manager should be eligible for benefits under long-term incentive schemes and evaluate the costs and benefits of the long-term incentive schemes.

(vi) Review the Trustee-Manager's obligations arising in the event of termination of the Executive Directors and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

(vii) Consider the various disclosure requirements for Directors' remuneration (in particular, those required by regulatory bodies such as the Singapore Exchange Securities Trading Limited) and ensure that the Trustee-Manager has provided adequate disclosure in RHT's Annual Report on the remuneration of its Directors and key executives in the manner prescribed by such disclosure requirements.

(viii) Carry out such other duties and functions as may be agreed to by the RC and/or directed by the Board.

(2) The remuneration or remuneration packages referred to in this terms of reference shall cover all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, unit-based incentives and awards, and benefits-in-kind offered and/or to be offered by the Trustee-Manager for employment or directorship.

(3) The remuneration or remuneration packages of the Non-executive Directors of the Trustee-Manager shall be subject to prior approval by the Unitholders of the Trustee-Manager.

(4) In performing its duties and functions, the RC will take into account certain principles and issues on Board remuneration.

(5) The Independent Directors on the RC will annually review and approve the total remuneration of the Directors, Executive Officers and other employees who are related to the controlling shareholder of the Trustee-Manager or the Controlling Unitholder and/or the Directors.

DIRECTORSHIPS

And other major appointments over the last 3 years

Name of Director	Current Directorships and Other Major Appointments	Past Appointments Over the Last 3 Years
Ravi Mehrotra	1. Fortis Global Healthcare Infrastructure Pte. Ltd. 2. RHT Health Trust Services Pte. Ltd. (formerly known as Religare Healthtrust Services Pte. Ltd.)	1. Religare Asset Management Company Limited 2. Religare Capital Markets Limited 3. AEGON Religare Life Insurance Company Limited 4. Dion Global Solutions Limited 5. Fortis Healthcare Limited 6. Landmark Partners LLC 7. Northgate Capital LLC 8. Religare Enterprises Limited 9. Religare Global Asset Management Inc. 10. Religare Health Insurance Company Limited
Gurpreet Singh Dhillon	1. Fortis Global Healthcare Infrastructure Pte. Ltd. 2. RHT Health Trust Services Pte. Ltd. (formerly known as Religare Healthtrust Services Pte. Ltd.) 3. BD Asset Management Pte. Ltd. 4. One and Only Holdings Ltd.	1. Treelife Holdings Pte. Ltd.
Pawanpreet Singh	Nil	1. Fortis Health Management Limited 2. Fortis Health Management (West) Limited 3. Fortis Healthstaff Limited 4. Hospitalia Eastern Private Limited 5. Kanishka Healthcare Limited 6. Reliant Healthcare Consultancy Private Limited

CORPORATE GOVERNANCE REPORT

Name of Director	Current Directorships and Other Major Appointments	Past Appointments Over the Last 3 Years
Eng Meng Leong	1. ACTS College Limited (Non-Executive Director) 2. Croesus Retail Asset Management Pte. Ltd.	1. Kreuz Holdings Limited 2. Libra Group Limited 3. 3Cnergy Limited
Sydney Michael Hwang	1. Justinian Private Limited 2. Michael Hwang Chambers LLC 3. Linyi Investments Pte. Ltd. 4. Memories of the East Pte. Ltd. 5. Singapore Dance Theatre Limited 6. YTL Starhill Global REIT Management Limited 7. Chief Justice, Dubai International Financial Centre ("DIFC") Courts, UAE 8. Head, DIFC Dispute Resolution Authority, UAE	1. IP Academy (Singapore) 2. Kang Ching Pte. Ltd. 3. The Law Society of Singapore
Dr Yogendra Nath Mathur	1. Radha Soami Satsang Beas Society	1. Maharaj Jagat Singh Medical Relief Society 2. RSSB Education & Environment Society
Peter Joseph Seymour Rowe	1. AMP Capital Investors Limited * 2. Herbert Smith Freehills (Consultant) 3. Southern Highlands Botanic Gardens Limited 4. UBS Grocon Real Estate Investment Management Pty Ltd 5. PEC Investments Pty Ltd 6. PEC Management Pty Ltd * Chairman of the Managed Investments Scheme Compliance Committees	1. XAS Pty Limited 2. Lend Lease Real Estate Investments Limited 3. Lend Lease Funds Management Limited 4. Estate of the late Helene Ann Finlay (Executor) 5. Securitisation Capital Solutions Pty Ltd 6. Tavaling Pty Ltd 7. Investa Listed Funds Management Limited 8. Mission Australia Housing Limited 9. Mission Australia Housing (Victoria) Limited 10. GFM Investment Holdings Pty Ltd 11. GFM Investment Services Pty Ltd 12. GFM Investment Management Ltd

CONTENTS

REPORT OF THE TRUSTEE-MANAGER

The Directors of RHT Health Trust Manager Pte. Ltd., the Trustee-Manager of RHT Health Trust (the "Trust") are pleased to present their report to the Unitholders of the Trust, together with the audited consolidated financial statements of the Trust and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in Unitholders' funds of the Trust for the financial year ended 31 March 2017.

DIRECTORS

The Directors of the Trustee-Manager in office at the date of this report are:

Ravi Mehrotra
Gurpreet Singh Dhillon
Pawanpreet Singh
Eng Meng Leong
Sydney Michael Hwang
Dr Yogendra Nath Mathur
Peter Joseph Seymour Rowe

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE UNITS OR DEBENTURES

Neither at the end of nor at any time during the financial year was the Trustee-Manager a party to any arrangement whose object was to enable the Directors of the Trustee-Manager to acquire benefits by means of the acquisition of units in, or debentures, of the Trust.

DIRECTORS' INTERESTS IN UNITS OR DEBENTURES

According to the register kept by the Trustee-Manager for the purposes of Sections 13 and 76 of the Business Trusts Act, Chapter 31A of Singapore (the "Act"), particulars of the interests of Directors who held office at the end of the financial year in units in, or debentures of, the Trust are as follows:

	Direct interest		Deemed interest	
	At the beginning of financial year	At the end of financial year	At the beginning of financial year	At the end of financial year
Number of units				
Ravi Mehrotra	–	–	1,000,000	1,000,000
Gurpreet Singh Dhillon	–	–	1,777,000	1,777,000
Sydney Michael Hwang	–	–	1,000,000	1,000,000
Pawanpreet Singh	–	–	300,000	300,000

There were no changes in any of the above mentioned interest in the Trust between the end of the financial year and 21 April 2017.

OPTIONS

There were no options granted during the financial year by the Trustee-Manager to any person to take up unissued units in the Trust.

No units have been issued during the financial year by virtue of the exercise of options to take up unissued units of the Trust.

There were no unissued units of the Trust under option at the end of the financial year.

REPORT OF THE TRUSTEE-MANAGER

AUDIT AND RISK MANAGEMENT COMMITTEE

The members of the Audit and Risk Management Committee ("ARMC") of the Trustee-Manager during the financial year and as at the date of this report were as follows:

Peter Joseph Seymour Rowe	Chairman
Dr Yogendra Nath Mathur	
Eng Meng Leong	

All members of the ARMC are independent and are Non-executive directors.

The ARMC carried out its functions in accordance with Regulation 13(6) of the Business Trusts Regulations 2005 of Singapore. In performing its functions, the ARMC has reviewed (among others):

- with the independent internal and external auditors of the Trust, the audit plan of the Group, the independent internal auditor's evaluation of the system of internal accounting controls of the Group and the independent external auditor's report on the consolidated financial statements of the Group for the financial year;

- the assistance given by the officers of the Trustee-Manager to the independent auditor of the Trust, the scope and results of the internal audit procedures of the Group, the policies and practices put in place by the Trustee-Manager to ensure compliance with the Act and the Trust Deed dated 29 July 2011 constituting the Trust, as amended and restated (the "Trust Deed"), the procedures put in place by the Trustee-Manager for managing any conflict that may arise between the interests of Unitholders and the interests of the Trustee-Manager (including interested person transactions, indemnification of expenses or liabilities incurred by the Trustee-Manager and the setting of fees or charges payable out of the trust property of the Trust); and

- the balance sheet and statement of changes in Unitholders' funds of the Trust and the consolidated financial statements of the Group for the financial year ended 31 March 2017 before their submission to the Board of Directors of the Trustee-Manager.

AUDIT AND RISK MANAGEMENT COMMITTEE

The ARMC, having reviewed all non-audit services provided by the independent auditors to the Group, is satisfied that the nature and extent of such services would not affect the independence of the independent auditors.

Further details regarding the ARMC are disclosed in the Corporate Governance Report.

AUDITOR

Ernst & Young LLP have expressed their willingness to accept re-appointment as independent auditor.

On behalf of the Board of Directors of the Trustee-Manager:

Ravi Mehrotra
Director

Gurpreet Singh Dhillon
Director

Singapore
23 June 2017

STATEMENT BY THE TRUSTEE-MANAGER

For the financial year ended 31 March 2017

In our opinion,

(a) the consolidated statement of comprehensive income set out on pages 80 and 81 have been drawn up so as to give a true and fair view of the results of the business of the Group for the financial year ended 31 March 2017;

(b) the balance sheets have been drawn up so as to give a true and fair view of the state of affairs of the Trust and of the Group as at 31 March 2017;

(c) the statement of changes in Unitholders' fund set out on pages 84 and 85 are drawn up so as to give a true and fair view of the changes in Unitholders' fund of the Group and of the Trust for the year ended 31 March 2017.

(d) the consolidated cash flow statement set out on page 86 has been drawn up so as to give a true and fair view of the cash flow of the business of the Group for the financial year ended 31 March 2017; and

(e) at the date of this statement, there are reasonable grounds to believe that the Trustee-Manager will be able to fulfil out of the trust property of the Trust, its liabilities in respect of the Trust as and when they fall due.

In accordance with Section 86(2) of the Singapore Business Trusts Act, Chapter 31A (the "Act"), we further certify:

(a) the fees or charges paid or payable out of the trust property of the Trust to the Trustee-Manager are in accordance with the Trust Deed of the Trust;

(b) the interested person transactions entered into by the Trust during the financial year ended 31 March 2017 are not detrimental to the interests of the Unitholders of the Trust as a whole based on the circumstances at the time of the relevant transactions; and

(c) the Board of Directors of the Trustee-Manager is not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of the Unitholders of the Trust as a whole.

The Board of Directors of the Trustee-Manager has, on the date of this statement, authorised the above statements and these financial statements of the Group as at and for the financial year ended 31 March 2017 for issue.

On behalf of the Board of Directors of the Trustee-Manager:

Ravi Mehrotra
Director

Gurpreet Singh Dhillon
Director

Singapore
23 June 2017

STATEMENT BY THE CHIEF EXECUTIVE OFFICER

For the financial year ended 31 March 2017

In accordance with Section 86(3) of the Act, I certify that I am not aware of any violation of duties of the Trustee-Manager which would have a materially adverse effect on the business of the Trust or on the interests of all the Unitholders of the Trust as a whole.

Gurpreet Singh Dhillon
Chief Executive Officer

Singapore
23 June 2017

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF RHT HEALTH TRUST

For the financial year ended 31 March 2017

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of RHT Health Trust (constituted in the Republic of Singapore pursuant to the Trust Deed) (the "Trust") and its subsidiaries (collectively, the "Group"), which comprise the consolidated balance sheets of the Group and the Trust as at 31 March 2017, the statements of changes in Unitholders' funds equity of the Group and the Trust and the consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in Unitholders' funds of the Trust are properly drawn up in accordance with the provisions of the Singapore Business Trusts Act, Chapter 31A (the "Act") and International Financial Reporting Standards (IFRSs) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Trust as at 31 March 2017 and of the consolidated financial performance, consolidated changes in Unitholders' funds and consolidated cash flows of the Group and changes in Unitholders' funds of the Trust for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Valuation of land and buildings

Land and buildings are measured, using the revaluation model, at its fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. The carrying amount of land and buildings as at 31 March 2017 was $506.7 million and this accounts for 46% of the total assets. The valuation of land and buildings is significant to our audit due to the magnitude of the carrying amount and the valuation is highly dependent on a range of estimates made by management and the external valuer engaged by management. Accordingly, we have determined this matter to be a key audit matter. As disclosed in Note 33(d), the fair value of land and buildings are measured using significant unobservable inputs. The most significant judgement and estimates affecting the valuations are price per square feet, replacement cost per square feet and estimated economic useful life of the buildings. Management has engaged an external valuer to support their determination of the individual fair value of the land and buildings annually.

Amongst others, we have considered the objectivity, independence and expertise of the external valuer. In addition, we inquired the external valuer to obtain an understanding of their valuation methodologies. We assessed the appropriateness of the valuation methodologies and property related data used in the valuation process and adopted by the external valuer. In addition, our internal valuation specialists assisted us in evaluating the appropriateness of the property related data by comparing them against available industry data, taking into consideration comparability and market factors. We assessed the appropriateness of the movements in fair value of the land and buildings, and the revaluation reserve of land and buildings. We also assessed the adequacy of the disclosures on the land and buildings in Note 16 and Note 33(d) to the financial statements.

Key Audit Matters *(cont'd)*

Impairment of goodwill

As at 31 March 2017, the goodwill is carried at $51.0 million which represents 5% of the total non-current assets.

As disclosed in Note 15, the Group has determined each entity providing medical and clinical establishment services as a cash-generating unit ("CGU"). As part of the impairment assessment, the carrying value of the CGU to which goodwill has been allocated to is compared to its recoverable amount. The recoverable amount is determined using the value-in-use calculation based on cash flow projections. Determining the recoverable amount is judgemental in nature and involves the use of significant estimates and assumptions. These estimates and assumptions include revenue growth rate and discount rate. As the goodwill impairment assessment requires significant estimation, we have determined this to be a key audit matter.

Our audit procedures, included amongst others, evaluating the assumptions and methodology used by the Group in estimating the recoverable amount. We checked whether the cash flows were based on approved management budgets that reflected business plans, and evaluated management's forecasting process by comparing previous forecasts to actual results. We evaluated management's assumptions by comparing them to historical data as well as market and economic outlook. On the discount rate applied to determine the present value, we evaluated the reasonableness of the rate by considering the key elements such as risk-free rate, equity beta, market risk premium and cost of debt to the source data and external observable data, and making comparison to the rates used by other players in the same industry. We have engaged our internal valuation specialists to assist us in performing some of these procedures. We also assessed the adequacy of the disclosures on the impairment test in Note 15 to the financial statements.

Reduction of interest in Fortis Hospotel Limited ("FHTL")

On 12 October 2016, the Group disposed 51.0% of the Compulsorily Convertible Debentures ("CCDs") in FHTL for a sale consideration of $301.0 million. Subsequent to the disposal, the Group retained 49.0% of the economic interest in FHTL and accounted for FHTL as an associate. In accordance with IFRS 10, the Group is required to recognise the retained interest at its fair value at the date when control is lost. The management engaged an external valuer in determining the fair value of the retained interest in the FHTL. The fair value of the retained interest is determined using the discounted cash flow method. We have determined this to be a key audit matter based on the quantitative materiality of the sale and the significant estimation required to determine the fair value of the retained interest in FHTL at the date of disposal.

Amongst others, we considered the objectivity, independence and expertise of the external valuer. We have held discussions with the external valuer to obtain an understanding and assessed the appropriateness of their valuation technique. In addition, we involved our internal valuation specialists to support us in reviewing the valuation methodology and evaluating the appropriateness of the key assumptions such as the discount rate and growth rate used in determining the fair value of the retained interest. We evaluated the reasonableness of the discount rate by considering the key elements such as risk-free rate, equity beta, market risk premium and cost of debt to the source data and external observable data. We checked whether the cash flows were based on approved management budgets that reflected business plans, and evaluated management's forecasting process by comparing previous forecasts to actual results. We also assessed the adequacy of the disclosures relating to the loss in the control in this former subsidiary and investment in associate in Note 17 and Note 18 respectively.

Other Information

The Trustee-Manager is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF RHT HEALTH TRUST

For the financial year ended 31 March 2017

RESPONSIBILITIES OF THE MANAGER FOR THE FINANCIAL STATEMENTS

RHT Health Trust Trustee-Manager Pte. Ltd., the Trustee-Manager of the Trust, is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, the Trustee-Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Trustee-Manager's responsibilities include overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF RHT HEALTH TRUST

For the financial year ended 31 March 2017

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS *(cont'd)*

We communicate with the Trustee-Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Trustee-Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Trustee-Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Trust and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Companies Act, Chapter 50.

The engagement partner on the audit resulting in this independent auditor's report is Nelson Chen.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

23 June 2017

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2017

	Note	2017 $'000	2016 $'000 (Restated)
Revenue:			
Service fee	4	**79,610**	78,773
Hospital income	5	**9,583**	9,649
Other income	6	**2,827**	2,691
Total revenue		**92,020**	91,113
Service and hospital expenses:			
Medical consumables		**(8,279)**	(7,860)
Employee benefits expense	7	**(2,941)**	(2,533)
Doctor charges		**(7,856)**	(6,834)
Depreciation and amortisation		**(11,735)**	(11,699)
Other service fee expenses	11	**(11,596)**	(11,130)
Hospital expenses	5	**(8,323)**	(7,985)
Total service and hospital expenses		**(50,730)**	(48,041)
Trustee-Manager fees	8	**(10,502)**	(6,755)
Other trust expenses		**(2,375)**	(2,747)
Finance income	9	**7,895**	492
Finance expenses	10	**(13,549)**	(8,521)
Foreign exchange gain/(loss)		**1,858**	(10,495)
Total expenses		**(67,403)**	(76,067)
Share of results of an associate		**4,714**	–
Profit before changes in fair value of financial derivatives		**29,331**	15,046
Fair value (loss)/gain on financial derivatives		**(4,506)**	7,725
Profit before taxes	11	**24,825**	22,771
Income tax expense	12	**(1,374)**	(13,011)
Profit from continuing operations		**23,451**	9,760
Discontinued operations			
Gain on disposal of 51.0% economic interest in a subsidiary	17	**96,631**	–
Profit after tax for the period from discontinued operations	13	**14,869**	33,716
Profit after tax for the period attributable to Unitholders of the Trust		**134,951**	43,476

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2017

	Note	2017 $'000	2016 $'000 (Restated)
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss			
- Foreign currency translation		**31,899**	(58,615)
Items that will not be reclassified to profit or loss			
- Net surplus on revaluation of land and buildings		**7,539**	42,963
- Share of net surplus on revaluation of land and buildings of associate		**234**	–
- Re-measurement of defined benefit plan		**(85)**	(36)
Other comprehensive income for the year, net of tax		**39,587**	(15,688)
Total comprehensive income for the year attributable to Unitholders of the Trust		**174,538**	27,788
Earnings per unit from continuing operation attributable to Unitholders of the Trust, expressed in cents per unit			
- Basic and diluted	14	**2.92**	1.23
Earnings per unit attributable to Unitholders of the Trust, expressed in cents per unit			
- Basic and diluted	14	**16.83**	5.46
Attributable to:			
Unitholders of the Trust			
Total comprehensive income from continuing operations, net of tax		**56,869**	6,515
Total comprehensive income from discontinued operations, net of tax		**117,669**	21,273
Total comprehensive income for the year attributable to Unitholders of the Trust		**174,538**	27,788

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 31 March 2017

	Note	Group 2017 $'000	Group 2016 $'000	Trust 2017 $'000	Trust 2016 $'000
ASSETS					
Non-current assets					
Intangible assets	15	**94,640**	127,986	**–**	–
Property, plant and equipment	16	**562,074**	844,851	**–**	–
Investment in subsidiaries	17	**–**	–	**12,634**	12,634
Investment in an associate	18	**352,717**	–	**–**	–
Loans to subsidiaries	19	**–**	–	**441,959**	478,922
Financial assets	20	**30,550**	36,047	**–**	–
Deferred tax assets	21	**22,529**	12,532	**–**	–
Other assets	22	**25,024**	24,783	**–**	–
Total non-current assets		**1,087,534**	1,046,199	**454,593**	491,556
Current assets					
Inventories		**103**	130	**–**	–
Financial assets	20	**2,362**	79,783	**46,295**	49,090
Trade receivables	23	**10,606**	25,340	**–**	–
Other assets		**809**	983	**58**	65
Derivative financial instruments	28	**–**	891	**–**	–
Cash and cash equivalents	24	**7,246**	5,831	**255**	344
Total current assets		**21,126**	112,958	**46,608**	49,499
Total assets		**1,108,660**	1,159,157	**501,201**	541,055
LIABILITIES					
Non-current liabilities					
Loans and borrowings	25	**183,658**	166,598	**60,000**	60,000
Other liabilities		**12,299**	3,710	**–**	–
Deferred tax liabilities	21	**90,234**	149,754	**–**	–
Total non-current liabilities		**286,191**	320,062	**60,000**	60,000

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 31 March 2017

	Note	Group 2017 $'000	Group 2016 $'000	Trust 2017 $'000	Trust 2016 $'000
Current liabilities					
Loans and borrowings	25	**104,607**	3,438	**517**	525
Trade and other payables	26	**5,502**	6,032	**–**	–
Other liabilities	27	**12,371**	90,017	**2,157**	3,103
Derivative financial instruments	28	**3,615**	–	**–**	–
Total current liabilities		**126,095**	99,487	**2,674**	3,628
Net current (liabilities)/assets		**(104,969)**	13,471	**43,934**	45,871
Total liabilities		**412,286**	419,549	**62,674**	63,628
Net assets		**696,374**	739,608	**438,527**	477,427
UNITHOLDERS' FUNDS					
Units in issue	29	**518,114**	510,399	**518,114**	510,399
Capital reserve	30	**210,216**	210,216	**–**	–
Foreign currency translation reserve	30	**(18,318)**	(82,469)	**–**	–
Revaluation reserve	30	**43,096**	142,911	**–**	–
Capital redemption reserve	30	**(52)**	33	**–**	–
Accumulated losses		**(56,682)**	(41,482)	**(79,587)**	(32,972)
Total Unitholders' funds		**696,374**	739,608	**438,527**	477,427

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS

For the financial year ended 31 March 2017

Group	Note	Units in issue (Note 29) $'000	Capital reserve $'000	Foreign currency translation reserve $'000	Revaluation reserve $'000	Other reserve $'000	Accumulated losses $'000	Total $'000
At 1 April 2015		507,180	210,216	(23,854)	101,396	69	(25,874)	769,133
Profit for the year		–	–	–	–	–	43,476	43,476
Other comprehensive income								
- Foreign currency translation		–	–	(58,615)	–	–	–	(58,615)
- Net surplus on revaluation of land and buildings		–	–	–	41,515	–	1,448*	42,963
- Re-measurement of defined benefit plan		–	–	–	–	(36)	–	(36)
Other comprehensive income for the year, net of tax		–	–	(58,615)	41,515	(36)	1,448	(15,688)
Total comprehensive income for the year		–	–	(58,615)	41,515	(36)	44,924	27,788
Payment of Trustee-Manager fees in units		3,219	–	–	–	–	–	3,219
Distribution on units in issue	37	–	–	–	–	–	(60,532)	(60,532)
At 31 March 2016 and 1 April 2016		510,399	210,216	(82,469)	142,911	33	(41,482)	739,608
Profit for the year		–	–	–	–	–	134,951	134,951
Other comprehensive income								
- Foreign currency translation		–	–	31,899	–	–	–	31,899
- Net surplus on revaluation of land and buildings		–	–	–	4,796	–	2,743*	7,539
- Re-measurement of defined benefit plan		–	–	–	–	(85)	–	(85)
- Share of net surplus on revaluation of land and buildings of associate		–	–	–	234	–	–	234
Other comprehensive income for the year, net of tax		–	–	31,899	5,030	(85)	2,743	39,587
Total comprehensive income for the year		–	–	31,899	5,030	(85)	137,694	174,538
Disposal of 51.0% economic interest in a subsidiary	17	–	–	32,252	(104,845)	–	104,845	32,252
Payment of Trustee-Manager fees in units		7,715	–	–	–	–	–	7,715
Distribution on units in issue	37	–	–	–	–	–	(257,739)	(257,739)
At 31 March 2017		518,114	210,216	(18,318)	43,096	(52)	(56,682)	696,374

* Relates to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN UNITHOLDERS' FUNDS

For the financial year ended 31 March 2017

	Note	Units in issue (Note 29) $'000	(Accumulated losses)/ revenue reserve $'000	Total $'000
Trust				
At 1 April 2015		507,180	14,427	521,607
Profit for the year, representing total comprehensive income for the financial year		–	13,133	13,133
Distribution on units in issue	37	–	(60,532)	(60,532)
Payment of Trustee-Manager fees in units		3,219	–	3,219
At 31 March 2016 and 1 April 2016		510,399	(32,972)	477,427
Profit for the year, representing total comprehensive income for the financial year		–	211,124	211,124
Distribution on units in issue	37	–	(257,739)	(257,739)
Payment of Trustee-Manager fees in units		7,715	–	7,715
At 31 March 2017		**518,114**	**(79,587)**	**438,527**

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 March 2017

	Note	2017 $'000	2016 $'000 (Restated)
Cash flow from operating activities			
Profit before tax from continuing operations		**24,825**	22,771
Profit before tax from discontinued operations		**118,850**	38,521
Profit before tax		**143,675**	61,292
Adjustments for:			
Depreciation and amortisation		**13,276**	16,344
Finance income		**(8,416)**	(623)
Finance expenses		**13,644**	8,800
Fixed assets written off		**396**	796
Unrealised loss/(gain) on financial assets		**224**	(13)
Fair value loss/(gain) on financial derivatives		**4,506**	(7,725)
Gain on disposal of 51.0% economic interest in a subsidiary	17	**(96,631)**	–
Share of results of an associate		**(4,714)**	–
Foreign exchange loss		**–**	2,486
Foreign currency alignment		**24**	(201)
Operating cash flow before working capital changes		**65,984**	81,156
Changes in working capital:			
Increase in trade receivables		**(7,102)**	(2,026)
Decrease/(increase) in financial assets and other assets		**13,696**	(15,714)
Decrease in inventories		**34**	1
Increase in trade and other payables and other liabilities		**10,227**	17,701
Cash flow generated from operations		**82,839**	81,118
Interest received		**1,233**	624
Tax paid		**(20,602)**	(18,663)
Net cash generated from operating activities		**63,470**	63,079
Cash flow from investing activities			
Purchase of property, plant and equipment	16	**(17,147)**	(32,397)
Net cash flow from disposal of 51.0% economic interest in a subsidiary	17	**201,254**	–
Sale/(purchase) of short term investments		**3,945**	(5,364)
Net cash generated from/(used in) investing activities		**188,052**	(37,761)
Cash flow from financing activities			
Distribution paid to Unitholders	37	**(257,739)**	(60,532)
Interest paid		**(9,675)**	(6,351)
Net proceeds from borrowings		**17,205**	43,370
Net cash used in financing activities		**(250,209)**	(23,513)
Net increase in cash and cash equivalents		**1,313**	1,805
Effect of exchange rate changes on cash and cash equivalents		**102**	(144)
Cash and cash equivalents at beginning of period		**5,831**	4,170
Cash and cash equivalents at end of year	24	**7,246**	5,831

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2017

1. GENERAL INFORMATION

RHT Health Trust (the "Trust") is a business trust registered with the Monetary Authority of Singapore and domiciled in Singapore. The Trust was constituted by the Trust Deed and is regulated by the Business Trusts Act, Chapter 31A of Singapore. Under the Trust Deed, RHT Health Trust Manager Pte. Ltd. (the "Trustee-Manager") has declared that it will hold all the assets (including businesses) acquired on trust for the Unitholders of the Trust. The registered office of the Trustee-Manager is located at 9 Battery Road, #25-01 MYP Building, Singapore 049910. The principal place of business of the Trustee-Manager is located at 302 Orchard Road #18-02/03 Tong Building, Singapore 238862.

The principal activity of the Trust is investment holding of hospital and health care related assets located in Asia, Australasia and emerging markets in the rest of the world. The principal activities of the subsidiaries of the Trust are set out in Note 17.

The Trust was admitted to the Official List of the Main Board of Singapore Exchange Securities Trading Limited on 19 October 2012.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 *Basis of preparation*

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by International Accounting Standards Board ("IASB"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

All financial information is presented in Singapore Dollars and has been rounded to the nearest thousand, unless otherwise stated.

2.2 *Changes in accounting policies*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 April 2016. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Trust.

Standards, Amendments and Interpretations issued but not yet effective

The Group has not adopted the following standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
IFRS 10 and IAS 28: *Sale* or *Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28*	Date to be determined
IAS *12: Recognition of Deferred Tax Assets for Unrealised Losses – Amendments to IAS 12*	*1 January 2017*
IFRS 15: *Revenue from Contracts with Customers*	*1 January 2017*
IAS 7: *Disclosure Initiative – Amendments to IAS 7*	*1 January 2017*
Amendments to IFRS 15: *Clarification to IFRS 15 Revenue from Contracts With Customers*	*1 January 2018*
IFRS 9: *Financial Instruments*	*1 January 2018*
INT FRS 122: *Foreign Currency Transactions and Advance Consideration*	*1 January 2018*
IFRS 16: *Leases*	*1 January 2019*

Except for IFRS 9 and IFRS 16, the Directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of IFRS 9 and IFRS 16 are described below.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

2.2 ***Changes in accounting policies*** *(cont'd)*

IFRS 9 *Financial Instruments*

In July 2014, the IASB issued the final version of IFRS 9 *Financial Instruments* that replaces IAS 39 *Financial Instruments*: Recognition and Measurement and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

The Group plans to adopt the new standard on the required effective date. During the year, the Group has performed a high-level impact assessment of all three aspects of IFRS 9. This preliminary assessment is based on currently available information and may be subject to changes arising from further detailed analysis or additional reasonable and supportable information being made available to the Group in the future. Overall, the Group expects no significant impact on its balance sheet and Unitholders' funds except for the effect of applying the impairment requirements of IFRS 9. The Group expects a higher loss allowance resulting in a negative impact on Unitholders' funds and will perform a detailed assessment in the future to determine the extent.

<u>Classification and measurement</u>
The Group does not expect a significant impact on its balance sheet or Unitholders' funds on applying the classification and measurement requirements of IFRS 9. It expects to continue measuring at fair value all financial assets currently held at fair value.

Loans as well as trade receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. Thus, the Group expects that these will continue to be measured at amortised cost under IFRS 9. However, the Group will analyse the contractual cash flow characteristics of those instruments in more detail before concluding whether all those instruments meet the criteria for amortised cost measurement under IFRS 9.

<u>Impairment</u>
IFRS 9 requires the Group to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. The Group will perform an analysis which considers all reasonable and supportable information, including forward-looking elements to determine the extent of the impact.

IFRS 16 *Leases*

IFRS 16 was issued in January 2016 and it replaces IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under IFRS 16 is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

2.2 *Changes in accounting policies (cont'd)*

IFRS 16 *Leases (cont'd)*

IFRS 16 also requires lessees and lessors to make more extensive disclosures than under IAS 17.

IFRS 16 is effective for annual periods beginning on or after 1 January 2019. Early application is permitted, but not before an entity applies IFRS 15. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs.

In 2018, the Group plans to assess the potential effect of IFRS 16 on its consolidated financial statements.

2.3 *Basis of consolidation and business combination*

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 March 2017. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other Comprehensive Income ("OCI") are attributed to the Unitholders of the Trust. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

2.3 *Basis of consolidation and business combination (cont'd)*

Business combinations are accounted for using the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another IFRS.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's Cash-Generating Units ("CGU") that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that CGU is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the CGU retained.

The CGU to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the CGU may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates.

Business combinations involving entities under common control are accounted for by applying the pooling of interest method.

Pursuant to this:

- Assets and liabilities are reflected at their existing carrying amounts;
- No amount is recognised for goodwill; and
- Any difference between the consideration paid by the Trust and the share capital of the subsidiary will be reflected within the equity of the Group as capital reserve.

2.4 *Foreign currency*

The Group's consolidated financial statements are presented in Singapore Dollars, which is also the Trust's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and has elected to recycle the gain or loss that arises from using this method.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

2.4 ***Foreign currency*** *(cont'd)*

(a) *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Trust and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

(b) *Consolidated financial statements*

For consolidation purposes, the assets and liabilities of foreign operations are translated into Singapore Dollars at the rate of exchange prevailing at the reporting date and their profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.5 ***Property, plant and equipment***

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment other than freehold land and buildings are measured at cost less accumulated depreciation and any accumulated impairment losses.

Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised at the date of the revaluation. Valuations for land and buildings are performed annually to ensure that the carrying amount does not differ materially from the fair value of the freehold land and buildings at the end of the reporting period.

A revaluation surplus is recognised in other comprehensive income and accumulated to the asset revaluation reserve in equity. However, to the extent it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the profit or loss, except to the extent that it offsets an existing surplus of the same asset recognised in the asset revaluation reserve.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on revalued carrying amount of the asset and depreciation based on the assets original cost. Additionally, any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

2.5 ***Property, plant and equipment*** *(cont'd)*

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land	2 to 90 years
Buildings	24 to 45 years
Medical equipment	1 to 15 years
Plant and machinery	6 to 20 years
Furniture and fittings	1 to 15 years
Office equipment	1 to 4 years
Computers	2 to 6 years
Vehicles	1 to 5 years

Assets under construction are not depreciated as these assets are not yet available for use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

The residual value, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively, if appropriate.

2.6 ***Intangible assets***

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as below:

Customer related intangible	30 years
Right to use "Fortis" brand	15 years
Goodwill	Indefinite
Other intangibles	3 years

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the CGU level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the asset is derecognised.

2.7 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less cost of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

The following assets have specific characteristics for impairment testing:

Goodwill

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March either individually or at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

2.8 *Financial instruments – initial recognition and subsequent measurement*

(a) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

2.8 ***Financial instruments – initial recognition and subsequent measurement*** *(cont'd)*

(a) ***Financial assets*** *(cont'd)*

The subsequent measurement of financial assets depends on their classification as follows:

Subsequent measurement

(i) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

(ii) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss includes derivative financial instruments entered into by the Group.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(b) ***Financial liabilities***

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

(i) Financial liabilities carried at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

2.8 ***Financial instruments – initial recognition and subsequent measurement*** *(cont'd)*

(b) ***Financial liabilities*** *(cont'd)*

Subsequent measurement (cont'd)

(ii) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

2.9 ***Impairment of financial assets***

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial assets original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

2.9 ***Impairment of financial assets*** *(cont'd)*

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.10 ***Cash and cash equivalents***

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Fixed deposits with banks with original maturity for less than three months are considered as cash and cash equivalents. Pledged fixed deposits do not form part of cash and cash equivalents.

2.11 ***Inventories***

Inventories of medical consumables, drugs and stores and spares are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs incurred to make the sale.

2.12 ***Provisions***

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.13 ***Borrowing costs***

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.14 ***Employee benefits***

(a) *Defined contribution plans*

The entities within the Group located in India make contributions to the Statutory Provident Fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952, India. Provident Fund is a defined contribution scheme and the contributions are charged to the profit or loss of the year when the contributions to the respective fund is due. There are no other obligations other than the contribution payable to the fund.

(b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

2.15 ***Leases***

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As lessee

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

As lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as lease income. Contingent rents are recognised as revenue in the period in which they are earned.

2.16 ***Revenue***

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

Service fee

The base service income arising from the provision of Clinical Establishments Services is accounted for on a straight-line basis over the term of the arrangement. Service income relating to out-patient and day care medical and healthcare services ("OPD"), radiology and maintenance services are recognised in the profit or loss when such services are rendered. The variable performance linked fee is recognised when the Group becomes entitled to payment as per the terms of the arrangement.

The Group's subsidiaries provide the following services to Fortis Healthcare Limited ("FHL") group of companies (collectively, the "Clinical Establishment Services"):

(a) making available and maintaining the Clinical Establishment to allow FHL group of companies to operate and manage a full-fledged full service secondary, tertiary or quaternary hospital (as the case may be);
(b) the undertaking, provision, running, operation and management of the OPD Services; and
(c) the provision, running, operation and management of the Radio Diagnostic Services.

Hospital income

Hospital income is recognised when services are rendered to the patients in the two Operating Hospitals.

Lease income

Lease income is recognised in profit or loss on a straight-line basis and over the term of the lease.

Lease income is rental revenue earned from the space utilised as amenities such as pharmacy, cafeteria, book shop, Automated Teller Machines ("ATMs") and other amenities for patients and/or other attendant conveniences.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

2.16 ***Revenue*** *(cont'd)*

Dividend income

Dividend income is recognised when the Group's rights to receive the payment is established.

Interest income

Interest income is recognised using the effective interest method.

2.17 ***Taxes***

(i) *Current income tax*

Current income tax assets and liabilities for the current periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

2.17 ***Taxes*** *(cont'd)*

(ii) *Deferred tax (cont'd)*

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(iii) *Sales tax*

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and

- When receivables and payables are stated with the amount of sales tax included.

(iv) *Minimum Alternate Tax ("MAT")*

MAT paid in a year is initially charged to the profit or loss as current tax. The Group then recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of MAT under the Indian Income Tax Act, 1961, the said asset is created by way of credit to the profit or loss and shown as "MAT Credit Entitlement." The Group reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent where the Group does not have convincing evidence that it will pay income tax during the specified period.

2.18 ***Segment reporting***

The Group is primarily involved in the provision of Clinical Establishment services to the operators of each hospital in each Clinical Establishment. As the rendering of services to patients in earning of hospital income is not material, no separate business segment has been disclosed.

No geographical segment information has been prepared as the Group's assets and operations are all located in India.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

2.19 *Discontinued operations*

A component of the Group is classified as a 'discontinued operation' when the criteria to be classified as held for sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

2.20 *Unitholders' funds*

Unitholders' funds represent the Unitholders' residual interest in the Group's net assets.

Incremental costs directly attributable to the issue of units are recognised as a deduction from Unitholders' funds.

2.21 *Contingencies*

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

  (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

  (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.22 *Subsidiaries*

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Trust's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.23 *Associate*

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control of those policies.

The Group accounts for its investments in associates using the equity method from the date on which it becomes an associate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(cont'd)*

2.23 ***Associate*** *(cont'd)*

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of results of the operations of the associates. Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associate are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the associate are prepared as the same reporting date as the Trust. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the financial statements requires the Directors to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 ***Judgments***

Accounting for service agreement

Clinical Establishment is defined as a fully centrally air-conditioned institution established and specifically customised and duly fitted with all fixtures, fittings, medical equipment and infrastructure required for running and operating a hospital, offering:

(i) doctors and services for diagnosis and treatment for illness, disease, injury, deformity and/or abnormality;
(ii) diagnosis of diseases through radiological and other diagnostic or investigative services with the aid of laboratory or other medical equipment; and
(iii) beds for in-patient treatment.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES *(cont'd)*

3.1 ***Judgments*** *(cont'd)*

Accounting for service agreement (cont'd)

The Group has entered into separate Hospital and Medical Services Agreements ("HMSAs") with FHL group of companies wherein the Group is required to provide and maintain the Group's Clinical Establishments along with other services like out-patient diagnostic and radio diagnostic services. The Group needs to exercise judgment to analyse whether the arrangement involves providing the right to use the Group's Clinical Establishments and whether the out-patient diagnostic and radio diagnostic services in the arrangement are significant to the overall arrangement. The Group has analysed the substance of the contract and have determined that fulfilment of service arrangement is based on the use of specified assets and conveys right to use the Group's Clinical Establishments. However, substantial risk and rewards of the Group's Clinical Establishments are retained by the Group even though rights to use are given to FHL group of companies. The Group has assessed that the out-patient diagnostic and radio diagnostic services in the arrangement are significant to the entire arrangement. Consequently, the Group's Clinical Establishments have been classified as part of property, plant and equipment.

Unused tax losses

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Had the Group been able to recognise all unrecognised deferred tax assets, profit would increase by $2.1 million (2016: $4.6 million).

The carrying value of unrecognised tax losses and capital allowances are disclosed in Note 21 to the financial statements.

3.2 ***Estimates and assumptions***

Impairment of goodwill

An impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ("DCF") model. The cash flows are derived from the budget for a period longer than five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is most sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount are disclosed and further explained in Note 15 to the financial statements.

Investment in associate

The Group engaged an external valuer to determine the fair value of the retained interest in the associate as at 12 October 2016. The fair value of the retained interest in the associate is determined by the external valuer by applying the DCF method. The key assumptions used to determine the fair value of the retained interest in the associate are the revenue growth rate and discount rate. The carrying amount of the investment in associate as at 31 March 2017 is $352.7 million (2016: Nil).

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES *(cont'd)*

3.2 *Estimates and assumptions* (cont'd)

Revaluation of property, plant and equipment

The Group measures land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The Group engaged an independent valuation specialist to assess the fair value. Land was valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property. Buildings were valued by reference to current replacement cost of the buildings and adjusted for their remaining economic life. The revaluation of property, plant and equipment is disclosed in Note 16 to the financial statements.

4. SERVICE FEE

	Group	
	2017 $'000	**2016 $'000 (Restated)**
Base fee	**47,991**	48,446
Variable fee	**31,619**	30,327
	79,610	78,773

5. HOSPITAL INCOME AND EXPENSES

Hospital income and expenses relate to revenue generated from and expenses incurred in the Group's two Operating Hospitals in Rajajinagar and Nagarbhavi.

6 OTHER INCOME

Other income mainly relates to lease income from pharmacy, cafeteria, bookshop, ATM and other amenities in the Clinical Establishments of the Group.

7. EMPLOYEE BENEFITS EXPENSE

	Group	
	2017 $'000	**2016 $'000 (Restated)**
Salaries, bonus and other benefits	**2,810**	2,417
Statutory Provident Fund contributions	**131**	116
	2,941	2,533

8. TRUSTEE-MANAGER FEES

	Group	
	2017 **$'000**	**2016** **$'000**
Management fees	**10,235**	6,326
Trustee fees	**267**	266
Acquisition fee	**–**	163
	10,502	6,755

Under the Trust Deed, the Trustee-Manager is entitled to the following:

Management fees

Base fee

The Base fee (the "Base fee") is 0.4% (2016: 0.4%) per annum of the value of the net assets of the Group pursuant to the Trust Deed.

Performance fee

The Performance fee ("Performance fee") is 4.5% (2016: 4.5%) per annum of Distributable Income of the Group pursuant to the Trust Deed for the relevant financial year.

A special distribution declared upon completion of disposal of 51.0% economic interest in FHTL (Note 17), the Trustee-Manager is entitled to receive a Performance fee of S$8.9 million. The Trustee-Manager elected to receive 50.0% of the Performance fee in the form of Performance fee Units, and waived the remaining 50.0% of the Performance fee it is entitled to receive.

The Trustee-Manager is entitled to receive a divestment fee for any investment sold, transferred or otherwise disposed of by RHT other than in connection with the divestment by the RHT Health Trust ("RHT Group") to FHL of (i) all its securities in FHTL pursuant to a put option and (ii) the Compulsory Convertible Preference Shares ("CCPS") in Escorts Heart Institute and Research Centre Limited ("EHIRCL") pursuant to a put option. The disposal of 51.0% economic interest in FHTL are not effected pursuant to the put options and accordingly, the Trustee-Manager was entitled to receive a divestment fee in respect of the disposal of 51.0% of economic interest in FHTL. However, the Trustee Manager had waived the divestment fee it is entitled to receive in respect of the disposal of 51.0% of economic interest in FHTL.

Trustee fees

The Trustee fee is 0.03% (2016: 0.03%) per annum of the value of the net assets of the Group, subject to a minimum of $15,000 (2016: $15,000) per month, excluding out-of-pocket expenses.

Acquisition fee

The acquisition fee is a one-off payment of 1.0% on the acquisition price of the investment acquired in prior year.

9. FINANCE INCOME

	Group	
	2017 $'000	**2016 $'000 (Restated)**
Interest income from fixed deposits	**41**	39
Interest income from mutual funds	**154**	408
Interest income from Compulsorily Convertible Debentures ("CCDs")	**7,183**	–
Others	**517**	45
	7,895	492

10. FINANCE EXPENSES

	Group	
	2017 $'000	**2016 $'000 (Restated)**
Interest on bank borrowings	**8,984**	7,604
Interest on Non-Convertible Debentures ("NCDs")	**3,138**	–
Interest on deferred payment scheme on purchase of equipment	**167**	145
Bank charges	**63**	755
Others	**1,197**	17
	13,549	8,521

11. PROFIT BEFORE TAXES

The following items have been included in arriving at profit before taxes:

	Group	
	2017 $'000	**2016 $'000 (Restated)**
Housekeeping	**4,747**	4,559
Security	**1,890**	1,726
Power and fuel	**811**	806
Annual maintenance charges	**1,420**	1,249
Property tax	**832**	781
Insurance	**109**	86
Others	**1,787**	1,923
Other service fee expenses	**11,596**	11,130

11. PROFIT BEFORE TAXES *(cont'd)*

The following items have been included in arriving at profit before taxes *(cont'd)*:

	Group	
	2017 $'000	**2016 $'000 (Restated)**
Audit fees paid to:		
Auditor of the Trust	**152**	148
Other auditors	**212**	200
Non-audit fees paid to:		
Auditor of the Trust	**58**	74
Other auditors	**552**	214
Legal and other professional fees	**1,826**	1,942

12. INCOME TAX EXPENSE

The major components of income tax expense

	Group	
	2017 $'000	**2016 $'000 (Restated)**
Consolidated profit or loss:		
Current income tax		
Continuing operations:		
- Current income taxation	**11,416**	12,675
- Over provision in previous year	**(94)**	–
Deferred tax expense		
Continuing operations:		
- Origination and reversal of temporary differences	**(9,948)**	336
Income tax expense attributable to continuing operations	**1,374**	13,011
Income tax expense attributable to discontinuing operations (Note 13)	**7,350**	4,805
Income tax expense recognised in profit and loss Statement of comprehensive income:		
Deferred tax expense related to other comprehensive income		
- Net surplus on revaluation of land and buildings	**3,287**	16,781

12. INCOME TAX EXPENSE *(cont'd)*

Relationship between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 March 2017 and 2016 is as follows:

	Group	
	2017 $'000	**2016 $'000 (Restated)**
Profit before taxes		
- continuing operations	**24,825**	22,771
- discontinued operations	**118,850**	38,521
Total	**143,675**	61,292
Tax at the domestic rates applicable to profits in the countries where the Group operates	**14,247**	8,871
Adjustments:		
Income not subject to taxation	**(12,497)**	(9,004)
Non-deductible expenses	**10,320**	14,143
Deferred tax assets not recognised	**3,622**	3,806
Partial tax exemption and tax relief	**(6,874)**	–
Over provision in previous year	**(94)**	–
Tax expense recognised in profit or loss	**8,724**	17,816

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction. The domestic tax rates for the entities in India and Singapore are 34.608% and 17% (2016: 34.608% and 17%) respectively.

The nature of income not subject to taxation mainly relates to partial tax exemption in Singapore based on a waiver granted by the Ministry of Finance.

13. DISCONTINUED OPERATIONS

On 29 July 2016, the Unitholders approved the disposal of 51.0% of CCDs in Fortis Hospotel Limited ("FHTL") and 100.0% of the Compulsorily Convertible Preference Shares ("CCPS") in EHIRCL to, and the Related Arrangements with, Interested Persons ("Disposal and Related Arrangements"). The Disposal and Related Arrangements was fully completed on 14 October 2016, however, for accounting purpose, the control was lost on 12 October 2016. Post the Disposal and Related Arrangements, as the Group retains 49.0% economic interest of FHTL, it is accounted for as an associate in accordance with IAS 28 Investments in Associates and Joint Ventures.

13. DISCONTINUED OPERATIONS *(cont'd)*

Income statement disclosures

The results of FHTL for the years ended 31 March 2017 and 31 March 2016 are as follows:

	Group	
	1 April 2016 to 12 October 2016 $'000	2016 $'000
Revenue	**28,144**	51,807
Expense	**(5,925)**	(13,286)
Profit from discontinued operations	**22,219**	38,521
Income tax expense	**(7,350)**	(4,805)
Profit for the period	**14,869**	33,716

Cash flow statements disclosures

The cash flows attributable to FHTL are as follows:

	Group	
	2017 $'000	2016 $'000
Operating	**22,705**	17,330
Investing	**(494)**	(350)
Financing	**(26)**	(1,386)
Net cash inflow	**22,185**	15,594

14. EARNINGS PER UNIT

The calculation of basic and diluted earnings per unit is based on the weighted average number of units outstanding during the financial year and profit after tax attributable to the Unitholders of the Trust.

	Group Continuing Operations		Group Discontinued Operation		Total	
	2017	2016 (Restated)	2017	2016 (Restated)	2017	2016 (Restated)
Profit for the financial year attributable to Unitholders of the Trust ($'000)	**23,451**	9,760	**111,500**	33,716	**134,951**	43,476
Weighted average number of units during the financial year ('000)	**801,866**	796,363	**801,866**	796,363	**801,866**	796,363
Basic and diluted earnings per unit (in cents per unit)	**2.92**	1.23	**13.91**	4.23	**16.83**	5.46

Diluted earnings per unit is the same as the basic loss per unit as there are no dilutive instruments in issue during the financial year.

15. INTANGIBLE ASSETS

	Customer related intangible $'000	Right to use "Fortis" brand $'000	Goodwill $'000	Other intangibles $'000	Total $'000
Group					
Cost:					
At 1 April 2015	51,725	966	92,187	114	144,992
Currency translation differences	(3,935)	(74)	(7,083)	(25)	(11,117)
At 31 March 2016 and 1 April 2016	47,790	892	85,104	89	133,875
Additions	–	–	–	5	5
Disposal (Note17)	–	–	(37,621)	–	(37,621)
Currency translation differences	2,822	53	3,531	5	6,411
At 31 March 2017	**50,612**	**945**	**51,014**	**99**	**102,670**
Accumulated amortisation:					
At 1 April 2015	4,212	157	–	109	4,478
Amortisation	1,686	64	–	49	1,799
Currency translation differences	(296)	(9)	–	(83)	(388)
At 31 March 2016 and 1 April 2016	5,602	212	–	75	5,889
Amortisation	1,651	66	–	4	1,721
Currency translation differences	400	15	–	5	420
At 31 March 2017	**7,653**	**293**	**–**	**84**	**8,030**
Net carrying amount:					
At 31 March 2016	42,188	680	85,104	14	127,986
At 31 March 2017	**42,959**	**652**	**51,014**	**15**	**94,640**

Customer related intangible arises from the HMSAs which the Hospital Services Companies of the Group entered into with various FHL group of companies to provide medical and Clinical Establishment services. These Hospital Services Companies will receive Service Fees in consideration of the performance of the medical and Clinical Establishment services. Customer related intangible has an average remaining amortisation period of 25 years (2016: 26 years).

The two Operating Hospitals held by the Group, namely, Rajajinagar and Nagarbhavi operate under the "Fortis" brand name. These rights to use "Fortis" brand were transferred as part of the acquisition of subsidiaries and the two Operating Hospitals will continue to use the "Fortis" brand name. These rights to use the "Fortis" brand have an average remaining amortisation period of 10 years (2016: 11 years).

15. INTANGIBLE ASSETS *(cont'd)*

The goodwill of $45.7 million (2016: $76.6 million) arises on account of requirement to recognise deferred tax liability, calculated as a difference between the tax effect of the fair value of the acquired assets and liabilities and their tax bases. Balance goodwill of $5.3 million (2016: $8.5 million) comprises the value of synergies arising from the acquisition.

Other intangibles represent existing software and licenses that were acquired by the subsidiaries prior to the acquisition. Other intangibles have an average remaining amortisation period of less than a year (2016: 1 year).

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to CGU, which are the entities providing medical and Clinical Establishment services, for impairment testing as follows:

The carrying amounts of goodwill allocated to each CGU are as follows:

	2017 $'000	2016 $'000
Fortis Hospotel Limited	–	36,932
Escorts Heart and Super Speciality Hospital Limited	**13,174**	12,440
International Hospital Limited	**37,771**	35,666
Fortis Health Management Limited	**69**	66
	51,014	85,104

The recoverable amount as at 31 March 2017 was determined based on a value-in-use calculation by applying equal weight to cash flow projections from financial budgets approved by the management of the Trustee-Manager covering a period of more than five years and market approach by estimating value from an analysis of actual transaction or offerings for economically comparable assets or businesses available as of valuation date. The pre-tax discount rate applied to the cash flow projections and the forecasted growth rates used to extrapolate cash flow projections beyond forecast period to 11.0% (2016: 13.3%) and 3.5% (2016: 2.3%). The discounted cash flow projections derived from the financial budgets approved by the Trustee-Manager cover a period of more than five years because of the long-term nature of the HMSAs. For market approach, the valuers analysed the trading multiples of companies that are comparable to respective Clinical Establishment and made adjustment for the Group structure.

15. INTANGIBLE ASSETS *(cont'd)*

Impairment testing of goodwill (cont'd)

The value in use calculations are most sensitive to the following assumptions:

Growth rates – These are based on the contractual rate for the base fee in the HMSAs and management's expectation of market development supported by industry research.

Operating costs – These are based on management's expectation of market development supported by industry research.

Pre-tax discount rates – Discount rates represent the current market assessment of the risks specific to the CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its Weighted Average Cost of Capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest bearing borrowings the Group is obliged to service. Segment–specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Revenue and earnings before interest, tax, depreciation and amortisation (EBITDA) multiplier – The multiples derived was based on the historical and forward looking multiples of the selected comparable companies, taking into consideration factors unique to the CGU including recent operating results, business plan and projections, anticipated future grow and cash flows.

Sensitivity to changes in assumption

With regards to the assessment of value in use, management believes that no reasonably possible changes in any of the above key assumptions would cause the carrying value of entities to exceed its recoverable amount.

No impairment was considered necessary for the financial year ended 31 March 2016 and 2017.

16. PROPERTY, PLANT AND EQUIPMENT

	Freehold land $'000	Leasehold land $'000	Buildings $'000	Plant and machinery $'000	Medical equipment $'000	Furniture and fittings $'000	Office equipment $'000	Computers $'000	Vehicles $'000	Assets under construction $'000	Total $'000
Group											
Cost or valuation:											
At 1 April 2015	414,753	107,088	238,757	40,707	26,131	4,157	788	510	20	5,526	838,437
Additions	16,222	–	–	–	–	–	–	–	–	17,565	33,787
Reclassification	–	–	1,063	1,384	4,329	37	76	36	35	(6,960)	–
Revaluation	42,749	5,220	17,858	–	–	–	–	–	–	–	65,827
Write-off	–	–	(482)	(286)	(525)	(55)	(1)	(1)	–	–	(1,350)
Elimination of accumulated depreciation on revaluation	–	(1,301)	(5,937)	–	–	–	–	–	–	–	(7,238)
Currency translation differences	(28,497)	(8,146)	(18,382)	(5,027)	(2,479)	(373)	(68)	(143)	(3)	(887)	(64,005)
At 31 March 2016 and 1 April 2016	445,227	102,861	232,877	36,778	27,456	3,766	795	402	52	15,244	865,458
Additions	19	–	–	–	–	–	–	–	–	18,761	18,780
Reclassification	–	–	5,357	1,280	1,031	38	45	35	36	(7,822)	–
Revaluation	522	2,033	1,801	–	–	–	–	–	–	–	4,356
Write-off	–	–	(354)	(87)	(33)	(53)	(1)	(6)	(1)	–	(535)
Disposal	(225,066)	–	(85,867)	(13,687)	(12,241)	(2,831)	(603)	(267)	–	(479)	(341,041)
Elimination of accumulated depreciation on revaluation	–	(1,393)	(5,009)	–	–	–	–	–	–	–	(6,402)
Currency translation differences	17,359	6,014	10,343	1,684	1,176	109	25	16	3	1,347	38,076
At 31 March 2017	**238,061**	**109,515**	**159,148**	**25,968**	**17,389**	**1,029**	**261**	**180**	**90**	**27,051**	**578,692**
Representing :											
- Cost	–	–	–	25,968	17,389	1,029	261	180	90	27,051	71,968
- Valuation	238,061	109,515	159,148	–	–	–	–	–	–	–	506,724
	238,061	109,515	159,148	25,968	17,389	1,029	261	180	90	27,051	578,692

16. PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

	Freehold land $'000	Leasehold land $'000	Buildings $'000	Plant and machinery $'000	Medical equipment $'000	Furniture and fittings $'000	Office equipment $'000	Computers $'000	Vehicles $'000	Assets under construction $'000	Total $'000
Group											
Accumulated depreciation:											
At 1 April 2015	–	–	–	5,352	8,361	845	123	159	–	–	14,840
Depreciation charge	–	1,351	6,222	2,657	3,900	272	68	70	5	–	14,545
Write-off	–	–	(58)	(81)	(399)	(14)	(1)	(1)	–	–	(554)
Elimination of accumulated depreciation on revaluation	–	(1,301)	(5,937)	–	–	–	–	–	–	–	(7,238)
Currency translation differences	–	(50)	(227)	(224)	(390)	(72)	(13)	(10)	–	–	(986)
At 31 March 2016 and 1 April 2016	–	–	–	7,704	11,472	1,031	177	218	5	–	20,607
Depreciation charge	–	1,393	5,072	2,146	2,712	135	47	44	6	–	11,555
Write-off	–	–	(64)	(29)	(24)	(16)	(1)	(5)	–	–	(139)
Disposal	–	–	–	(2,748)	(6,200)	(804)	(116)	(171)	–	–	(10,039)
Elimination of accumulated depreciation on revaluation	–	(1,393)	(5,008)	–	–	–	–	–	–	–	(6,401)
Currency translation differences	–	–	–	437	548	32	9	9	–	–	1,035
At 31 March 2017	**–**	**–**	**–**	**7,510**	**8,508**	**378**	**116**	**95**	**11**	**–**	**16,618**
Net carrying amount:											
At 31 March 2016	445,227	102,861	232,877	29,074	15,984	2,735	618	184	47	15,244	844,851
At 31 March 2017	**238,061**	**109,515**	**159,148**	**18,458**	**8,881**	**651**	**145**	**85**	**79**	**27,051**	**562,074**

Net cash flow on additions to property, plant and equipment

In 2016, the acquisition of property, plant and equipment in relation to Mohali Land amounted to $16.2 million.

During the year, additions to property, plant and equipment of the Group amounted to $18.8 million (2016: $17.6 million) of which $1.7 million (2016: $2.0 million) was payable as at the year ended 31 March 2017. Net cash outflow on purchase of property, plant and equipment for the year ended 31 March 2017 amounted to $17.1 million (2016: $32.4 million).

16. PROPERTY, PLANT AND EQUIPMENT *(cont'd)*

Revaluation of land and buildings

The Group engaged Cushman & Wakefield India Private Limited ("C&W"), an independent valuer to determine the fair value of land and buildings. The date of the revaluation was 31 March 2017.

Fair value of land is determined by the direct comparison approach. This means that valuations performed by the valuers are based on active market prices, adjusted for any difference in the nature, location or condition of the specific property.

If the land were measured using the cost model, the carrying amounts would be as follows:

	Group	
	2017 $'000	**2016 $'000**
Land at 31 March		
Cost	**270,988**	422,328
Accumulated depreciation	**(4,470)**	(3,166)
Net carrying amount	**266,518**	419,162

Fair value of buildings is determined based on the depreciated replacement cost method. This means that valuations performed by the valuers are based on the current replacement cost of the buildings and adjusted for their remaining economic life. The replacement cost of each building is based on the physical asset survey performed by C&W as of 31 March 2016 and adjusted based on current market trends. The remaining economic life of the buildings has been assessed by C&W based on visual inspection of the buildings.

If the buildings were measured using the cost model, the carrying amounts would be as follows:

	Group	
	2017 $'000	**2016 $'000**
Buildings at 31 March		
Cost	**132,148**	195,747
Accumulated depreciation	**(9,534)**	(12,295)
Net carrying amount	**122,614**	183,452

The Group has recognised certain land which title deeds have yet to be registered in or transferred to the name of the subsidiaries concerned as effective economic benefits associated with the land which has flown to the Group.

17. INVESTMENT IN SUBSIDIARIES

	Trust	
	2017 $'000	**2016 $'000**
Investments, unquoted equity shares at cost	**12,634**	12,634

17. INVESTMENT IN SUBSIDIARIES *(cont'd)*

	Name	Principal activities	Country of incorporation	Proportion (%) of ownership interest	
				2017	2016
	Held by the Trust				
[1]	Fortis Global Healthcare Infrastructure Pte Ltd ("FGHIPL")	Provision of consultancy and management services and that of an investment holding company	Singapore	100	100
	Held through subsidiaries:				
[2]	Fortis Health Management Limited ("FHML")	Provision of medical and Clinical Establishment services	India	100	100
[2]	Hospitalia Eastern Private Limited ("HEPL")	Provision of medical and Clinical Establishment services	India	100	100
[2]	Fortis Hospotel Limited ("FHTL")	Provision of medical and Clinical Establishment services	India	49 [4]	49 [3]
[2]	International Hospital Limited ("IHL")	Provision of medical and Clinical Establishment services	India	100	100
[2]	Escorts Heart and Super Speciality Hospital Limited ("EHSSHL")	Provision of medical and Clinical Establishment services	India	100	100
[1]	RHT Health Trust Services Pte. Ltd. (previously known as Religare Healthtrust Services Pte. Ltd.)	Provision of consultancy and management services and that of an investment holding company	Singapore	100	100

[1] Audited by Ernst & Young LLP

[2] Audited by Deloitte Haskins and Sells LLP

[3] Basis of Consolidation of FHTL

The Group has acquired 49.0% interest in FHTL, the owner of the New Delhi, Shalimar Bagh Clinical Establishment and Gurgaon Clinical Establishment. The Group has also entered into a Shareholders' Agreement with a related party on 17 September 2012 to acquire the remaining 51.0% interest in FHTL. However, the legal title of the 51.0% interest in FHTL has not been transferred to the Group as at year end.

Under the Shareholders' Agreement, the Group has the right to appoint 50.0% of the directors of FHTL, including the Chairman of the Board of Directors of FHTL who has casting vote in case of deadlock on any matters to be decided at the Board of Directors level. The related party has also assigned its right to receive dividends from FHTL in favour of the Group. Accordingly, the Trustee-Manager concluded that as the Group is able to direct the relevant activities of FHTL, the Group has consolidated 100.0% of FHTL.

[4] Disposal of 51.0% of its economic interest in FHTL.

The disposal of 51.0% economic interest in FHTL was effected by:

(i) the disposal by FGHIPL of 51.0% of the CCDs in FHTL to FHL.

(ii) the disposal by IHL of all of the CCPS in EHIRCL to Fortis Hospitals Limited ("FHsL").

(iii) the amendments to the terms of the FHTL CCDs Investment Agreement on the terms of the amendments agreement dated 8 July 2016 between FHTL, FGHIPL and FHL.

(iv) the amendments to the FHTL Shareholders' Agreement on the terms of the amended and restated shareholders' agreement dated 8 July 2016 between FHML, a wholly-owned subsidiary of RHT, FHL and FHTL.

(v) the partial redemption of Optionally Convertible Debentures ("OCDs") and payment of accrued interest under all the OCDs in IHL held by FHTL amounting to INR4,862.4 million (S$100.4 million).

(vi) the amendments to the Investment Agreements dated 17 September 2012 pursuant to which FHTL subscribed for 3,262.5 million OCDs issued by Kanishka Healthcare Limited ("KHL") and 3,989 million OCDs issued by EHSSIL, including the amendment to provide for the waiver by FHTL of its right to convert the OCDs in IHL held by FHTL into equity shares of IHL pursuant to an amendment agreement dated 8 July 2016 between FHTL, IHL and FGHIPL.

(vii) a corporate guarantee provided by FGHIPL in favour of FHTL as security for the obligations of IHL in respect of the Lender NCDs.

(viii) the subscription by FHTL for NCDs in FHsL for a consideration equivalent to the amount paid for the OCDs Redemption and Payment pursuant to a subscription agreement dated 8 July 2016 between FHsL, FHTL and FHL.

(ix) a corporate guarantee provided by FHL in favour of FHTL as security for the obligations of FHsL in respect of the NCDs in FHsL.

17. INVESTMENT IN SUBSIDIARIES *(cont'd)*

The disposal was completed on 14 October 2016. However, for accounting purpose, the control was lost on 12 October 2016, on which date the control of FHTL was passed to the acquirer.

Loss of control in subsidiary

The value of assets and liabilities of FHTL recorded in the consolidated financial statements as at 12 October 2016, and the effects of the disposal were:

	12 October 2016 $'000
Non-current assets	
Intangible assets	37,621
Property, plant and equipment	331,002
Financial assets	23,870
Other assets	4,350
Deferred tax assets	5,341
	402,184
Current assets	
Financial assets	540
Trade and other receivables	22,896
Other assets	343
Cash and cash equivalents	48
	23,827
Non-current liabilities	
Loans and borrowings	114
Deferred tax liabilities	71,485
Other liabilities	242
	71,841
Current liabilities	
Loans and borrowings	1,260
Trade and other payables	1,889
Other liabilities	3,984
	7,133
Carrying value of net assets	347,037

17. INVESTMENT IN SUBSIDIARIES *(cont'd)*

The value of assets and liabilities of FHTL recorded in the consolidated financial statements as at 12 October 2016, and the effects of the disposal were *(cont'd):*

	12 October 2016 $'000
Cash consideration	301,047
Less: Repayment of interest and partial redemption of NCD owing to an associate	(99,745)
Less: Cash and cash equivalents of a subsidiary	(48)
Net cash inflow on disposal of subsidiary	201,254
Gain on disposal	
Cash received	301,047
Net assets derecognised	
- Carrying value of net assets	(347,037)
- CCPS	(73,822)
- Amount owing to related party	73,822
Fair value of retained interest	
- Investment in associate	347,681
- NCD liability recognised	(198,310)
- CCD interest receivables	25,502
Cumulative exchange differences in respect of the net assets of the subsidiary reclassified from equity on loss of control of subsidiary	(32,252)
Gain on disposal	96,631

18. INVESTMENT IN AN ASSOCIATE

The Group has retained a 49.0% of economic interest in FHTL which previously was a subsidiary to the Group.

	Name	Country of incorporation	Principal activities	Proportion (%) of ownership interest	
				2017	2016
(1)	Fortis Hospotel Limited ("FHTL")	India	Provision of medical and Clinical Establishment services	49	49

(1) Audited by Deloitte Haskins and Sells LLP

18. INVESTMENT IN AN ASSOCIATE *(cont'd)*

The summarised financial information in respect of FHTL based on its IFRS financial statements and a reconciliation with the carrying amount of the investment in the consolidated financial statements are as follow:

	2017 $'000
Current assets	**19,550**
Non-current assets excluding goodwill	**545,967**
Total assets	**565,517**
Current liabilities	**7,007**
Non-current liabilities	**87,413**
Total liabilities	**94,420**
Net assets	**471,097**
Net assets	**471,097**
Proportion of the Group's ownership	**49%**
Group share of net assets	**230,838**
Goodwill on acquisition	**50,600**
Other adjustment	**71,279**
Carrying amount of the investment	**352,717**

Summarised Statement of Comprehensive Income

	13 October 2016 to 31 March 2017 $'000
Revenue	25,808
Profit after tax from continuing operation	9,621
Other Comprehensive Income	478
Total Comprehensive Income	10,099

19. LOANS TO SUBSIDIARIES

These loans are treated as quasi-equity loans which represents an extension of investment in the subsidiaries. They are unsecured and interest free. Settlements are neither planned nor likely to occur in the foreseeable future.

20. FINANCIAL ASSETS

	Group		Trust	
	2017 $'000	2016 $'000	2017 $'000	2016 $'000
Non-current				
Accrued income	**13,750**	33,556	**–**	–
Security deposits paid	**1,603**	1,460	**–**	–
CCD interest receivables	**13,095**	–	**–**	–
Other advances	**912**	920	**–**	–
Others	**1,190**	111	**–**	–
	30,550	36,047	**–**	–
Current				
Unquoted shares	**–**	72,471	**–**	–
Short term investments	**2,005**	5,300	**–**	–
Fixed deposits*	**180**	716	**–**	–
Dividend receivable	**–**	–	**26,649**	24,400
Amounts due from subsidiaries	**–**	–	**19,646**	24,690
Others	**177**	1,296	**–**	–
	2,362	79,783	**46,295**	49,090

* Fixed deposits relate to fixed deposits placed with banks with a maturity period above three months but less than twelve months.

Accrued income

Accrued income relates to base service fee accounted for on a straight line basis over the term of the HMSAs.

Unquoted shares

The Group has subscribed for unquoted CCPS in a related party. The CCPS has been disposed off during the financial year as part of the disposal of 51.0% economic interest in FHTL.

Short term investments

Short term investments relate to investments in quoted mutual funds and are unsecured.

Dividend receivable

Dividend receivable relates to the dividend receivable from FGHIPL.

Amounts due from subsidiaries

The amounts due from subsidiaries are non-trade, unsecured, interest free and repayable on demand.

21. DEFERRED TAX

Deferred tax as at 31 March relates to the following:

	Group			
	Consolidated balance sheet		Consolidated profit or loss	
	2017 $'000	**2016 $'000**	**2017 $'000**	**2016 $'000**
Deferred tax liabilities:				
Fair value adjustments arising on acquisition of subsidiaries *	**50,663**	81,365	**–**	–
Fair value adjustments arising on acquisition of an associate *	**4,015**	–	**3,852**	–
Revaluation to fair value – land and buildings	**30,080**	46,169	**–**	–
Differences in depreciation and accrued income for tax purposes	**4,749**	22,220	**33**	6,455
Undistributed earnings of an associate	**727**	–	**697**	–
	90,234	149,754	**4,582**	6,455
Deferred tax assets:				
MAT credit	**479**	6,011	**–**	–
Unutilised tax losses	**22,050**	6,521	**(14,530)**	(1,314)
	22,529	12,532	**(14,530)**	(1,314)
Deferred tax expense			**(9,948)**	5,141

* Net of deferred tax assets on carry forward losses/unabsorbed capital allowances.

MAT credit

If the tax liability computed under the normal provisions of the Indian Income Tax Act, 1961 ("IITA") is less than 18.5% of the book profits shown in the profit and loss account, after making certain specified adjustments, an entity is liable to pay MAT at a rate of 18.5% of the book profits. MAT paid during any financial year is creditable for a period of 10 years against future tax liabilities arising under the normal provisions of the IITA. Should the MAT credit be assessed to be not recoverable, it will be written off to the profit and loss.

Unrecognised tax losses and unabsorbed capital allowances

At the end of the reporting period, the Group has tax losses of approximately $36.0 million (2016: $17.0 million) and unabsorbed capital allowances of approximately $44.0 million (2016: $28.0 million) that are available for offset against future taxable profits of the companies in which the losses arose, but for which no deferred tax asset is recognised for an amount of approximately $6.0 million (2016: $13.0 million) due to the uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

Tax consequences of proposed distributions

There are no income tax consequences (2016: Nil) attached to the distributions to the Unitholders proposed by the Trust but not recognised as a liability in the financial statements.

22. OTHER ASSETS

	Group	
	2017 **$'000**	**2016** **$'000**
Non-current		
Prepaid taxes	**24,658**	24,507
Prepayment	**366**	276
	25,024	24,783

Prepaid taxes

Prepaid taxes mainly relate to tax deducted at source on service fee and hospital income. These prepaid taxes are offset against the corporate tax payable for the year of assessment. The unutilised amount will be refunded on the finalisation of the assessment which is not expected to be completed within the next twelve months.

23. TRADE RECEIVABLES

	Group	
	2017 **$'000**	**2016** **$'000**
Fees due from subsidiaries of a substantial Unitholder	**8,611**	24,248
Hospital fees	**889**	1,052
Others	**1,604**	512
Total trade receivables (Gross)	**11,104**	25,812
Less: Allowance for impairment	**(498)**	(472)
Total trade receivables (Net)	**10,606**	25,340

Trade receivables are non-interest bearing, generally on 30 to 90 days' (2016: 30 to 90 days') terms and denominated in Indian Rupees. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

23. TRADE RECEIVABLES *(cont'd)*

Receivables that are past due but not impaired

The Group has trade receivables amounting to $1,542,000 (2016: $377,000) that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

Trade receivables past due but not impaired

	Group	
	2017 $'000	**2016 $'000**
Less than 30 days	**198**	181
30 – 60 days	**92**	65
61 – 90 days	**1,153**	33
91 – 150 days	**39**	25
More than 150 days	**60**	73
	1,542	377

Receivables that are impaired

The Group's trade receivables that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment are as follows:

	Group	
	2017 $'000	**2016 $'000**
Trade receivables – nominal amounts	**1,943**	1,017
Less : Allowance for impairment	**(498)**	(472)
	1,445	545
Movement in allowance accounts:		
At 1 April	**472**	574
Write-back for the year	**(61)**	(61)
Exchange differences	**87**	(41)
At 31 March	**498**	472

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted payments. These receivables are not secured by any collateral or credit enhancements.

24. CASH AND CASH EQUIVALENTS

	Group		Trust	
	2017 $'000	2016 $'000	2017 $'000	2016 $'000
Cash at bank	**6,945**	5,806	**255**	344
Cash at hand	**151**	25	**–**	–
Short term deposits	**150**	–	**–**	–
Cash and cash equivalents	**7,246**	5,831	**255**	344

Cash and short-term deposits denominated in foreign currency at 31 March are as follows:

	Group	
	2017 $'000	2016 $'000
Indian Rupees	**774**	1,724

25. LOANS AND BORROWINGS

	Group		Trust	
	2017 $'000	2016 $'000	2017 $'000	2016 $'000
Non-current				
Bonds	**60,000**	60,000	**60,000**	60,000
Term loans	**20,755**	101,695	**–**	–
Deferred payment scheme	**1,341**	1,617	**–**	–
Loan from a related party	**2,036**	3,286	**–**	–
NCDs	**99,526**	–	**–**	–
	183,658	166,598	**60,000**	60,000
Current				
Bonds interest payable	**517**	525	**517**	525
Term loans	**96,607**	1,803	**–**	–
Bank overdraft	**7,346**	–	**–**	–
Deferred payment scheme	**137**	1,110	**–**	–
	104,607	3,438	**517**	525

25. LOANS AND BORROWINGS *(cont'd)*

Bonds

On 22 July 2015, the Group issued a $60 million fixed rate notes at fixed interest rate of 4.5%, due and payable semi-annually in arrears and will mature on 22 July 2018. The notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Group and at all times rank pari passu and rateably, without any preference or priority among themselves, and pari passu with all other present and future secured obligations (other than subordinated obligations and priorities created by law) of the Group. The proceeds from the issuance of notes were used for early repayment of a $60 million DBS facility in 2016.

Term loans – Singapore Dollar ("SGD") loans

The Group has a $30 million revolving loan facility with United Overseas Bank for the acquisition of land and expansion projects. The interest is based on Swap Offer Rate plus 2.5% per annum. The loan facility will cease on 30 June 2017. As of 31 March 2017, the Group has fully utilised the facility.

The Group has an existing loan facility with DBS Bank Ltd for an amount of $32.5 million and a loan facility with Deutsche Bank AG, Singapore Branch, for an amount of the $32.5 million in connection with the acquisition of Mohali Clinical Establishment. The interest paid is Swap Offer Rate plus 3.5% per annum. The loan is repayable at the end of May 2017.

The loan facilities are considered as current as the Group expects to repay them on maturity. Interest expense payable to the lenders has been recorded as current as the amount is payable within the next twelve months.

The amount of unamortised upfront fee in connection with the term loans as of 31 March 2017 and 31 March 2016 are $0.1 million and $1.7 million respectively.

Each of the loans is secured by:

- irrevocable pledge on the shares of FGHIPL on pari passu basis;
- non-disposable undertaking on the hospital infrastructure companies owned by FGHIPL on pari passu basis; and
- first pari passu legal assignment over the interest, benefits and rights over all existing and future loans granted by the borrower to its subsidiaries.

Term loans – Indian Rupee ("INR") loans

The Group has two INR term loan facilities with Axis Bank Limited amounting to INR600 million and INR1,700 million. The interest rate is based on India Base Rate plus 0.75% per annum. The term of the facilities is four years from date of first drawdown including a moratorium of one year.

The loan facilities of INR600 million and INR1,700 million are secured by BG Road and Ludhiana Clinical Establishment respectively and a legal assignment over the interest, benefits and rights over all existing and future loans granted by the borrower to its subsidiaries. The amount utilised as of 31 March 2017 is INR963.7 million ($20.7 million), (2016: INR414.6 million, $8.4 million).

25. LOANS AND BORROWINGS *(cont'd)*

Deferred payment scheme

The Group entered into an agreement with Srei Equipment Finance Limited ("SREI") of medical equipment on a deferred payment basis for a total consideration of INR71.1million ($1.5 million) in FY2017.

Deferred credit shall be paid in twenty (20) quarterly instalments over five years:

1st year: INR2,050,000 ($44,000)
2nd year: INR3,250,000 ($70,000)
3rd year: INR3,750,000 ($80,000)
4th year: INR4,200,000 ($91,000)
5th year: INR4,750,000 ($103,000)

The interest rate is fixed at 11.5%.

Loan from a related party

The loan from a related party is unsecured, interest free and is expected to be repayable at the end of two years from 31 March 2017.

NCDs

At the time of initial public offering, unsecured and interest bearing OCDs were issued by one of the subsidiaries in RHT Health Trust ("RHT Group") to FHTL for RHT Group's internal funding requirements. The OCDs were converted to NCDs. As FHTL became an associate during the quarter, the liability of the subsidiary which amounted to INR4,621.2 million ($99.5 million) is no longer eliminated. In addition, the NCDs are subordinated to all other creditors of the subsidiary whether secured or unsecured.

The NCDs carry interest at 9.3% per annum. In addition, the interest rate varies from 9.3% to 22% depending on the earnings before interest and taxes of the Company. The tenure of NCDs shall be for the period of 10 years from the date of issuance. The Group has the right to redeem all or part of NCDs or any amount outstanding there under at the redemption amount at any time or prior to the maturity date as mutually agreed.

Bank overdraft

The Group had drawndown a bank overdraft facility with DBS India amounting to INR341.1 million ($7.3 million) as of 31 March 2017. The overdraft facilities are secured by a corporate guarantee and the Malar Clinical Establishment. The interest rate of the bank overdraft is between 10.75% to 12.25% during the financial year with a tenor of 90 days from the drawdown date.

26. TRADE AND OTHER PAYABLES

	Group	
	2017 $'000	**2016 $'000**
Third parties		
Trade payables	**5,335**	5,643
Other payables	**167**	389
	5,502	6,032

Trade payables

Trade payables are non-interest bearing and are normally settled on 30 to 60 days' (2016: 30 to 60 days') terms.

Other payables

Other payables are non-interest bearing, unsecured, repayable upon demand and are to be settled in cash.

27. OTHER LIABILITIES

	Group		Trust	
	2017 $'000	**2016 $'000**	**2017 $'000**	**2016 $'000**
Current				
Amounts due to related parties	**1,667**	75,086	**1,667**	2,569
Accrued operating expenses	**4,083**	5,714	**490**	534
Advance received from customer	**951**	507		
Statutory dues	**5,305**	8,231	**–**	–
Retirement benefits obligation	**54**	45	**–**	–
Others	**311**	434	**–**	–
	12,371	90,017	**2,157**	3,103

Amounts due to related parties

Amounts due to related parties relate to (i) $1.6 million (2016: $2.6 million) due to the Trustee-Manager which mainly pertains to the Trustee-Manager fees; and (ii) The amount payable to FHL for its 51.0% economic interest in FHTL, subject to fulfilment of certain conditions, applicable laws including receipt of necessary approvals from all third parties, was derecognised during the financial year as part of the disposal of 51.0% economic interest in FHTL.

Statutory dues

This mainly relates to withholding taxes incurred and payable for the respective financial years to Indian tax authorities for interest expense payable from the Indian subsidiaries to a Singapore incorporated subsidiary. Such amounts are to be paid within the next twelve months. Other amounts relate to service taxes and provident fund payable.

28. DERIVATIVE FINANCIAL INSTRUMENTS

	Group					
	2017			2016		
	Contract notional amount $'000	Asset $'000	Liability $'000	Contract notional amount $'000	Asset $'000	Liability $'000
Foreign currency forward contracts (current)	**45,000**	**–**	**3,615**	63,000	891	–

The Group has entered into foreign currency forward contracts to hedge the Group's cash flow from India in Indian Rupees.

29. UNITS IN ISSUE

	Group and Trust			
	2017		2016	
	No. of issued units ('000)	$'000	No. of issued units ('000)	$'000
Issued and fully paid ordinary units:				
At 1 April	**797,842**	**510,399**	794,633	507,180
Payment of Trustee-Manager fees in units	**8,490**	**7,715**	3,209	3,219
At 31 March	**806,332**	**518,114**	797,842	510,399

The Unitholders are entitled to receive distributions as and when declared by the Trust. All units carry one vote per unit without restrictions. The units have no par value.

30. OTHER RESERVES

(a) ***Capital reserve***

FHL transferred businesses to KHL and FHML at below fair value. The amount of $210,216,000 (2016: $210,216,000) of capital reserve represents the excess of interest of FHML and KHL in the net fair value of the identifiable assets and liabilities transferred over the consideration. This reserve in substance represents FHL's contribution to the Group for its retained interest.

(b) ***Foreign currency translation reserve***

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(c) ***Revaluation reserve***

The revaluation reserve represents increases in the fair value of land and buildings, net of tax, and decreases to the extent that such decreases relate to an increase on the same asset previously recognised in other comprehensive income.

30. OTHER RESERVES *(cont'd)*

(d) ***Capital redemption reserve***

Capital redemption reserve is a statutory reserve created in accordance with India's Companies Act 1956 in connection to redemption of preference shares of an Indian subsidiary company. The reserve is not considered a free reserve for distribution of dividends and can be utilised only for the purpose of issuing bonus shares.

(e) ***Re-measurement of defined benefit plan reserve***

Re-measurement of defined benefit plan reserve is a reserve to record the actuarial gain or loss under a defined benefit plan which is recorded in other comprehensive income.

31. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

The Group has entered into several service agreements in relation to the management of the Group and its Clinical Establishments operations. These agreements are entered into with the Trustee-Manager and FHL group of companies, which are companies that are controlled by a Unitholder that has significant influence over the Group. The fee structures of these services are as follows:

I. Trustee-Manager's fees

The details of Trustee-Manager fees are shown in Note 8 to the financial statements.

II. Sale and purchase of goods and services

	Group	
	2017 $'000	**2016 $'000**
Service fee earned from subsidiaries of a substantial Unitholder	**79,610**	78,773
Trustee-Manager fee paid to the Trustee-Manager	**10,502**	6,755

Included in the service fee is technology renewal fee. During the term of the HMSAs, FHL group of companies must maintain a Technology Renewal Fund ("TRF") for funding the replacement, refurbishment and/or upgrade of medical equipment owned or used by the Hospital Services Company. A fixed amount from the Base Service Fee payable to each Hospital Services Company under each HMSAs for each quarter is retained by FHL group of companies for deposit into the TRF on a quarterly basis ("Retained TRF Amount").

FHL group of companies can draw on the TRF to pay for expenditure incurred by the Hospital Services Company for the replacement, refurbishment and/or upgrade of medical equipment owned or used by the Hospital Services Company (the "Technology Renewal Fee"). Any amounts withdrawn from the TRF require the prior written consent of the Hospital Services Company, and may only be used for the purposes of replacing any medical equipment owned by the Hospital Services Company.

31. SIGNIFICANT RELATED PARTY TRANSACTIONS *(cont'd)*

III. Compensation of key management personnel

Key management of the Group are the Executive Officers of the subsidiary entities. The compensation paid or payable to key management for employee services is shown below:

	Group	
	2017 $'000	**2016 $'000**
Short-term employee benefits paid to key management personnel	**418**	369

32. COMMITMENTS

(a) ***Capital commitments***

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements is as follows:

	Group	
	2017 $'000	**2016 $'000**
Capital commitments in respect of property, plant and equipment	**22,515**	14,316

(b) ***Operating lease commitments – as lessee***

The Group leases office premises from non-related parties under non-cancellable operating lease agreements. Minimum lease payments recognised as an expense in profit or loss for the financial year ended 31 March 2017 amounted to $566,107 (2016: $348,663). The future minimum lease payments under non-cancellable operating leases contracted for at the reporting period but not recognised as payable, are as follows:

	Group	
	2017 $'000	**2016 $'000**
Not later than one year	**424**	392
Later than one year but not later than five years	**3,502**	3,511
	3,926	3,903

32. COMMITMENTS *(cont'd)*

(c) *Operating lease commitments – as lessor*

The Group leases out hospital space to non-related parties under non-cancellable operating lease agreements. These non-cancellable leases have remaining lease terms of between 2 and 15 years. The future minimum rental receivable under non-cancellable operating leases contracted for at the reporting period but not recognised as receivables, are as follows:

	Group	
	2017 $'000	**2016 $'000**
Not later than one year	**2,557**	2,845
Later than one year but not later than five years	**4,918**	6,828
Later than five years	**290**	936
	7,765	10,609

(d) *Medical service commitments*

The Group has entered into individual HMSA with FHL group of companies wherein the Group is required to provide and maintain the Group's Clinical Establishments along with other services like out-patient diagnostics and radio diagnostic services. The term of the individual HMSA is 15 years and the Group is entitled to receive composite service fee i.e. base and variable fee. The base fee is fixed and increase 3% year on year. The variable fee is based on a percentage of the FHL group of companies' net operating income in accordance with the HMSAs. Future minimum base fee receivable at the end of the reporting period is as follows:

	Group	
	2017 $'000	**2016 $'000**
Not later than one year	**86,820**	84,291
Later than one year but not later than five years	**374,118**	363,221
Later than five years	**570,498**	668,214
	1,031,436	1,115,726

33. FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) *Fair value hierarchy*

The Group classifies fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There has been no transfer between Level 1, Level 2 and Level 3 during the financial year ended 31 March 2017.

33. FAIR VALUE OF FINANCIAL INSTRUMENTS *(cont'd)*

(b) ***Assets and liabilities measured at fair value***

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Quoted prices in active markets for identical instruments (Level 1) $'000	Significant observable inputs other than quoted prices (Level 2) $'000	Significant unobservable inputs (Level 3) $'000	Total $'000
Group				
Recurring fair value measurements:				
2017				
Non-financial asset:				
Property, plant and equipment (Note 16)	**–**	**–**	**506,724**	**506,724**
Financial assets:				
Short term investments (Note 20)	**2,005**	**–**	**–**	**2,005**
Financial liabilities:				
Derivatives (Note 28)				
- Foreign currency forward contracts	**–**	**3,615**	**–**	**3,615**

	Quoted prices in active markets for identical instruments (Level 1) $'000	Significant observable inputs other than quoted prices (Level 2) $'000	Significant unobservable inputs (Level 3) $'000	Total $'000
Group				
Recurring fair value measurements:				
2016				
Non-financial asset:				
Property, plant and equipment (Note 16)	–	–	780,965	780,965
Financial assets:				
Unquoted shares (Note 20)	–	–	72,471	72,471
Short term investments (Note 20)	5,300	–	–	5,300
Derivatives (Note 28)				
- Foreign currency forward contracts	–	891	–	891

33. FAIR VALUE OF FINANCIAL INSTRUMENTS *(cont'd)*

(c) ***Level 2 fair value measurements***

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

Derivatives

Foreign currency forward contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing, using present value calculations. The models incorporate various inputs including the foreign exchange spot and forward rates, and forward rate curves.

(d) ***Level 3 fair value measurements***

(i) *Information about significant unobservable inputs used in Level 3 fair value measurements*

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3)

Description	Fair value at 31 March 2017 ($'000)	Valuation techniques	Significant unobservable inputs	Range of significant unobservable inputs	Relationship of significant unobservable inputs to fair value
Recurring fair value measurements:					
Non-financial asset:					
Property, plant and equipment (Note 16)					
Freehold land	238,061	Direct comparison approach	Price per square feet	$28 to $439	Increase/(decrease) in estimated price per square feet will result in a higher/(lower) fair value
Leasehold land	109,515	Direct comparison approach	Price per square feet	$63 to $174	Increase/(decrease) in estimated price per square feet will result in a higher/(lower) fair value
Buildings	159,148	Depreciated replacement cost approach	Replacement cost per square feet	$6 to $92	Increase/(decrease) in estimated replacement cost per square feet will result in a higher/(lower) fair value
			Balance economic life	32 years to 41 years	Increase/(decrease) in estimated balance useful life will result in a higher/(lower) fair value

33. FAIR VALUE OF FINANCIAL INSTRUMENTS *(cont'd)*

(d) ***Level 3 fair value measurements*** *(cont'd)*

(i) Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)

Description	**Fair value at 31 March 2017 ($'000)**	**Valuation techniques**	**Significant unobservable inputs**	**Range of significant unobservable inputs**	**Relationship of significant unobservable inputs to fair value**
Recurring fair value measurements:					
Financial asset:					
Financial assets (Note 20)					
Unquoted shares	72,471	DCF method	WACC	13%	Increase/ (decrease) in the WACC by 1% will result in a (decrease)/ increase in fair value by $3.4 million/ $4.3 million
			Long-term growth rate for cash flows	4%	Increase/ (decrease) in the growth rate by 1% will result in an increase/ (decrease) in fair value by $2.3 million/ $1.9 million

33. FAIR VALUE OF FINANCIAL INSTRUMENTS *(cont'd)*

(d) ***Level 3 fair value measurements*** *(cont'd)*

(i) Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)

Description	Fair value at 31 March 2017 ($'000)	Valuation techniques	Significant unobservable inputs	Range of significant unobservable inputs	Relationship of significant unobservable inputs to fair value
Recurring fair value measurements:					
Non-financial asset:					
Property, plant and equipment (Note 16)					
Freehold land	445,227	Direct comparison approach	Price per square feet	$27 to $406	Increase/(decrease) in estimated price per square feet will result in a higher/(lower) fair value
Leasehold land	102,861	Direct comparison approach	Price per square feet	$35 to $163	Increase/(decrease) in estimated price per square feet will result in a higher/(lower) fair value
Buildings	232,877	Depreciated replacement cost approach	Replacement cost per square feet	$64 to $89	Increase/(decrease) in estimated replacement cost per square feet will result in a higher/(lower) fair value
			Balance economic life	33 years to 42 years	Increase/(decrease) in estimated balance useful life will result in a higher/(lower) fair value

33. FAIR VALUE OF FINANCIAL INSTRUMENTS *(cont'd)*

(d) ***Level 3 fair value measurements*** *(cont'd)*

(ii) *Valuation policies and procedures*

The Group engages external, independent and qualified valuers to determine the fair value of the Group's unquoted shares and properties at the end of every financial year.

The Trustee-Manager is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge for the valuation of the unquoted shares and properties.

For valuation performed by external valuers, management reviews the appropriateness of the valuation methodologies and assumptions adopted.

Significant changes in fair value measurements from period to period are evaluated by management for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent external sources, or internal sources if necessary and appropriate. Significant valuation issues are reported to the Audit and Risk Management Committee.

(e) ***Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value***

Financial assets - current (other than short term investments and unquoted shares) (Note 20), trade receivables (Note 23), other assets - current, cash and cash equivalents (Note 24), loans and borrowings (current) (Note 25), trade and other payables (Note 26) and other liabilities - current (Note 27).

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

33. FAIR VALUE OF FINANCIAL INSTRUMENTS *(cont'd)*

(f) ***Assets and liabilities not carried at fair value but for which fair value is disclosed***

The following table shows an analysis of the Group's assets and liabilities not measured at fair value at 31 March but for which fair value is disclosed.

	Quoted prices in active markets for identical instruments (Level 1) $'000	Significant observable inputs other than quoted prices (Level 2) $'000	Significant unobservable inputs (Level 3) $'000	Total $'000	Carrying amount $'000
2017					
Group					
Assets:					
Financial assets (non-current)	**–**	**–**	**29,061**	**29,061**	**30,550**
Liabilities:					
Loans and borrowings (non-current)					
- Bonds	**59,670**	**–**	**–**	**59,670**	**60,000**
- NCDs	**–**	**–**	**89,055**	**89,055**	**99,526**
2016					
Group					
Assets:					
Financial assets (non-current)	–	–	27,142	27,142	36,047
Liabilities:					
Loans and borrowings (non-current)					
- Bonds	59,820	–	–	59,820	60,000
- Loan from a related party	–	–	3,068	3,068	3,286

Determination of fair value

Financial assets (non-current) (Note 20) and loans and borrowings (non-current) (Note 25)

The fair value of the financial assets (non-current) and loans and borrowings (non-current) have been determined using discounted expected cash flows at market incremental lending rates for similar types of lending, borrowing or leasing agreements at the end of the reporting period. For bonds, fair value is determined based on quoted market prices.

33. FAIR VALUE OF FINANCIAL INSTRUMENTS *(cont'd)*

(g) ***Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value.***

The fair value of financial assets and liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value are as follows:

	2017		2016	
	Carrying amount $'000	**Fair value $'000**	**Carrying Amount $'000**	**Fair value $'000**
Trust				
Financial assets:				
Loans to subsidiaries	**441,959**	*	478,922	*

* The loans are unsecured and non-interest bearing. It has no fixed repayment terms and is repayable only when the subsidiary's cash flow permits. Accordingly, fair value is not determinable as the timing of the future cash flows arising from the loan cannot be estimated reliably.

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Trust are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks. It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient.

The following sections provide details regarding the Group's and Trust's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) ***Credit risk***

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group exposure to credit risk arises primarily from trade receivables.

Trade receivable

Credit risk on service fee receivable is concentrated with FHL group of companies which is also the substantial Unitholder of the Trust. As at the reporting date, 96.0% (2016: 96.0%) of the total trade receivables was due from FHL located in India. FHL are debtors with good payment record with the Group and has provided banker's guarantee for 2 months of service fee receivable.

For hospital income receivable from corporate clients, these clients are debtors with good payment record with the Group.

Other financial assets

For other financial assets including cash and bank balances, short term deposits and investment in mutual funds, the Group minimises credit risk by dealing with counterparties which have a good credit rating.

The maximum exposure to credit risk is represented by the carrying value of each financial asset on the balance sheet.

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(b) ***Interest rate risk*** *(cont'd)*

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from loans and borrowings. The Group's interest bearing loans and borrowings (Note 25) at floating rate are re-priced at intervals of less than 3 to 12 months from the end of the reporting period.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if SGD and INR interest rates had been 50 (2016: 50) basis points lower/higher with all other variables held constant, the Group's profit before tax would have been $620,000 (2016: $517,150) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings.

(c) ***Foreign currency risk***

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's net investments in foreign subsidiaries. The Group's net investments in foreign subsidiaries are not hedged as currency positions in INR are considered long-term in nature.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit before tax and equity to a reasonably possible change in the INR exchange rates against the respective functional currency of the Group entities, with all other variables held constant.

	2017		2016	
	Profit before tax $'000	**Equity $'000**	**Profit before tax $'000**	**Equity $'000**
INR/SGD				
– strengthened 5% (2016: 5%)	**5,784**	**33,161**	2,100	33,175
– weakened 5% (2016: 5%)	**(5,784)**	**(33,161)**	(2,100)	(33,175)

Please refer to Note 28 to the financial statements for more details.

(d) ***Liquidity risk***

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group and the Trust's exposure to liquidity risk arises primarily from mismatch of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(d) ***Liquidity risk*** *(cont'd)*

The table below summarises the maturity profile of the Group's and the Trust's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Within 1 year $'000	1 - 5 years $'000	More than 5 years $'000	Total $'000
Group				
2017				
Trade and other payables	**5,502**	**–**	**–**	**5,502**
Other liabilities	**12,317**	**12,299**	**–**	**24,616**
Loans and borrowings	**107,421**	**88,029**	**192,084**	**387,534**
Derivative financial instruments	**3,615**	**–**	**–**	**3,615**
	128,855	**100,328**	**192,084**	**421,267**
2016				
Trade and other payables	6,032	–	–	6,032
Other liabilities	89,976	3,304	–	93,280
Loans and borrowings	11,736	175,425	–	187,161
	107,744	178,729	–	286,473
Trust				
2017				
Other liabilities	**2,157**	**–**	**–**	**2,157**
Loans and borrowings	**2,700**	**61,339**	**–**	**64,039**
	4,857	**61,339**	**–**	**66,196**
2016				
Other liabilities	3,103	–	–	3,103
Loans and borrowings	2,707	64,039	–	66,746
	5,810	64,039	–	69,849

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(e) *Classification of financial instruments*

Set out below is a comparison by category of all the Group's and Trust's financial instruments that are carried out in the financial statements.

	Loans and receivables $'000	Fair value through profit or loss $'000	Total $'000
Group			
2017			
Assets			
Non-current			
Financial assets	**30,550**	**–**	**30,550**
Current			
Trade receivables	**10,606**	**–**	**10,606**
Financial assets	**2,362**	**–**	**2,362**
Other assets	**753**	**–**	**753**
Cash and cash equivalents	**7,246**	**–**	**7,246**
	51,517	**–**	**51,.517**

	Financial liabilities carried at amortised cost $'000	Fair value through profit or loss $'000	Total $'000
2017			
Liabilities			
Non-current			
Loans and borrowings	**183,658**	**–**	**183,658**
Other liabilities	**11,727**	**–**	**11,727**
Current			
Loans and borrowings	**104,607**	**–**	**104,607**
Trade and other payables	**5,502**	**–**	**5,502**
Derivative financial instruments	**–**	**3,615**	**3,615**
Other liabilities	**12,317**	**–**	**12,317**
	317,811	**3,615**	**321,426**

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(e) *Classification of financial instruments (cont'd)*

	Loans and receivables $'000	Fair value through profit or loss $'000	Total $'000
Group			
2016			
Assets			
Non-current			
Financial assets	36,047	–	36,047
Current			
Trade receivables	25,340	–	25,340
Financial assets	7,312	72,471	79,783
Other assets	782	–	782
Derivative financial instruments	–	891	891
Cash and cash equivalents	5,831	–	5,831
	75,312	73,362	148,674

	Financial liabilities carried at amortised cost $'000	Fair value through profit or loss $'000	Total $'000
2016			
Liabilities			
Non-current			
Loans and borrowings	166,598	–	166,598
Other liabilities	3,304	–	3,304
Current			
Loans and borrowings	3,438	–	3,438
Trade and other payables	6,032	–	6,032
Other liabilities	17,501	72,471	89,972
	196,873	72,471	269,344

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(e) *Classification of financial instruments (cont'd)*

	Loans and receivables $'000
Trust	
2017	
Assets	
Non-current	
Loans to subsidiaries	**441,959**
Current	
Cash and cash equivalents	**255**
Financial assets	**46,295**
	488,509

	Financial liabilities carried at amortised cost $'000
2017	
Liabilities	
Non-current	
Loans and borrowings	**60,000**
Current	
Other liabilities	**2,157**
Loans and borrowings	**517**
	62,674

	Loans and receivables $'000
Trust	
2016	
Assets	
Non-current	
Loans to subsidiaries	478,922
Current	
Cash and cash equivalents	344
Financial assets	49,090
	528,356

34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(cont'd)*

(e) ***Classification of financial instruments*** *(cont'd)*

	Financial liabilities carried at amortised cost $'000
2016	
Liabilities	
Non-current	
Loans and borrowings	60,000
Current	
Other liabilities	3,103
Loans and borrowings	525
	63,628

35. CAPITAL MANAGEMENT

The Group's objectives in managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure to support its businesses and maximise Unitholders' value.

In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of distribution payment, return capital to Unitholders, issue new units, buy back issued units, obtain new borrowings or sell assets to reduce borrowings. The Group may also issue new units to finance future growth.

The Group seeks to raise unsecured debt structured specifically to match the cash flow profile of its underlying assets. The Group's general philosophy on leverage is to ensure that its subsidiaries have sufficient financial flexibility to meet their capital expenditure and operational needs, and at the same time, service their debt obligations promptly and reliably.

The Trustee-Manager monitors capital based on the ratio of the Group's net borrowings to adjusted net assets attributable to Unitholders. Net borrowings are calculated as total loans and borrowings less cash and cash equivalents. Adjusted net assets are calculated as net assets excluding internal loans and borrowings.

	Group	
	2017 $'000	2016 $'000
Net borrowings (less NCDs)	**181,493**	164,205
Adjusted net assets attributable to Unitholders	**885,113**	909,644
Ratio	**20.5%**	18.1%

36. SEGMENT INFORMATION

The Trustee-Manager considers that the Group operates primarily within a single business segment which is the provision of medical and Clinical Establishment services and within a single geographical segment, being India.

As the rendering of services to patients in earning hospital income is not material, no separate business segment has been disclosed.

36. SEGMENT INFORMATION *(cont'd)*

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2017 $'000	**2016 $'000 (Restated)**	**2017 $'000**	**2016 $'000**
India	**92,020**	91,113	**656,714**	972,837

The non-current assets information presented above consist of intangible assets and property, plant and equipment.

Information about a major customer

Revenue from FHL group of companies contributed 87.0% (2016: 86.0%) of the total revenue of the Group.

37. DISTRIBUTIONS

	Group and Trust	
	2017 $'000	**2016 $'000**
Declared and paid during the year		
- Exempt (one-tier) distribution of 24.8 cents per unit paid on 28 October 2016 ("Special Distribution")	**198,300**	–
- Exempt (one-tier) distribution of 3.60 cents per unit paid on 9 December 2016 (2016: 3.90 cents per unit paid on 15 December 2015)	**28,961**	31,051
Proposed but not recognised as a liability as at 31 March		
- Exempt (one-tier) distribution of 2.37 cents per unit paid on 15 June 2017 (2016: of 3.82 cents per unit paid on 15 June 2016)	**19,110**	30,478
Total distributions paid during the year	**257,739**	60,532

38. SUBSEQUENT EVENT

In May 2017, the Trustee-Manager issued a $60.0 million 4.5% fixed rate notes which are due in July 2018 and payable semi-annually in arrears (the "Series 1 Tranche 2 Notes"). The Series 1 Tranche 2 Notes will be consolidated to form a single series with existing $60.0 million 4.5% fixed rate notes issued on 22 July 2015 and due in July 2018. The remaining $35.0 million has been refinanced through bank borrowings of $55.0 million in June 2017. The additional $20.0 million will be used for working capital requirements.

39. COMPARATIVE FIGURES

The comparative figures of the Group's consolidated statement of comprehensive income have been restated to present the results of the discontinued operations separately, as disclosed in Note 13.

40. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements for the financial year ended 31 March 2017 were authorised for issue in accordance with a resolution of the Board of Directors of the Trustee-Manager on 23 June 2017.

STATISTICS OF UNITHOLDINGS

As at 20 June 2017

ISSUED UNITS

Total Common Units 807,841,944 (one vote per unit)

DISTRIBUTION OF UNITHOLDINGS

	No. of Unitholders	%	No. of Units	%
1 – 99	3	0.06	12	0.00
100 – 1,000	716	15.00	684,574	0.08
1,001 – 10,000	2,416	50.60	14,514,406	1.80
10,001 – 1,000,000	1,616	33.84	79,732,399	9.87
1,000,001 AND ABOVE	24	0.50	712,910,553	88.25
TOTAL	**4,775**	**100.00**	**807,841,944**	**100.00**

TWENTY LARGEST UNITHOLDERS

		No. of Units	%
1	DB NOMINEES (SINGAPORE) PTE LTD	246,241,131	30.48
2	RAFFLES NOMINEES (PTE) LIMITED	114,075,743	14.12
3	CITIBANK NOMINEES SINGAPORE PTE LTD	108,713,561	13.46
4	DBS NOMINEES (PRIVATE) LIMITED	90,954,980	11.26
5	HSBC (SINGAPORE) NOMINEES PTE LTD	46,718,050	5.78
6	DBSN SERVICES PTE. LTD.	31,791,286	3.94
7	MERRILL LYNCH (SINGAPORE) PTE LTD	17,796,887	2.20
8	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	15,081,202	1.87
9	CIMB SECURITIES (SINGAPORE) PTE. LTD.	5,411,172	0.67
10	PHILLIP SECURITIES PTE LTD	4,595,200	0.57
11	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	3,723,100	0.46
12	RHT HEALTH TRUST MANAGER PTE LTD	3,367,000	0.42
13	KGI SECURITIES (SINGAPORE) PTE. LTD.	3,276,400	0.41
14	OCBC SECURITIES PRIVATE LIMITED	3,232,400	0.40
15	MAYBANK KIM ENG SECURITIES PTE. LTD.	2,799,331	0.35
16	UOB KAY HIAN PRIVATE LIMITED	2,353,200	0.29
17	NTUC FAIRPRICE CO-OPERATIVE LTD	2,200,000	0.27
18	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	1,915,300	0.24
19	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	1,716,310	0.21
20	NOMURA SINGAPORE LIMITED	1,710,000	0.21
	TOTAL	**707,672,253**	**87.61**

STATISTICS OF UNITHOLDINGS

As at 20 June 2017

SUBSTANTIAL UNITHOLDERS AS AT 20 JUNE 2017 (as recorded in the Register of Substantial Unitholders)

	DIRECT INTEREST Number of Units		DEEMED INTEREST Number of Units	
	Units	**%**	**Units**	**%**
Fortis Healthcare International Limited	220,676,944	27.32%	-	-
Fortis Healthcare Limited (1)	-	-	220,676,944	27.32%
Fortis Healthcare Holdings Ltd (1)	-	-	220,676,944	27.32%
RHC Holding Private Limited (2)	-	-	240,386,944	29.76%
Malav Holdings Pvt. Ltd. (2)	-	-	240,386,944	29.76%
Malvinder Mohan Singh (2)	4,500,000	0.56%	240,386,944	29.76%
Japna Malvinder Singh (2)	-	-	240,386,944	29.76%
Shivi Holdings Pvt. Ltd. (2)	-	-	240,386,944	29.76%
Shivinder Mohan Singh (2)	-	-	240,386,944	29.76%
Aditi Shivinder Singh (2)	-	-	240,386,944	29.76%
Kabouter Management, LLC (3)	-	-	56,840,213	7.04%

(1) Each of the Fortis Healthcare Limited, Fortis Healthcare Holdings Ltd, RHC Holding Private Limited, Malav Holdings Pvt. Ltd., Shivi Holdings Pvt. Ltd., Malvinder Mohan Singh, Japna Malvinder Singh, Shivinder Mohan Singh and Aditi Shivinder Singh are deemed interested in the units held by Fortis Healthcare International Limited.

(2) Each of the RHC Holding Private Limited, Malav Holdings Pvt. Ltd., Shivi Holdings Pvt. Ltd., Malvinder Mohan Singh, Japna Malvinder Singh, Shivinder Mohan Singh and Aditi Shivinder Singh are deemed interested in the units held by the Trustee Manager.

(3) Kabouter Management, LLC is deemed interested in the units which are held through funds managed by Kabouter Management, LLC.

The percentage of unitholdings is calculated based on the total issued unit capital of 807,841,944 units.

PERCENTAGE OF UNITHOLDINGS IN THE HANDS OF PUBLIC

Based on the information available to the Trustee-Manager as at 20 June 2017, approximately 70.55% of RHT's units were in the hands of public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST has been complied with.

NOTICE OF ANNUAL GENERAL MEETING OF UNITHOLDERS

RHT HEALTH TRUST
(Registration No. 2012006)
(A business trust constituted on 29 July 2011 under the laws of the Republic of Singapore and registered under the Business Trusts Act, Chapter 31A of Singapore)

Managed by RHT Health Trust Manager Pte. Ltd.
(Company Registration No. 201117555K)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the unitholders of RHT Health Trust ("**RHT**" and unitholders of RHT, "**Unitholders**") will be held at Suntec Singapore Convention & Exhibition Centre, Meeting Room 311, Level 3, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Thursday, 27 July 2017 at 10.00 a.m. to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Report of the RHT Health Trust Manager Pte. Ltd. ("**Trustee-Manager**"), Statement by the Trustee-Manager and the Audited Financial Statements of RHT and its subsidiaries for the financial year ended 31 March 2017 together with the Auditors' Report thereon.

   (Resolution 1)

2. To re-appoint Messrs Ernst & Young LLP as auditors of RHT and to authorise the Trustee-Manager to fix their remuneration.

   (Resolution 2)

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution, with or without any modifications:

3. PROPOSED UNIT ISSUE MANDATE

   That pursuant to Clause 6.1.1 of the deed of trust dated 29 July 2011 constituting RHT, as amended and restated by an amending and restating deed dated 25 September 2012 and supplemented by a supplemental deed dated 27 September 2012 (together, the "**Trust Deed**"), Section 36 of the Business Trusts Act, Chapter 31A of Singapore (the "**BTA**") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Trustee-Manager, on behalf of RHT, be and is hereby authorised and empowered to:

   (a) (i) issue units in RHT ("**Units**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Units,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Trustee-Manager may in its absolute discretion deem fit; and

   (b) issue Units in pursuance of any Instrument made or granted by the Trustee-Manager while this Resolution is in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued), provided that:

(1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued pursuant to Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent. (50.0%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a pro-rata basis to Unitholders shall not exceed twenty per cent. (20.0%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below);

(2) subject to such manner of calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of Units that may be issued pursuant to sub-paragraph (1) above, the total number of issued Units (excluding treasury Units, if any) shall be based on the total number of issued Units (excluding treasury Units, if any) at the time of the passing of this Resolution, after adjusting for:

(i) any new Units arising from the conversion or exercise of any Instruments which are outstanding or subsisting as at the date this Ordinary Resolution is passed; and

(ii) any subsequent bonus issue, consolidation or subdivision of Units;

(3) in exercising the authority conferred by this Resolution, the Trustee-Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), the BTA and the Trust Deed for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);

(4) (unless revoked or varied by the Unitholders in a general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of RHT or the date by which the next Annual General Meeting of RHT is required by applicable laws and regulations to be held, whichever is earlier;

(5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Trustee-Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and

(6) the Trustee-Manager be and is hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Trustee-Manager may consider expedient or necessary or in the interest of RHT to give effect to the authority conferred by this Resolution. (Please see Explanatory Note)

(Resolution 3)

4. To transact any other business which may properly be transacted at an Annual General Meeting.

By Order of the Board
RHT Health Trust Manager Pte. Ltd.
as Trustee-Manager of RHT Health Trust
(Company Registration No. 201117555K)

Abdul Jabbar Bin Karam Din
Chan Poh Kuan
Joint Company Secretaries

Singapore, 7 July 2017

NOTICE OF ANNUAL GENERAL MEETING OF UNITHOLDERS

EXPLANATORY NOTE:

Resolution 3

Resolution 3 proposed, if passed, will empower the Trustee-Manager to issue Units, make or grant Instruments convertible into Units and to issue Units pursuant to such Instruments from the date of the Annual General Meeting until the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by applicable law or regulations to be held, or the date on which such authority is varied or revoked by RHT in a general meeting of the Unitholders, whichever is earliest. The aggregate number of Units to be issued pursuant to Resolution 3 (including Units to be issued in pursuance of Instruments made or granted) shall not exceed fifty per cent. (50.0%) of the total number of issued Units, of which up to twenty per cent. (20.0%) may be issued other than on a pro-rata basis (including Units to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to Unitholders.

For the purpose of determining the aggregate number of Units that may be issued, the percentage of the total number of issued Units will be calculated based on the total number of issued Units at the time the Resolution 3 in item 3 above is passed, after adjusting for (i) new Units arising from the conversion or exercise of any convertible securities and (ii) any subsequent bonus issue, consolidation or subdivision of Units.

For the avoidance of doubt, the authority to issue Units pursuant to Resolution 3 includes the issuance of Units by the Trustee-Manager to itself in the event that the Trust-Manager elects, in accordance with Clause 12.9.1 of the Trust Deed to receive all or any part of the Fees payable to the Trustee-Manager under Clause 12 of the Trust Deed (save for the inception fees referred to in Clause 12.3.2) due and payable to it in units instead of cash.

IMPORTANT NOTICE

(1) A Unitholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his/her stead at the same meeting. A proxy need not be a Unitholder.

(2) A corporation which is a Unitholder may, by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Unitholders and the person so authorised shall be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

(3) The instrument appointing a proxy must be lodged at the office of RHT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, not less than 48 hours before the time appointed for the Annual General Meeting.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Trustee-Manager (or its agents or service providers) for the purpose of the processing, administration and analysis by the Trustee-Manager (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Trustee-Manager (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Trustee-Manager (or its agents or service providers), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Trustee-Manager (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Trustee-Manager in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

CORPORATE INFORMATION

THE TRUSTEE MANAGEER

RHT Health Trust Manager Pte. Ltd
Company registration number: 201117555K

BOARD OF DIRECTORS

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 Eng Meng Leong
Independent Director

Mr Sydney Michael Hwang
Independent Director

Dr Yogendra Nath Mathur
Lead Independent Director

Mr Peter Joseph Seymour Rowe
Independent Director

BOARD COMMITTEES

Audit & Risk Management Committee
Mr Peter Joseph Seymour Rowe, Chairman
Mr Eng Meng Leong, Member
Dr Yogendra Nath Mathur, Member

Renumeration Committee
Mr Eng Meng Leong, Chairman
Mr Sydney Michael Hwang, Member
Mr Peter Joseph Seymour Rowe, Member

Nominating Committee
Mr Sydney Michael Hwang, Chairman
Dr Yogendra Nath Mathur, Member
Mr Ravi Mehrotra, Member

COMPANY SECRETARIES

Mr Abdul Jabbar Bin Karam Din (LLB (Hons))
Ms Chan Poh Kuan (FCIS)

AUDITOR

Ernst and Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583
Phone: (65) 6535 7777
Fax: (65) 6438 8710

Partner in charge: Nelson Chen
Appointed since financial year ended 31 March 2012

REGISTERED ADDRESS

9 Battery Road
#25-01 MYP Building
Singapore 049910
Phone: (65) 6535 3600
Fax: (65) 6225 6846

OPERATING ADDRESS

302 Orchard Road
#18-02/03 Tong Building
Singapore 238862
Phone: (65) 6603 5780
Fax: (65) 6603 5782

UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623
Phone: (65) 6536 5355
Fax: (65) 6536 1360

SGX CODE
RF1U

PROXY FORM

RHT HEALTH TRUST

(Registration No. 2012006)
(A business trust constituted on 29 July 2011 under the laws of the Republic of Singapore)
Managed by RHT Health Trust Manager Pte. Ltd.
(Company Registration No. 201117555K)

PROXY FORM – ANNUAL GENERAL MEETING

(Before completing this form, please read the notes behind)

I/We, ____ (Name)

of ____ (Address)

being a Unitholder/Unitholders of RHT Health Trust ("**RHT**"), hereby appoint:

Name	Address	NRIC/ Passport Number	Proportion of Unitholdings	
			No. of Units	%

and/or (delete as appropriate)

Name	Address	NRIC/ Passport Number	Proportion of Unitholdings	
			No. of Units	%

or, both of whom failing, the Chairman of the Annual General Meeting as my/our proxy/proxies to attend and vote for me/us on my/our behalf and if necessary, to demand a poll, at the Annual General Meeting of RHT to be held at Suntec Singapore Convention & Exhibition Centre, Meeting Room 311, Level 3, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Thursday, 27 July 2017 at 10.00 a.m. and any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Annual General Meeting in accordance with my/our directions as indicated hereunder. Where no such direction is given, the proxy/proxies may vote or abstain from voting at his/their discretion, as he/they will on any matter arising at the Annual General Meeting.

No.	Resolutions	No. of Votes For*	No. of Votes Against*
	ORDINARY BUSINESS		
1.	Adoption of Reports of the Trustee-Manager, Statement by the Trustee-Manager and the Audited Financial Statements of RHT for the financial year ended 31 March 2017 together with the Auditors' Report. (Resolution 1)		
2.	Re-appointment of Messrs Ernst & Young LLP as Auditors of RHT and to authorise Trustee-Manager to fix their remuneration. (Resolution 2)		
	SPECIAL BUSINESS		
3.	To approve the Proposed Unit Issue Mandate. (Resolution 3)		
4.	Any other business.		

* If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this ______________ day of ____________________ 2017

Total number of Units held

____
Signature(s) of Unitholder(s) or Common Seal

IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes to Proxy Form

1. In accordance with the Business Trusts Act and the Trust Deed, a Unitholder of RHT Health Trust ("**RHT**", and a Unitholder of RHT, "**Unitholder**") entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend, speak and vote at the Annual General Meeting. Where such Unitholder's form of proxy appoints more than one proxy, the proportion of the unitholding concerned to be represented by each proxy shall be specified in the form of proxy. Where a Unitholder appoints two proxies and does not specify the number of Units to be represented by each proxy, the Units held by the Unitholder are deemed to be equally divided between the proxies.

2. A proxy need not be a Unitholder.

3. A Unitholder should insert the total number of Units held. If the Unitholder has Units entered against his/her name in the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**"), he/she should insert that number of Units. If the Unitholder has Units registered in his/her name in the Register of Unitholders of RHT, he/she should insert that number of Units. If the Unitholder has Units entered against his/her name in the said Depository Register and Units registered in his/her name in the Register of Unitholders, he/she should insert the aggregate number of Units entered against his/her name in the said Depository Register and registered in his/her name in the Register of Unitholders. If no number is inserted, this form of proxy appointing a proxy or proxies will be deemed to relate to all the Units held by the Unitholder.

4. The instrument appointing a proxy or proxies (the "**Proxy Form**") must be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if the appointor is a corporation, it must be executed either under the common seal or under the hand of an officer or attorney so authorised.

5. A corporation which is a Unitholder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of Unitholders and the person so authorised shall be entitled to exercise the power on behalf of the corporation so represented as the corporation could exercise in person if it were an individual. The Trustee-Manager shall be entitled to treat a copy of such resolution certified by a director of the corporation to be a true copy, or a certificate under the seal of the corporation as conclusive evidence of the appointment or revocation of appointment of a representative under this paragraph.

6. This Proxy Form (together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority) must be deposited at the office of RHT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, not less than 48 hours before the time fixed for holding the Annual General Meeting or adjourned meeting, at which the person named in the Proxy Form appointing a proxy or proxies proposes to vote, and in default the Proxy Form shall not be treated as valid.

7. Any alteration made in this Proxy Form should be initialled by the person who signs it.

8. The Trustee-Manager shall be entitled to reject a Proxy Form appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Unitholders whose Units are entered in the Depository Register, the Trustee-Manager shall be entitled and bound:

   (a) to reject any Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against the name of the Unitholder in the Depository Register as at 48 hours before the time appointed for holding the Annual General Meeting, as certified by CDP to the Trustee-Manager; and

   (b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Unitholder is or are able to cast on a poll a number which is the number of Units entered against the name of that Unitholder in the Depository Register as at 48 hours before the time of the relevant meeting as certified by CDP to the Trustee-Manager, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Unitholder.

   No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution.

9. All Unitholders will be bound by the outcome of the Annual General Meeting regardless of whether they have attended or voted at the Annual General Meeting.

Personal data privacy:
By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Trustee-Manager (or its agents or service providers) for the purpose of the processing, administration and analysis by the Trustee-Manager (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Trustee-Manager (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Trustee-Manager (or its agents or service providers), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Trustee-Manager (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Trustee-Manager in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

RHT HEALTH TRUST MANAGER PTE. LTD.
(As Trustee-Manager of RHT Health Trust)

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