About RHT Health Trust

RHT Health Trust ("RHT") is a registered Business Trust with an investment mandate to invest principally 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.

Key Information on the Portfolio

RHT's Portfolio as of 30 June 2018 comprises interest in twelve RHT Clinical Establishments, four Greenfield Clinical Establishments and two Operating Hospitals located across India.

Clinical Establishments

Amritsar
Bengaluru, BG Road
Chennai, Malar
Faridabad
Jaipur
Kolkata
Mohali (including land acquired as an extension)
Mumbai, Kalyan
Mumbai, Mulund
Noida
Gurgaon (Associate)
New Delhi, Shalimar Bagh (Associate)

Greenfield Clinical Establishments

Ludhiana
Chennai
Hyderabad
Greater Noida

Operating Hospitals

Bengaluru, Nagarbhavi
Bengaluru, Rajajinagar

Developments in FY19 Q1

Update on the proposed disposal of portfolio of assets of RHT ("Proposed Disposal")

On 12 February 2018, RHT Health Trust Manager Pte. Ltd. (in its capacity as trustee-manager of RHT) (the "Trustee-Manager") entered into a master purchase agreement ("MPA") with Fortis. The Proposed Disposal is conditional upon, among others, approval from the Unitholders of RHT at an Extraordinary General Meeting of RHT. The Notice of the Extraordinary General Meeting will be sent out at a later date. Please refer to the announcement on 13 February 2018 for more details.

Foreign exchange rate

	FY19 Q1	FY18 Q1
Average rate	50.27	46.59
Closing rate	50.25	46.94
Effective forward rate	51.00(1)	49.35(2)

(1) Based on estimated forward rate. No hedge has been entered into for FY19.

(2) The Trustee-Manager has hedged 50% of the expected INR cash flow, leaving the remaining unhedged portion of INR cash flow to be realised at the spot rate. The Trustee-Manager assumed a forward rate for the unhedged INR cash flow to determine the Distributable Income. Any difference between the actual spot rate and the estimated forward rate will be adjusted in the next distribution. The average forward rate disclosed is the weighted average of the contracted forward rate and the estimated forward rate used to determine the Distributable Income.

Hedging policy

The Trustee-Manager has not and will not be entering into any hedge for the INR cash flow from the financial year beginning 1 April 2018 and for the future periods, since it has entered into the MPA for the Proposed Disposal.

In the prior financial year, the Trustee-Manager hedged a maximum of 50% of the INR cash flow against receivables by RHT every half yearly from India.

Distribution policy

RHT's policy is to distribute at least 90.0% of its distributable income on a semi-annual basis, for every six-month period ending 30 September and 31 March. Since the financial year ended 31 March 2018, the Trustee-Manager announced its intention to distribute 95.0% of RHT's distributable income. The 5.0% which is retained will be used to fund existing asset enhancement initiatives as well as for operational requirements. Please see paragraph 11 and 12 for more details on distributions.

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1 Unaudited Results for the quarter ended 30 June 2018

The Board of Directors of the Trustee-Manager announces the following unaudited results of RHT and its subsidiary companies ("RHT Group") for the quarter ended 30 June 2018.

1(a) Consolidated Statement of Comprehensive Income and Distributable Income Statement

	Notes	FY 19 Q1	FY 18 Q1	Var
		S$'000	S$'000	
Revenue:				
Service fee	2	18,738	20,922	-10%
Hospital income	3	2,569	2,541	1%
Other income	4	930	1,050	-11%
Total revenue		**22,237**	**24,513**	**-9%**
Service fee and hospital expenses:				
Medical consumables	5	(1,859)	(2,281)	-19%
Employee benefits expense	6	(770)	(811)	-5%
Doctor charges	7	(1,723)	(2,061)	-16%
Depreciation and amortisation		(2,747)	(3,041)	-10%
Other service fee expenses	8	(2,828)	(3,078)	-8%
Hospital expenses	3	(2,216)	(2,296)	-3%
Total service fee and hospital expenses		**(12,143)**	**(13,568)**	**-11%**
Finance Income	9	3,878	4,147	-6%
Finance Expenses	10	(5,258)	(4,152)	27%
Trustee-Manager Fee	11	(1,345)	(1,351)	0%
Other Trust Expenses	12	(672)	(1,152)	-42%
Foreign exchange loss	13	(847)	(3,369)	n.m
Total expenses		**(16,387)**	**(19,445)**	**-16%**
Share of results of an associate	1	2,281	2,871	-21%
Profit before changes in fair value of financial derivatives		**8,131**	**7,939**	**2%**
Fair value (loss)/gain on financial derivatives		(389)	2,870	n.m
Profit before taxes		**7,742**	**10,809**	**-28%**
Income tax expense	14	(3,756)	(1,628)	131%
Profit for the period attributable to Unitholders of the Trust		**3,986**	**9,181**	**-57%**
Other Comprehensive Income				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation		(5,030)	(5,471)	n.m
Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit plan		7	-	n.m
Other Comprehensive Income for the period, net of tax		(5,023)	(5,471)	n.m
Total Comprehensive Income for the period attributable to Unitholders of the Trust		**(1,037)**	**3,710**	**n.m**

(1) n.m – not meaningful.

1(a) Consolidated Statement of Comprehensive Income and Distributable Income Statement (Cont'd)

Reconciliation to Unitholders Distributable Income	Notes	FY 19 Q1 S$'000	FY 18 Q1 S$'000
Profit for the period attributable to Unitholders of the Trust		**3,986**	**9,181**
Distribution adjustments:			
Impact of non-cash straight-lining		(242)	(405)
Technology renewal fee		(155)	(167)
Depreciation and amortisation		2,747	3,041
Trustee-Manager fees payable in units	11	672	675
Tax adjustment	14	1,209	(1,020)
Foreign exchange differences	15	1,033	(344)
Compulsorily Convertible Debentures ("CCD") interest income	9	(3,702)	(3,994)
Non-Convertible Debentures ("NCD") interest expense	10	1,836	1,792
Non-cash adjustments of an associate	1	1,882	1,603
Others (includes working capital adjustment)		(715)	83
Total Distributable Income attributable to Unitholders of the Trust		**8,551**	**10,445**

Notes to Consolidated Statement of Comprehensive Income and Distributable Income Statement

1. On 12 October 2016, the Group disposed 51.0% economic interest in Fortis Hospotel Limited ("FHTL") and accounts FHTL as an associate. The results and non-cash adjustments of 100.0% as well as 49.0% economic interest in FHTL for FY19 Q1 have been presented below.

<u>**Results of an associate**</u>	FY 19 Q1 S$'000	FY18 Q1 S$'000
Revenue:		
Total revenue	**13,472**	**14,799**
Total expenses	**(6,604)**	**(7,771)**
Profit before tax	**6,868**	**7,028**
Income tax expenses	(2,212)	(1,168)
Profit for the period	**4,656**	**5,860**
Share of 49.0% of profit for the period	**2,281**	**2,871**
Non-cash adjustments:		
Impact of non-cash straight-lining	(681)	(899)
Technology renewal fee	(9)	(10)
Depreciation and amortisation	1,471	1,654
Tax adjustment	12	(1,085)
Capital expenditure	-	(56)
Interest income and expense with related parties	3,048	3,667
FHTL's non-cash adjustments	**3,841**	**3,271**
Share of 49.0% of non-cash adjustment	**1,882**	**1,603**
Net cash flow from FHTL	**8,497**	**9,131**
Share of 49.0% of net cash flow from FHTL	**4,163**	**4,474**

Note: The following notes do not include a performance analysis of FHTL. Please refer to the relevant sections of paragraph 8 on pages 13 to 14 for FHTL's performance analysis.

Notes to Consolidated Statement of Comprehensive Income and Distributable Income Statement (Cont'd)

2. The service fee is the aggregate of the base and variable service fees for the provision of the Clinical Establishment services, including but not limited to the Out-Patient Department services ("OPD") and the Radio Diagnostic Services ("RDS").

INR mn	FY19 Q1	FY18 Q1	Variance (%)
Base Fee*	588	571	3
Variable Fee	341	385	(11)
Total Fee	**929**	**956**	**(3)**

*Excluding impact of straight-lining.

The service fee in INR terms is lower for the current quarter. This is due to lower variable fee for the quarter resulting from a drop in revenue recorded by the Operator at the RHT Clinical Establishments. The drop is a result of the lower occupancy rate of 63% for the quarter. The depreciation of INR against SGD resulted in a further decrease in revenue in SGD terms. The decrease in service fee is offset by the higher Base Fee for the quarter resulting from the contractual 3% increase.

3. RHT has 2 Operating Hospitals, Bengaluru, Rajajinagar Operating Hospital and the Bengaluru, Nagarbhavi Operating Hospital. The hospital income and expenses arise solely from the provision of medical services at these hospitals.

The net hospital income for the current quarter in INR terms is higher due to higher Average Revenue per Occupied Bed ("ARPOB") resulting from the increase in high value surgeries in medical programmes such as Cardiology and Orthopaedics.

4. Other income includes income from the pharmacy, cafeteria, bookshop, automated teller machines, and other amenities in the Clinical Establishments of the Group. The decrease is mainly due to the decrease in variable rental income from the pharmacy.

5. Medical consumables expense in INR terms has remained fairly consistent as a percentage of the variable fee compared to the corresponding quarter.

6. Employee benefits in INR terms for the quarter is higher due to annual inflationary wage increases at the beginning of the financial year.

7. Doctor charges in INR terms has remained fairly consistent as a percentage of the variable fee compared to the corresponding quarter.

8. Other service fee expenses mainly consist of housekeeping costs, security costs, power and fuel expenses, annual equipment maintenance charges for both medical and non-medical equipment owned by RHT Group, rent, property taxes and insurance, as well as administrative expenses.

Other service fee expenses in INR terms is lower compared to the corresponding quarter, which is in line with the drop in revenue. In addition, there were provisions made for wear-and-tear of fixed assets and higher than expected annual maintenance cost due to ageing of equipment in the corresponding quarter.

9. At the time of initial public offering, 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 on 13 October 2016, such interest income of the subsidiary will no longer be 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 are added back for distribution purpose.

Excluding the interest income from a related party, the higher finance income for the current quarter is due to the increase in income from mutual fund investments.

10. Similarly, as stated above, 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. Such OCDs were converted to Non-Convertible Debentures ("NCDs") as part of the disposal. As FHTL has become an associate, such interest expense of the subsidiary will no longer be 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 are added back for distribution purpose.

    Excluding the interest expense to FHTL, the higher finance expense for the current quarter is due to increased borrowings and higher effective interest rates as well as one-off appropriated consent fees paid to noteholders as part of a consent exercise.

11. The Trustee-Manager Fee for the quarter is lower compared to the corresponding quarter due to lower Distributable Income available for distribution for the quarter.

12. Other trust expense is lower in the current quarter compared to the corresponding quarter. This is due to legal and professional fees incurred for refinancing activities in the corresponding quarter.

13. The foreign exchange gain/ (loss) are on the account of:
    (i) unrealised differences from interest receivables denominated in INR; and
    (ii) realised differences from the settlement of forward contracts and interest received.

    The foreign exchange loss for the quarter arises from the depreciation of INR against SGD for the INR denominated net receivables offset by realised gain from the settlement of forward contracts.

14. Income tax expense relate to withholding tax expense on the offshore interest payment from the India subsidiary companies to the Singapore holding company and deferred tax in certain India subsidiary companies.

INR mn	**FY19 Q1**	**FY18 Q1**
Current tax	128	123
Deferred tax	61	(48)

    The deferred tax expense recognised for the quarter is due to the change in tax rate from 34.608% to 34.944% and the utilisation of unabsorbed tax losses previously recognised.

15. Included in foreign exchange differences are:
    (i) adjustments for the Distributable Income based on the average forward INR/SGD rate of 51.00[1] against the INR/SGD rate of 50.27 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.

[1] The Trustee-Manager assumes a forward rate for the unhedged INR cashflow to determine the Distributable Income. Any difference between the actual spot rate on realisation of INR cashflow and the estimated forward rate will be adjusted in the next distribution. Please see paragraph 11 and 12 for additional details.

1(b)(i) Balance Sheets

	Notes	Group		Trust	
		30 June 2018	31 March 2018	30 June 2018	31 March 2018
		S$'000	S$'000	S$'000	S$'000
ASSETS					
Non-current assets					
Intangible assets	2	85,391	86,781	-	-
Property, plant and equipment	3	533,061	539,011	-	-
Invesment in subsidiary		-	-	12,634	12,634
Loan to a subsidiary		-	-	463,958	469,245
Investment in an associate	1	365,838	363,557	-	-
Financial assets	4	17,778	17,290	-	-
Deferred tax assets	5	12,099	15,785	-	-
Other assets	6	25,580	23,846	-	-
Total non-current assets		1,039,747	1,046,270	476,592	481,879
Current assets					
Inventories		107	119	-	-
Financial assets	4	21,536	42,963	57,777	68,747
Trade receivables	7	16,605	19,290	-	-
Other assets	6	1,776	1,060	912	700
Derivative financial instruments		-	389	-	-
Cash and bank balances		20,107	8,047	17	18
Total current assets		60,131	71,868	58,706	69,465
Total assets		**1,099,878**	**1,118,138**	**535,298**	**551,344**
LIABILITIES					
Non-current liabilities					
Loans and borrowings		198,240	146,527	-	-
Other liabilities	9	20,424	18,749	-	-
Deferred tax liabilities	8	85,745	89,046	-	-
Total non-current liabilities		304,409	254,322	-	-
Current liabilities					
Loans and borrowings		129,223	181,370	122,317	120,742
Trade and other payables		6,354	6,417	-	-
Other liabilities	9	6,928	13,492	4,142	3,013
Total current liabilities		142,505	201,279	126,459	123,755
Total liabilities		**446,914**	**455,601**	**126,459**	**123,755**
Net assets		**652,964**	**662,537**	**408,839**	**427,589**
Unitholders' funds					
Represented by:					
Units in issue (net of Unit issue cost)		520,875	520,191	520,875	520,191
Capital reserve	10	210,216	210,216	-	-
Foreign currency translation reserve		(52,618)	(47,588)	-	-
Revaluation reserve		48,694	48,944	-	-
Other reserves	11	(78)	(85)	-	-
Accumulated losses		(74,125)	(69,141)	(112,036)	(92,602)
Total Unitholders' fund		**652,964**	**662,537**	**408,839**	**427,589**

Notes to Balance Sheets

1. Investment in an associate
The investment in an associate relates to investment in 49% of Fortis Hospotel Limited ("FHTL"). The increase in investment in an associate relates to the recognition of the share of profits from FHTL for the quarter.

2. Intangible assets
Intangible assets comprises of:
(i) Customer related intangibles – arose from the Hospital and Medical Services Agreements which RHT Group entered into with the Sponsor, Fortis Healthcare Limited, to provide medical and Clinical Establishment services.

(ii) Rights to use "Fortis" brand – The two Operating Hospitals owned by RHT Group will continue to use the "Fortis" brand name for a period of 15 years from the date of transfer.

(iii) Goodwill – Goodwill mainly arose from the recognition of the deferred tax liability, being the difference between the tax effect of the value of acquired assets and liabilities and their respective tax bases. The balance of goodwill comprises the value of synergies arising from the acquisition.

The decrease in intangible assets is due to the amortisation of intangible assets for the quarter as well as the depreciation of INR against SGD.

3. Property, plant and equipment
Property, plant and equipment comprises land and buildings, plant and machinery, medical equipment and other assets of the Clinical Establishment and the 2 Operating Hospitals.

Property, plant and equipment in INR terms has increased due to the additions during the quarter. The increase was negated by the depreciation of INR against SGD and depreciation charges during the quarter.

4. Financial assets
The non-current financial assets mainly relate to accrued income on straight-lining of the base service fee, fixed deposits pledged as security and security deposits paid. The increase is attributable to the recognition of accrued income on straight-lining of the base service fees offset by the depreciation of INR against SGD.

The current financial assets mainly relate to fixed deposits, recoverable advances, FHTL CCD interest receivable from an associate, security deposits as well as interest receivable from Fortis. The decrease is mainly due to receipt of FHTL CCD interest and sale of quoted mutual funds.

5. Deferred tax assets
Deferred tax assets are made up of unabsorbed tax losses to be utilised against future taxable profits. The unabsorbed tax losses was recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary difference can be utilised.

The decrease in deferred tax assets was mainly due to the utilisation of unabsorbed tax losses as well as depreciation of INR against SGD.

6. Other assets
Other non-current assets comprise of prepaid expenses and prepaid taxes deducted at source on service fee, hospital income and interest income on inter-company debt instrument. The increase is due to the tax deducted at source on the service fee for the quarter.

Other current assets comprise of GST receivables and prepaid expenses. The increase in other current assets is due to the increase in prepayments of professional fees in relation to the Proposed Disposal.

7. Trade receivables

Trade receivables comprises of service fees receivable from the Operators, rent receivable and receivables from corporate clients of the 2 Operating Hospitals.

The decrease is mainly due to the receipt of outstanding amounts in relation to FY18.

8. Deferred tax liabilities

The deferred tax liabilities arose from the fair value adjustments arising from the acquisition of subsidiaries at the time of Initial Public Offering, revaluation of land, differences in depreciation and accrued income for tax purpose. The increase in INR terms is due to the recognition of deferred tax liabilities in relation to changes in tax rates. The increase is negated by the depreciation of INR against SGD.

9. Other liabilities

Other non-current liabilities comprise mainly of interest payable on NCDs owing to an associate and retention amounts owing to creditors (capital in nature) as a result of ongoing capital expenditure for expansion and upgrading projects. The increase is mainly due to the accrual of interest payable on NCDs owing to an associate.

Other current liabilities comprise of statutory dues and other creditors. The decrease is mainly due to settlements of statutory dues and repayment of other creditors.

10. Capital reserve

The capital reserve represents the excess of interest of associates in the fair value of the net identifiable assets and liabilities transferred over the consideration paid. This reserve in substance represents the Sponsor's contribution to the Group for the Sponsor's retained interest. Please refer to page A-9 of the Prospectus dated 15 October 2012 for more details.

11. Other reserves

Other reserves comprise of:

(i) Capital redemption reserve is a statutory reserve created in accordance with India's Companies Act 2013 in connection to redemption of preference shares of an India subsidiary company. The reserve is not considered a free reserve for distribution of dividend and can be utilised only for the purpose of issuing bonus shares.

(ii) 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.

1(b)(ii) Group's Borrowings and Debt Securities

	30 June 2018		31 March 2018	
	Secured	Unsecured	Secured	Unsecured
	S$'000	S$'000	S$'000	S$'000
Amount Repayable in One Year or Less, or on Demand	9,275	119,948	61,999	119,371
Amount Repayable after One Year	105,038	93,202	51,940	94,587
	114,313	213,150	113,939	213,958

Details of Collateral

Singapore

<u>Secured</u>

The Group has loan facilities with

(i) United Overseas Bank Limited and Siemens Bank GMBH, Singapore Branch for an aggregate amount of S$55 million; and

(ii) IndusInd Bank Limited, IFSC GIFT City Branch for an amount equivalent of S$53 million.

Each term loan facility is secured by an irrevocable pledge on the shares of Fortis Global Healthcare Infrastructure Pte Ltd ("FGHIPL") and RHT Health Trust Services Pte. Ltd. ("RHSPL") on a pari passu basis, a non-disposal undertaking on the hospital infrastructure companies owned by FGHIPL on a pari passu basis and a first pari passu legal assignment over the interest, benefits and rights over all existing and future loans granted by the borrower to its subsidiaries, a debenture over substantially all the assets of FGHIPL and RHSPL. The amount of unamortised upfront fees as of 30 June 2018 is S$4.1 million.

As at 31 March 2018, there was an event of default under the UOB/Siemens Facilities which triggered a cross default in respect to the notes outstanding. As the waiver of default was received subsequent to the year end, the Siemens and UOB loans are classified as current as per the accounting standards as of 31 March 2018. These loans have been reclassified to non-current in FY19 Q1.

<u>Unsecured</u>

The Trustee-Manager has issued 4.50% fixed rate notes payable semi-annually in arrears aggregating to a total of S$120 million. The notes are due on 22 January 2019. The notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Trustee-Manager and at all times rank pari passu and rateably, without any preference or priority amongst themselves, and pari passu with all other present and future secured obligations (other than subordinated obligations and priorities created by law) of the Trustee-Manager. The amount of unamortised bond expense as of 30 June 2018 is S$0.1 million.

India

<u>Secured</u>

The overdraft facilities from IndusInd Bank are secured by corporate guarantees and the Malar Clinical Establishment. As of 30 June 2018, the overdraft facilities amounted to INR 323.0 million (approximately S$6.4 million).

One of the subsidiaries has a loan amounting to INR 60.3 million (approximately S$1.2 million) secured against the asset purchased from the lender for which INR 9.8 million (approximately S$0.2 million) is repayable in one year or less.

<u>Unsecured</u>

The Group received an unsecured and interest-free loan amounting to INR 179.4 million (approximately S$3.6 million) from the Sponsor for the development of the Ludhiana Greenfield Clinical Establishment. This loan is repayable upon completion of the Ludhiana Greenfield Clinical Establishment. The Group also received unsecured and interest-free loans amounting to INR 8.1 million (approximately S$0.2 million) from an associate.

At the time of initial public offering, unsecured and interest-bearing OCDs were issued by one of the subsidiaries in RHT Group 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, the liability of the subsidiary which amounted to INR 4,503.9 million (approximately S$89.7 million) is no longer eliminated. In addition, the NCDs are subordinated to all other creditors of the subsidiary whether secured or unsecured.

1(c) Consolidated Cash Flow Statement

	Group	
	FY19 Q1 S$'000	FY18 Q1 S$'000
Profit before tax	**7,742**	**10,809**
Adjustments for:		
Depreciation and amortisation expense	2,747	3,041
Finance income	(3,878)	(4,147)
Finance expenses	5,258	4,152
Unrealised gain on financial assets	(96)	-
Fair value loss / (gain) on financial derivatives	389	(2,870)
Share of results of an associate	(2,281)	(2,871)
Foreign exchange loss	1,173	430
Foreign currency alignment	(314)	(254)
Operating cash flow before working capital changes	**10,740**	**8,290**
Changes in w orking capital:		
Decrease/(increase) in trade receivables	2,467	(8,805)
(Increase)/ decrease in financial assets and other assets	(1,263)	5,192
Increase/ (decrease) in inventories	10	(28)
Increase in trade and other payables and other liabilities	998	2,490
Cash flow generated from operations	**12,952**	**7,139**
Interest received	14,131	153
Tax paid	(11,244)	(5,286)
Net cash generated from operating activities	**15,839**	**2,006**
Cash flow from investing activities		
Purchase of property, plant and equipment	(1,811)	(6,173)
Purchase of short term investments	10,771	1,998
Net cash generated from/(used in) investing activities	**8,960**	**(4,175)**
Cash flow from financing activities		
Distribution paid to Unitholders	(9,220)	(19,110)
Interest paid	(4,602)	(3,076)
Net proceeds from borrow ings	1,160	22,052
Net cash used in financing activities	**(12,662)**	**(134)**
Net increase/(decrease) in cash and cash equivalents	**12,137**	**(2,303)**
Effects of currency translation on cash and cash equivalents	(77)	(8)
Cash and cash equivalent at beginning of period	8,047	7,246
Cash and cash equivalents at end of period	**20,107**	**4,935**

1(d)(i) Statement of Changes in Unitholders' Funds

Group S$'000	Units in issue (net of units issue cost)	Capital reserve	Foreign currency translation reserve	Revaluation reserve	Other reserve	(Accumulated losses)/ Revenue reserves	Total
At 1 April 2018	**520,191**	**210,216**	**(47,588)**	**48,944**	**(85)**	**(69,141)**	**662,537**
Profit for the period	-	-	-	-	-	3,986	**3,986**
Other Comprehensive Income							
Foreign currency translation	-	-	(5,030)	-	-	-	**(5,030)**
Net surplus revaluation of land and buildings	-	-	-	(250)	-	250	**-**
Remeasurement of defined benefit plan	-	-	-	-	7	-	**7**
Total Comprehensive Income	-	-	(5,030)	(250)	7	4,236	**(1,037)**
Payment of Trustee-Manager fees in Units	684	-	-	-	-	-	**684**
Distribution on Units in issue	-	-	-	-	-	(9,220)	**(9,220)**
At 30 June 2018	**520,875**	**210,216**	**(52,618)**	**48,694**	**(78)**	**(74,125)**	**652,964**
At 1 April 2017	**518,114**	**210,216**	**(18,318)**	**43,096**	**(52)**	**(56,682)**	**696,374**
Profit for the period	-	-	-	-	-	9,181	**9,181**
Other Comprehensive Income							
Foreign currency translation	-	-	(5,471)	-	-	-	**(5,471)**
Net surplus revaluation of land and buildings	-	-	-	103	-	(103)	**-**
Total Comprehensive Income	-	-	(5,471)	103	-	9,078	**3,710**
Payment of Trustee-Manager fees in Units	1,374	-	-	-	-	-	**1,374**
Distribution on Units in issue	-	-	-	-	-	(19,110)	**(19,110)**
At 30 June 2017	**519,488**	**210,216**	**(23,789)**	**43,199**	**(52)**	**(66,714)**	**682,348**

1(d)(i) Statement of Changes in Unitholders' Funds (Cont'd)

	Units in issue (net of Unit issue cost)	Revenue reserves/ (Accumulated losses)	Total
	S$'000	S$'000	S$'000
Trust			
At 1 April 2018	**520,191**	**(92,602)**	**427,589**
Loss for the period, representing total Comprehensive Income for the period	-	(10,214)	**(10,214)**
Payment of Trustee-Manager fees in Units	684	-	**684**
Distribution on Units in issue	-	(9,220)	**(9,220)**
At 30 June 2018	**520,875**	**(112,036)**	**408,839**
At 1 April 2017	**518,114**	**(79,587)**	**438,527**
Loss for the period, representing total Comprehensive Income for the period	-	(7,847)	**(7,847)**
Payment of Trustee-Manager fees in Units	1,374	-	**1,374**
Distribution on Units in issue	-	(19,110)	**(19,110)**
At 30 June 2017	**519,488**	**(106,544)**	**412,944**

1(d)(ii) Units in issue

	YTD FY19		YTD FY18	
	Number of Units		Number of Units	
	'000	S$'000	'000	S$'000
Balance as at 1 April	**808,732**	**520,191**	**806,332**	**518,114**
Issue of new Units				
- Payment of Trustee-Manager fees in Units	912	684	1,510	1,374
Balance as at 30 June	**809,644**	**520,875**	**807,842**	**519,488**

2 Audit

The figures in this announcement have not been audited or reviewed by our auditor.

3 Auditors' Report

Not applicable.

4 Accounting Policies

The Group has applied the same accounting policies and methods of computation as in the Group's 31 March 2018 annual financial statement dated 9 July 2018 except for the adoption of all new and revised IFRS that are effective for annual periods beginning 1 April 2018. The changes in accounting standards do not have a material impact to the Group and its financial statements.

5 Changes in Accounting Policies

There is no change in the accounting policies and methods of computation adopted except as mentioned above.

6 Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU")

	Group	
	FY19 Q1	**FY18 Q1**
Weighted number of Units	808,822,142	806,514,471
Total Units	809,643,944	807,841,944
EPU (cents)		
Net profit	3,986	9,181
Based on weighted number of Units as at 30 June	**0.493**	**1.138**
Distributable Income attributable for Distribution per unit (cents)		
Distributable Income*	8,551	10,445
Distributable Income attributable for Distribution	8,123	9,923
Based on total Units as at 30 June	**1.003**	**1.228**

Diluted EPU is the same as the basic EPU as there were no dilutive instruments in issue during the financial period.

*The lower Distributable Income for the current quarter is due to higher finance cost resulting from increased borrowings and higher interest rates as well as depreciated forward rate in determining the Distributable Income.

Please see paragraph 8 for review of performance.

DPU is provided for illustration purposes only. Please see paragraph 11 and 12 for information on Distribution to Unitholders.

7 Net Asset Value ("NAV")

	Group	
	30 June 2018	**31 March 2018**
NAV	**652,964,000**	**662,537,000**
No. of Units in issue at end of period	**809,643,944**	**808,731,944**
NAV per Unit (S$)	**0.806**	**0.819**

The decrease in NAV per Unit by around 1.6% is mainly due to depreciation of the closing INR against SGD from 49.68 to 50.25 and the payment of distribution to Unitholders.

8 Review of Group's Performance

Quarter analysis

Portfolio							
	FY19 Q1	FY18 Q4	Variance		FY18 Q1	Variance	
	S$'000	S$'000	S$'000	%	S$'000	S$'000	%
Total Revenue (excluding straight lining)	21,995	23,128	(1,133)	(4.9)	24,108	(2,113)	(8.8)
Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)	12,599	13,678	(1,079)	(7.9)	13,581	(982)	(7.2)
	INR'000	INR'000	INR'000	%	INR'000	INR'000	%
Total Revenue (excluding straight lining)	1,105,566	1,138,044	(32,478)	(2.9)	1,123,072	(17,506)	(1.6)
Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)	633,250	671,969	(38,719)	(5.8)	632,644	606	0.1

FHTL(1)							
	FY19 Q1	FY18 Q4	Variance		FY18 Q1	Variance	
	S$'000	S$'000	S$'000	%	S$'000	S$'000	%
Total Revenue (excluding straight lining)	12,791	12,952	(161)	(1.2)	13,900	(1,109)	(8.0)
Net Service Fee (excluding straight-lining, depreciation and amortisation)	10,613	11,158	(545)	(4.9)	11,475	(862)	(7.5)
	INR'000	INR'000	INR'000	%	INR'000	INR'000	%
Total Revenue (excluding straight lining)	642,941	637,993	4,948	0.8	647,608	(4,667)	(0.7)
Net Service Fee (excluding straight-lining, depreciation and amortisation)	533,414	548,992	(15,578)	(2.8)	534,444	(1,030)	(0.2)

Group(2)							
	FY19 Q1	FY18 Q4	Variance		FY18 Q1	Variance	
Adjusted net service fee margin	63%	65%		(2.0)	62%		1.0
Distributable Income (S$'000)	8,551	9,091	(540)	(5.9)	10,445	(1,894)	(18.1)

Note:

(1) The table showing FHTL's results represent the performance of FHTL 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. Please refer to Note 1 of Paragraph 1(a) for the actual contribution from FHTL to the Group.

(2) This table takes into account the performance of FHTL which was accounted for as an associate.

FY19 Q1 against FY18 Q4

Exchange rate

The foreign exchange rates used to translate the results of the India subsidiary companies are INR/SGD 50.27 and INR/SGD 49.17 for the quarter ended 30 June 2018 and 31 March 2018 respectively.

Total Revenue
Total Revenue for FY19 Q1 in INR terms is lower than FY18 Q4 mainly due to (i) absence of the interest on service fee charged to Fortis resulting from late payment of service fee, (ii) lower hospital income and variable fee due to the drop in occupancy. The lower revenue is offset by the 3% contractual increase in base fee.

Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)
The decrease in Total Revenue resulted in a decrease in Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation) in INR terms. The Net Service Fee and Hospital Income margin excluding FHTL remains consistent at around 57% compared to FY18.

Contribution from FHTL
Net Service Fee from FHTL decreased against FY18 Q4 despite the increase in total revenue. The increase in total revenue in FHTL is due to the 3% contractual increase in base fee offset by a decrease in variable fee due to lower occupancy. The net service fee margin of FHTL remains consistent at around 83% compared to FY18.

Distributable Income
Distributable Income is lower against the trailing quarter. This is due to the decrease in net service fees and contribution from FHTL which is offset by an improved forward rate in determining the Distributable Income.

FY19 Q1 against FY18 Q1

Exchange rate
The foreign exchange rates used to translate the results of the India subsidiary companies are SGD/INR 50.27 and SGD/INR 46.59 for the quarter ended 30 June 2018 and 30 June 2017 respectively.

Total Revenue
Total Revenue for the quarter in INR terms is lower than the corresponding quarter. This is due to lower variable fee for the quarter resulting from a drop in revenue as a result of the lower occupancy rate. The decrease in Total Revenue is offset by the higher base fee for the quarter resulting from the contractual 3% increase.

Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)
Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation) has increased slightly in INR terms as compared to FY18 Q1 despite the decrease in total revenue. This is due to the absence of provisions made for wear-and-tear of fixed assets and higher than expected annual maintenance cost.

Contribution from FHTL
Net Service Fee from FHTL decreased against FY18 Q1 due to the lower total revenue recorded. The variable fee for the current quarter is lower due to the lower occupancy rate. This is offset by the contractual 3% increase in base fee. Operating expenses has decreased in line with the lower revenue. The net service fees margin has remained consistent.

Distributable Income
The lower Distributable Income for the current quarter is due to higher finance cost resulting from increased borrowings and higher interest rates as well as depreciated forward rate in determining the Distributable Income.
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9 Variance from Forecast

No forecast has been provided.

10 Market and Industry Information

Over the last 12 months, there have been various new measures introduced by the Indian government which are relevant for the healthcare industry. While some of these measures are aimed at enhancing the standard of healthcare in India, others serve to help meet some of the healthcare demand in the country. These include:

- The medical devices rule, which took effect in January 2018, aims to bring in price control on critical medical devices such as stents and orthopaedic implants and certain diagnostic equipment.
- The capping of prices charged by hospitals for cardiac stents and knee implant procedures.
- The Clinical Establishment Act, 2010 (“Act”) and the Amendment Bills have taken effect in some states within India. The Act has been enacted by the Central Government to provide for the registration and regulation of all clinical establishments in the country, with a view to prescribe the minimum standards of facilities and services provided by them.
- The private healthcare hospitals have been directed to increase the number of designated free/ subsidised beds in their hospitals for the downtrodden and poor.
- The Government’s recent budget encourages companies to make corporate social responsibility funds available for programmes to address health goals.

These measures may have an effect on the margins of the Operator and make the operating environment more challenging. There is no certainty that there will not be further regulatory controls coming into effect, which may have an impact on the healthcare industry operators. We continue to monitor the situation and as and when there are new developments in the industry.

11 Information on Distribution

Any distribution declared for:

<u>Current financial period</u>

No

<u>Corresponding period of the immediately preceding year</u>

No

12 Distribution

Please refer to paragraph 11.

13 Interested Person Transactions

The Group has not obtained any interested person transactions mandate from the Unitholders.

14 Confirmation by Board

The Board of Directors of RHT Health Trust Manager Pte. Ltd. has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these interim financial results to be false or misleading in any material aspect.

15 Confirmation by Issuer

The issuer has procured undertakings from all its directors and executive officers under Rule 720(1).
Disclaimer:

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

By Order of the Board
RHT Health Trust Manager Pte. Ltd.

Gurpreet Singh Dhillon
Executive Director & Chief Executive Officer
2 August 2018