

## **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.

On 26 September 2018, approval from the Unitholders was obtained during an Extraordinary General Meeting of RHT to amend the Trust Deed.

With the completion of the Proposed Disposal, RHT's amended investment mandate is to principally invest in income-yielding real estate and real estate related assets to be used primarily as business space<sup>1</sup> in Asia and Australasia.

## **Key Information on the Portfolio**

RHT's Portfolio as of 31 December 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

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<sup>1</sup> Business space includes, but is not limited to, space used for information technology, information technology enabled services (includes various services ranging from call centres, claims processing, medical transcription, e-customer relationship management, supply chain management to back office operations such as accounting, data processing and data mining), high tech, science, healthcare, education, accommodation, business, industrial, logistics, warehousing and office purposes and such other supporting amenities.

## **Developments in FY19 Q3**

### **Disposal of entire portfolio of assets of RHT (“Disposal”)**

The Disposal has been completed as set out in the announcement dated 15 January 2019 (“Completion announcement”). Accordingly, the Trustee-Manager has distributed 95% of the net proceeds from the Disposal, after deducting the relevant liabilities of RHT, as a Special Distribution of 0.752 Singapore dollars per Unit to the Unitholders on 4 February 2019. Unitholders should also note that the Distributable Income for the period from 1 October 2018 to 14 January 2019 has been included in the computation of net proceeds from the Disposal and as disclosed in the Completion announcement.

The Distributable Income for the period from 1 October 2018 till 14 January 2019 and the Disposal of S\$642.7 million translates to S\$0.792 per Unit. This represents

- (i) Premium of 5.1% over the net asset value per Unit as of 31 December 2018 of S\$0.754, adjusted for INR:SGD closing offer rate of INR52.30:SGD1.00 on 14 January 2019;
- (ii) Premium of 10.8% over the closing price per Unit on 15 January 2019; and
- (iii) Premium of 8.6% and 8.4% over the volume weighted average price per Unit of S\$0.729 and S\$0.730 for the 1 month and 3 month period respectively up to and including 15 January 2019.

As disclosed in the Circular dated 29 August 2018, the Trustee-Manager has elected to waive the entitlement of the remaining 67% of the Performance Fee and the Divestment Fee in its entirety.

### **Foreign exchange rate**

	<b>FY19 Q3</b>	<b>FY18 Q3</b>	<b>FY19 YTD</b>	<b>FY18 YTD</b>
<b>Average rate</b>	51.76	47.70	51.25	47.24
<b>Closing rate</b>	51.09 <sup>(3)</sup>	47.74	51.09 <sup>(3)</sup>	47.74
<b>Contracted rate</b>	-	48.91	-	49.79
<b>Estimated forward rate</b>	-	51.75 <sup>(4)</sup>	-	49.42
<b>Effective forward rate</b>	52.09 <sup>(1)</sup>	50.16 <sup>(2)</sup>	52.85 <sup>(1)</sup>	49.62 <sup>(2)</sup>

(1) Based on weighted average of (i) rate of 52.30 for the Disposal and (ii) actual spot for amount received prior to Disposal.

(2) The Trustee-Manager 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.

(3) Reference rate is mid-market rate quoted from [www.xe.com](http://www.xe.com) on 31 December 2018.

(4) Estimated forward rate represent the estimated rate on the expected date of conversion.

The SGD consideration for the Disposal was determined based on INR:SGD closing offer rate of INR52.30:SGD1.00 on 14 January 2019.

### **Hedging policy**

The Trustee-Manager has not entered into any hedge for the INR cash flow for the financial year beginning 1 April 2018, following entering into the Master Purchase Agreement (“MPA”) for the Disposal. Following the completion of the Proposed Disposal, all cash and cash equivalents are denominated in Singapore Dollars.

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 the Trust's operational requirements as well as expenditure for potential investments. Please see paragraph 11 and 12 for more details on distributions.

Following the completion of the Disposal on 15 January 2019, RHT has ceased to have any operating business, and has become a cash trust within the meaning of Rule 1018 of the Listing Manual of the SGX-ST. The Trustee-Manager is considering various options available for RHT, including identifying any possible new business for RHT which is able to satisfy the SGX-ST's requirements for a new listing, or the winding up of RHT and distribution of any remaining cash after deducting any expenses incurred therefrom to the Unitholders. Pending that determination, the Trustee-Manager will not be making any further distribution of distributable income arising from the current assets of RHT.

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## 1 Unaudited Results for the quarter ended 31 December 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 31 December 2018.

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

	Notes	FY19 Q3	FY18 Q3	Var	FY19 YTD	FY18 YTD	Var
		S\$'000	S\$'000		S\$'000	S\$'000	
<b>Revenue:</b>							
Service fee	3	18,683	20,173	-7%	56,210	61,780	-9%
Hospital income	4	3,035	2,662	14%	8,645	8,014	8%
Other income	5	705	803	-12%	2,311	2,706	-15%
<b>Total revenue</b>		<b>22,423</b>	<b>23,638</b>	<b>-5%</b>	<b>67,166</b>	<b>72,500</b>	<b>-7%</b>
<b>Service fee and hospital expenses:</b>							
Medical consumables	6	(2,023)	(2,155)	-6%	(6,023)	(6,723)	-10%
Employee benefits expense	7	(721)	(786)	-8%	(2,226)	(2,396)	-7%
Doctor charges	7	(1,726)	(1,971)	-12%	(5,204)	(6,094)	-15%
Depreciation and amortisation		(2,667)	(3,001)	-11%	(8,101)	(9,071)	-11%
Other service fee expenses	8	(2,934)	(3,246)	-10%	(8,656)	(9,371)	-8%
Hospital expenses	4	(2,414)	(2,037)	19%	(7,130)	(6,681)	7%
<b>Total service fee and hospital expenses</b>		<b>(12,485)</b>	<b>(13,196)</b>	<b>-5%</b>	<b>(37,340)</b>	<b>(40,336)</b>	<b>-7%</b>
Finance Income	9	3,802	3,992	-5%	11,575	12,114	-4%
Finance Expenses	10	(5,351)	(5,222)	2%	(15,130)	(14,810)	2%
Trustee-Manager Fee	11	(1,189)	(1,338)	-11%	(3,831)	(4,152)	-8%
Other Trust Expenses	12	(757)	(346)	119%	(2,473)	(2,040)	21%
Foreign exchange gain/(loss)	13	3,068	(607)	n.m	(2,511)	(5,724)	n.m
<b>Total expenses</b>		<b>(12,912)</b>	<b>(16,717)</b>	<b>-23%</b>	<b>(49,710)</b>	<b>(54,948)</b>	<b>-10%</b>
Share of results of an associate	2	2,268	2,212	3%	6,940	7,395	n.m
<b>Profit before changes in fair value of financial derivatives</b>		<b>11,779</b>	<b>9,133</b>	<b>29%</b>	<b>24,396</b>	<b>24,947</b>	<b>-2%</b>
Fair value gain/(loss) on financial derivatives		-	288	n.m	(389)	3,603	n.m
<b>Profit before taxes</b>		<b>11,779</b>	<b>9,421</b>	<b>25%</b>	<b>24,007</b>	<b>28,550</b>	<b>-16%</b>
Income tax expense	14	(3,875)	(6,906)	-44%	(12,122)	(17,229)	-30%
<b>Profit for the period attributable to Unitholders of the Trust</b>		<b>7,904</b>	<b>2,515</b>	<b>214%</b>	<b>11,885</b>	<b>11,321</b>	<b>5%</b>
<b>Other Comprehensive Income</b>							
<u>Items that may be reclassified subsequently to profit or loss</u>							
Foreign currency translation		14,762	523	n.m	(11,847)	(12,426)	n.m
<u>Items that will not be reclassified to profit or loss</u>							
Remeasurement of defined benefit plan		8	-	n.m	20	-	n.m
<b>Other Comprehensive Income for the period, net of tax</b>		<b>14,770</b>	<b>523</b>	<b>n.m</b>	<b>(11,827)</b>	<b>(12,426)</b>	<b>n.m</b>
<b>Total Comprehensive Income for the period attributable to Unitholders of the Trust</b>		<b>22,674</b>	<b>3,038</b>	<b>n.m</b>	<b>58</b>	<b>(1,105)</b>	<b>n.m</b>

(1) n.m – not meaningful.

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

	Notes	FY19 Q3	FY18 Q3	FY19 YTD	FY18 YTD
		S\$'000	S\$'000	S\$'000	S\$'000
<b>Reconciliation to Unitholders Distributable Income</b>					
<b>Profit for the period attributable to Unitholders of the Trust</b>		<b>7,904</b>	<b>2,515</b>	<b>11,885</b>	<b>11,321</b>
Distribution adjustments:					
Impact of non-cash straight-lining		(237)	(400)	(716)	(1,206)
Technology renewal fee		(151)	(163)	(457)	(495)
Depreciation and amortisation		2,667	3,001	8,101	9,071
Trustee-Manager fees payable in units		-	669	-	2,076
Deferred Trustee-Manager fees in relation to FY19 1H	11	(1,321)	-	-	-
Tax adjustment	14	1,385	4,227	4,583	9,240
Foreign exchange differences	15	(1,975)	(364)	3,209	35
Compulsorily Convertible Debentures ("CCD") interest income	9	(3,634)	(3,944)	(10,973)	(11,904)
Non-Convertible Debentures ("NCD") interest expense	10	1,731	1,772	5,228	5,347
Distribution adjustments of an associate	2	194	1,973	3,603	5,756
Others (includes working capital adjustment)		552	(65)	(875)	98
<b>Total Distributable Income attributable to Unitholders of the Trust for the period</b>		<b>7,115</b>	<b>9,221</b>	<b>23,588</b>	<b>29,339</b>
<u>Reconciliation to total Distributable Income</u>					
Total Distributable Income from Disposal attributable to Unitholders	1	634,330			
Total Distributable Income attributable to Unitholders of the Trust from 1 October 2018 to 31 December 2018		7,115			
Total Distributable Income attributable to Unitholders of the Trust from 1 January 2019 to 14 January 2019	1	1,255			
<b>Total Distributable Income attributable to Unitholders of the Trust</b>		<b>642,700</b>			

### Notes to Consolidated Statement of Comprehensive Income and Distributable Income Statement

1. As announced on 15 January 2019 and 18 January 2019, the Disposal was completed on 15 January 2019, subsequent to the quarter ended 31 December 2018. The effect of the Disposal on the Group's financial statement will be presented in next quarter's results announcement. The computation for the net proceeds arising from the Disposal and the distributable income for period from 1 January 2019 to 14 January 2019, after setting aside amounts for payments and settlement of all the third parties liabilities for RHT Group is summarised as follow:-

	S\$'000
Agreed Consideration	889,200
Less: Adjustment for not obtaining warranty and indemnity insurance	(9,600)
Add: Net Current Assets adjustment	400
<b>Adjusted Gross Consideration from Disposal</b>	<b>880,000</b>
Less: External borrowings of RHT comprising:	
Singapore dollar denominated notes issued under RHT's \$500,000,000 multicurrency medium term note programme established on 5 December 2014	(120,540)
Loans granted by various financial institutions	(111,730)
<b>Total external borrowings</b>	<b>(232,270)</b>
<b>Estimated Net Consideration</b>	<b>647,730</b>
Less: Trustee-Manager's Performance Fees	(9,420)
Less: Estimated Transaction Costs	(3,980)
<b>Total Distributable Income from Disposal</b>	<b>634,330</b>

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

	S\$'000
Net service fee less withholding taxes and FHTL CCD interest from 1 January 2019 to 14 January 2019	2,365
Less: Trust expenses	(250)
Less: Finance cost	(620)
Less: Trustee-Manager fees	(240)
<b>Total Distributable Income from 1 January 2019 to 14 January 2019</b>	<b>1,255</b>

2. 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 have been presented below.

	FY19 Q3	FY18 Q3	FY19 YTD	FY18 YTD
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Results of an associate</b>				
<b>Revenue:</b>				
Total revenue	13,456	14,397	40,512	43,898
Total expenses	(6,731)	(7,645)	(19,846)	(23,059)
Profit before tax	6,725	6,752	20,666	20,839
Income tax expenses	(2,097)	(2,237)	(6,503)	(5,747)
Profit for the period	4,628	4,515	14,163	15,092
Share of 49.0% of profit for the period	2,268	2,212	6,940	7,395
<b>Distribution adjustments:</b>				
Impact of non-cash straight-lining	(669)	(888)	(2,020)	(2,680)
Technology renewal fee	(9)	(10)	(46)	(30)
Depreciation and amortisation	1,449	1,603	4,369	4,900
Tax adjustment	1,737	(243)	1,752	(1,241)
Capital expenditure	-	(57)	-	(169)
Interest income and expense with related parties	2,992	3,621	9,072	10,967
Others	(5,104)	-	(5,773)	-
<b>FHTL's distribution adjustments</b>	<b>396</b>	<b>4,026</b>	<b>7,354</b>	<b>11,747</b>
Share of 49.0% of non-cash adjustment	194	1,973	3,603	5,756
<b>Net cash flow from FHTL</b>	<b>5,024</b>	<b>8,541</b>	<b>21,517</b>	<b>26,839</b>
Share of 49.0% of net cash flow from FHTL	2,462	4,185	10,543	13,151

Note: The following notes do not include a performance analysis of FHTL. Please refer to the relevant sections of paragraph 8 on pages 17 to 20 for FHTL's performance analysis.

3. 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 Q3	FY18 Q3	Variance (%)	FY19 YTD	FY18 YTD	Variance (%)
<b>Base Fee*</b>	588	571	3	1,765	1,714	3
<b>Variable Fee</b>	366	372	(2)	1,078	1,148	(6)
<b>Total Fee</b>	<b>954</b>	<b>943</b>	<b>1</b>	<b>2,843</b>	<b>2,862</b>	<b>(1)</b>

\*Excluding impact of straight-lining.

The Variable Fee in INR terms is lower for the current quarter and year-to-date. The lower variable fee is due to the drop in revenue recorded by the Operator at the RHT Clinical Establishments as a result of lower occupancy rate. 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 and year-to-date resulting from the contractual 3% increase.

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

4. 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 and year-to-date in INR terms is higher due to improvement in Average Revenue per Occupied Bed ("ARPOB") and occupancy.

5. Other income includes income from the pharmacy, cafeteria, bookshop, automated teller machines, and other amenities in the Clinical Establishments of the Group. Other income in INR terms for both the quarter and year-to-date was lower due to the decrease in variable rental income from the pharmacy.
6. Medical consumables expense as a percentage of the variable fee for the quarter and year-to-date is higher due to inflationary increase in cost.
7. Employee benefits and Doctor Charges in INR terms for the quarter and year-to-date as a percentage of the variable fee are fairly consistent with the corresponding periods.
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 for the quarter and year-to-date is fairly consistent with the corresponding periods.

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, there is no material difference in finance income.

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 finance expense was higher in the current quarter and year-to-date mainly due to the recognition of bond redemption premium of S\$0.54 million as well as higher interest rates and increased borrowings. However, the bond redemption cost was added back for distribution purpose as the amount is included in the computation for the Disposal.

11. The Trustee-Manager Fee for the quarter and year-to-date is lower compared to the corresponding period due to lower Distributable Income available for distribution and Net Asset value.
12. Other trust expense was higher for the current quarter and year-to-date compared to the corresponding period. This is mainly due to consent related exercise during the year.
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 (settlement of forward contracts is only applicable for corresponding period and FY19 Q1) .



The foreign exchange loss for year-to-date arises mainly from the depreciation of INR against SGD for the INR denominated net receivables. Foreign exchange gain for the quarter is mainly due to the appreciation of INR against SGD for the INR net receivables as compared to the previous quarter.

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.

<b>INR mn</b>	<b>FY19 Q3</b>	<b>FY18 Q3</b>	<b>FY19 YTD</b>	<b>FY18 YTD</b>
Current tax	129	128	386	378
Deferred tax	72	201	235	436

The deferred tax expense recognised for the quarter and year-to-date is due to 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 52.85<sup>2</sup> against the INR/SGD rate of 51.25 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.

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<sup>2</sup> Based on weighted average of (i) rate of 52.30 for the Disposal and (ii) actual spot for amount received prior to Disposal.



## 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 period.

### 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 period 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 decreased due to the depreciation of INR against SGD and depreciation charges. However, the decrease was offset by additions during the period.

### 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 mainly attributed to the recognition of accrued income on straight-lining of the base service fees and increase in security deposits paid offset by the depreciation of INR against SGD.

The current financial assets mainly relate to investment in mutual funds, 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 the sale of investment in mutual funds, receipt of FHTL CCD interests as well as depreciation of INR against SGD.

### 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 period offset by the depreciation of INR against SGD.

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 Disposal and GST receivables.

## 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 decrease in INR terms is mainly due to the reversal of deferred tax liabilities in relation to differences in depreciation.

## 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. The increase is offset by depreciation of INR against SGD.

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

## 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

Amount Repayable in One Year or Less, or on Demand  
Amount Repayable after One Year

31 December 2018	
Secured	Unsecured
S\$'000	S\$'000
12,308	120,542
105,685	90,820
117,993	211,362

31 March 2018	
Secured	Unsecured
S\$'000	S\$'000
61,999	119,371
51,940	94,587
113,939	213,958

### Details of Collateral

#### Singapore

##### Secured

At the end of the period 31 December 2018, the Group had 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 31 December 2018 is S\$3.3 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 since FY19 Q1.

**All secured loan facilities were settled on 17 January 2019 following the completion of the Disposal.**

##### Unsecured

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 bond expense has been fully amortised since 30 September 2018.

**On 22 January 2019, the outstanding notes has been redeemed in full in an aggregate principle amount of S\$120.0 million at 100.45% of its principle amount.**

#### India

**All secured and unsecured borrowings by the India subsidiaries will be de-recognised from RHT Group's financial statements following the Disposal.**

##### Secured

The overdraft facilities from IndusInd Bank are secured by corporate guarantees and the Malar Clinical Establishment. As of 31 December 2018, the overdraft facilities amounted to INR 479.2 million (approximately S\$9.4 million).

One of the subsidiaries has a loan amounting to INR 55.8 million (approximately S\$1.1 million) secured against the asset purchased from the lender for which INR 11.4 million (approximately S\$0.2 million) is repayable in one year or less.

##### Unsecured

The Group received an unsecured and interest-free loan amounting to INR 171.9 million (approximately S\$3.4 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 4,462.5 million (approximately S\$87.3 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		Group	
	FY19 Q3 S\$'000	FY18 Q3 S\$'000	FY19 YTD S\$'000	FY18 YTD S\$'000
<b>Profit before tax</b>	<b>11,779</b>	<b>9,421</b>	<b>24,007</b>	<b>28,550</b>
<b>Adjustments for:</b>				
Depreciation and amortisation expense	2,667	3,001	<b>8,101</b>	9,071
Finance income	(3,802)	(3,992)	(11,575)	(12,114)
Finance expenses	5,351	5,222	15,130	14,810
Unrealised (gain)/loss on financial assets	(74)	65	(301)	(98)
Fair value (gain)/loss on financial derivatives	-	(288)	389	(3,603)
Share of results of an associate	(2,268)	(2,212)	(6,940)	(7,395)
Foreign exchange loss	(3,065)	(148)	2,840	2,030
Foreign currency alignment	(609)	(195)	(208)	(375)
<b>Operating cash flow before working capital changes</b>	<b>9,979</b>	<b>10,874</b>	<b>31,443</b>	<b>30,876</b>
Changes in working capital:				
Decrease/(increase) in trade receivables	2,635	(8,346)	3,554	(23,829)
Decrease/(increase) in financial assets and other assets	4,794	(7,085)	(2,983)	(1,944)
(Increase)/decrease in inventories	(16)	25	9	8
Increase/(decrease) in trade and other payables and other liabilities	250	(1,591)	3,388	2,428
<b>Cash flow generated from/(used in) operations</b>	<b>17,642</b>	<b>(6,123)</b>	<b>35,411</b>	<b>7,539</b>
Interest received	2,270	3,883	23,252	4,045
Tax paid	(5,303)	1,677	(16,914)	(3,901)
<b>Net cash generated from/(used in) operating activities</b>	<b>14,609</b>	<b>(563)</b>	<b>41,749</b>	<b>7,683</b>
<b>Cash flow from investing activities</b>				
Purchase of property, plant and equipment	(814)	(4,156)	(3,836)	(13,429)
(Sale of)/purchase of short term investments	(798)	(21,126)	9,049	(19,146)
<b>Net cash (used in)/generated from investing activities</b>	<b>(1,612)</b>	<b>(25,282)</b>	<b>5,213</b>	<b>(32,575)</b>
<b>Cash flow from financing activities</b>				
Distribution paid to Unitholders	(15,579)	-	(42,206)	(19,110)
Interest paid	(3,489)	(2,308)	(12,097)	(8,598)
Net proceeds from borrowings	7,491	26,074	5,425	48,993
<b>Net cash (used in)/generated from financing activities</b>	<b>(11,577)</b>	<b>23,766</b>	<b>(48,878)</b>	<b>21,285</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,420</b>	<b>(2,079)</b>	<b>(1,916)</b>	<b>(3,607)</b>
Effects of currency translation on cash and cash equivalents	247	(13)	(188)	(21)
Cash and cash equivalent at beginning of period	4,276	5,710	8,047	7,246
<b>Cash and cash equivalents at end of period</b>	<b>5,943</b>	<b>3,618</b>	<b>5,943</b>	<b>3,618</b>

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

<b>Group S\$'000</b>	<b>Units in issue (net of units issue cost)</b>	<b>Capital reserve</b>	<b>Foreign currency translation reserve</b>	<b>Revaluation reserve</b>	<b>Other reserve</b>	<b>(Accumulated losses)/ Revenue reserves</b>	<b>Total</b>
<b>At 1 April 2018</b>	<b>520,191</b>	<b>210,216</b>	<b>(47,588)</b>	<b>48,944</b>	<b>(85)</b>	<b>(69,141)</b>	<b>662,537</b>
Profit for the period	-	-	-	-	-	3,986	<b>3,986</b>
<i>Other Comprehensive Income</i>							
Foreign currency translation	-	-	(5,030)	-	-	-	<b>(5,030)</b>
Net surplus revaluation of land and buildings	-	-	-	(250)	-	250	-
Remeasurement of defined benefit plan	-	-	-	-	7	-	<b>7</b>
Total Comprehensive Income	-	-	(5,030)	(250)	7	4,236	<b>(1,037)</b>
Payment of Trustee-Manager fees in Units	684	-	-	-	-	-	<b>684</b>
Distribution on Units in issue	-	-	-	-	-	(9,220)	<b>(9,220)</b>
<b>At 30 June 2018</b>	<b>520,875</b>	<b>210,216</b>	<b>(52,618)</b>	<b>48,694</b>	<b>(78)</b>	<b>(74,125)</b>	<b>652,964</b>
Profit for the period	-	-	-	-	-	(5)	<b>(5)</b>
<i>Other Comprehensive Income</i>							
Foreign currency translation	-	-	(21,579)	-	-	-	<b>(21,579)</b>
Net surplus revaluation of land and buildings	-	-	-	(223)	-	223	-
Remeasurement of defined benefit plan	-	-	-	-	5	-	<b>5</b>
Total Comprehensive Income	-	-	(21,579)	(223)	5	218	<b>(21,579)</b>
Payment of Trustee-Manager fees in units	1,372	-	-	-	-	-	<b>1,372</b>
Distribution on units in issue	-	-	-	-	-	(17,407)	<b>(17,407)</b>
<b>At 30 September 2018</b>	<b>522,247</b>	<b>210,216</b>	<b>(74,197)</b>	<b>48,471</b>	<b>(73)</b>	<b>(91,314)</b>	<b>615,350</b>
Profit for the period	-	-	-	-	-	7,904	<b>7,904</b>
<i>Other comprehensive income</i>							
Foreign currency translation	-	-	14,762	-	-	-	<b>14,762</b>
Net surplus on revaluation of land and buildings	-	-	-	(265)	-	265	-
Remeasurement of defined benefit plan	-	-	-	-	8	-	<b>8</b>
Total comprehensive income	-	-	14,762	(265)	8	8,169	<b>22,674</b>
Distribution on units in issue	-	-	-	-	-	(15,579)	<b>(15,579)</b>
<b>At 31 December 2018</b>	<b>522,247</b>	<b>210,216</b>	<b>(59,435)</b>	<b>48,206</b>	<b>(65)</b>	<b>(98,724)</b>	<b>622,445</b>



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

<u>Group S\$'000</u>	Units in issue (net of units issue cost)	Capital reserve	Foreign currency translation reserve	Revaluation reserve	Other reserve	(Accumulated losses)/ Revenue reserves	Total
<b>At 1 April 2017</b>	<b>518,114</b>	<b>210,216</b>	<b>(18,318)</b>	<b>43,096</b>	<b>(52)</b>	<b>(56,682)</b>	<b>696,374</b>
Profit for the period	-	-	-	-	-	9,181	<b>9,181</b>
<i>Other Comprehensive Income</i>							
Foreign currency translation	-	-	(5,471)	-	-	-	<b>(5,471)</b>
Depreciation transfer for land and building	-	-	-	103	-	(103)	-
Total Comprehensive Income	-	-	(5,471)	103	-	9,078	<b>3,710</b>
Payment of Trustee-Manager fees in Units	1,374	-	-	-	-	-	<b>1,374</b>
Distribution on Units in issue	-	-	-	-	-	(19,110)	<b>(19,110)</b>
<b>At 30 June 2017</b>	<b>519,488</b>	<b>210,216</b>	<b>(23,789)</b>	<b>43,199</b>	<b>(52)</b>	<b>(66,714)</b>	<b>682,348</b>
<i>Profit for the period</i>	-	-	-	-	-	(376)	<b>(376)</b>
<i>Other Comprehensive Income</i>							
Foreign currency translation	-	-	(7,478)	-	-	-	<b>(7,478)</b>
Net surplus revaluation of land and buildings	-	-	-	(205)	-	205	-
Total Comprehensive Income	-	-	(7,478)	(205)	-	(171)	<b>(7,854)</b>
<b>At 30 September 2017</b>	<b>519,488</b>	<b>210,216</b>	<b>(31,267)</b>	<b>42,994</b>	<b>(52)</b>	<b>(66,885)</b>	<b>674,494</b>
<i>Profit for the period</i>	-	-	-	-	-	2,515	<b>2,515</b>
<i>Other comprehensive income</i>							
Foreign currency translation	-	-	523	-	-	-	<b>523</b>
Depreciation transfer for land and building	-	-	-	(202)	-	202	-
Remeasurement of defined benefit plan	-	-	-	-	-	-	-
Total comprehensive income	-	-	523	(202)	-	2,717	<b>3,038</b>
<b>At 31 December 2017</b>	<b>519,488</b>	<b>210,216</b>	<b>(30,744)</b>	<b>42,792</b>	<b>(52)</b>	<b>(64,168)</b>	<b>677,532</b>

**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
<b>Trust</b>			
<b>At 1 April 2018</b>	<b>520,191</b>	<b>(92,602)</b>	<b>427,589</b>
Loss for the period, representing total Comprehensive Income for the period	-	(10,214)	<b>(10,214)</b>
Payment of Trustee-Manager fees in Units	684	-	<b>684</b>
Distribution on Units in issue	-	(9,220)	<b>(9,220)</b>
	<b>520,875</b>	<b>(112,036)</b>	<b>408,839</b>
<b>At 30 June 2018</b>			
Loss for the period, representing total Comprehensive Income for the period	-	(5,098)	<b>(5,098)</b>
Payment of Trustee-Manager fees in units	1,372	-	<b>1,372</b>
Distribution on Units in issue	-	(17,407)	<b>(17,407)</b>
	<b>522,247</b>	<b>(134,541)</b>	<b>387,706</b>
<b>At 30 September 2018</b>			
Loss for the period, representing total Comprehensive Income for the period	-	(1,942)	<b>(1,942)</b>
	<b>522,247</b>	<b>(136,483)</b>	<b>385,764</b>

	Units in issue (net of Unit issue cost)	Revenue reserves/ (Accumulated losses)	Total
	S\$'000	S\$'000	S\$'000
<b>At 1 April 2017</b>	<b>518,114</b>	<b>(79,587)</b>	<b>438,527</b>
Loss for the period, representing total Comprehensive Income for the period	-	(7,847)	<b>(7,847)</b>
Payment of Trustee-Manager fees in Units	1,374	-	<b>1,374</b>
Distribution on Units in issue	-	(19,110)	<b>(19,110)</b>
	<b>519,488</b>	<b>(106,544)</b>	<b>412,944</b>
<b>At 30 June 2017</b>			
Profit for the period, representing total Comprehensive Income for the period	-	10,106	<b>10,106</b>
	<b>519,488</b>	<b>(96,438)</b>	<b>423,050</b>
<b>At 30 September 2017</b>			
Profit for the period, representing total comprehensive income for the period	-	8,129	<b>8,129</b>
	<b>519,488</b>	<b>(88,309)</b>	<b>431,179</b>

## 1(d)(ii) Units in issue

	FY19 YTD		FY18 YTD	
	Number of Units		Number of Units	
	'000	S\$'000	'000	S\$'000
<b>Balance as at 1 April</b>	<b>808,732</b>	<b>520,191</b>	<b>806,332</b>	<b>518,114</b>
Issue of new Units				
- Payment of Trustee-Manager fees in Units	912	684	1,510	1,374
<b>Balance as at 30 June</b>	<b>809,644</b>	<b>520,875</b>	<b>807,842</b>	<b>519,488</b>
Issue of new units				
- Payment of Trustee-Manager fees in Units	1,759	1,372	-	-
<b>Balance as at 30 September and 31 December</b>	<b>811,403</b>	<b>522,247</b>	<b>807,842</b>	<b>519,488</b>

## 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 (IFRS 15: Revenue from contracts with customers; and IFRS 9: Financial Instruments). 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 Q3	FY18 Q3	FY19 YTD	FY18 YTD
Weighted number of Units	811,402,944	807,841,944	810,421,006	807,462,671
Total Units	811,402,944	807,841,944	811,402,944	807,841,994
<b>EPU (cents)</b>				
Net profit (S\$'000)	7,904	2,515	11,885	11,321
Based on weighted number of Units as at 31 December	<b>0.974</b>	<b>0.311</b>	<b>1.467</b>	<b>1.402</b>
<b>Distributable Income attributable for Distribution per unit (cents)</b>				
Distributable Income* (S\$'000)	7,115	9,221	23,588	29,339
Distributable Income attributable for distribution (S\$'000)	6,759	8,760	22,409	27,872
Based on total Units as at 31 December	<b>0.833</b>	<b>1.084</b>	<b>2.762</b>	<b>3.450</b>

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 both the current quarter and year-to-date is on the account of:-

- (a) trustee-manager fees are no longer paid in units and the deferred payment of trustee-manager fees in relation to FY19 1H is being considered in this quarter;
- (b) higher interest payments resulting from higher interest rates and increased borrowings;
- (c) depreciation of the effective forward rate compared to corresponding periods in determining the Distributable Income;
- (d) increased other trust expense.

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	
	31 December 2018	31 March 2018
NAV	622,445,000	662,537,000
No. of Units in issue at end of period	811,402,944	808,731,944
NAV per Unit (S\$)	0.767	0.819

The decrease in NAV per Unit by around 6.3% is mainly due to depreciation of the closing INR against SGD from 49.68 to 51.09 and the payment of distribution to Unitholders.

## 8 Review of Group’s Performance

### Quarter analysis

Portfolio							
	FY19 Q3	FY19 Q2	Variance		FY18 Q3	Variance	
	S\$'000	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total Revenue (excluding straight lining)	22,186	22,269	(83)	(0.4)	23,238	(1,052)	(4.5)
Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)	12,368	12,244	124	1.0	13,043	(675)	(5.2)
	INR'000	INR'000	INR'000	%	INR'000	INR'000	%
Total Revenue (excluding straight lining)	1,148,375	1,151,430	(3,055)	(0.3)	1,108,717	39,658	3.6
Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)	640,157	633,520	6,637	1.0	622,245	17,912	2.9

FHTL <sup>(1)</sup>							
	FY19 Q3	FY19 Q2	Variance		FY18 Q3	Variance	
	S\$'000	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Total Revenue (excluding straight lining)	12,787	12,914	(127)	(1.0)	13,509	(722)	(5.3)
Net Service Fee (excluding straight-lining, depreciation and amortisation)	10,420	10,693	(273)	(2.6)	11,125	(705)	(6.3)
	INR'000	INR'000	INR'000	%	INR'000	INR'000	%
Total Revenue (excluding straight lining)	661,983	667,699	(5,716)	(0.9)	644,410	17,573	2.7
Net Service Fee (excluding straight-lining, depreciation and amortisation)	539,525	552,900	(13,375)	(2.4)	530,802	8,723	1.6

Group <sup>(2)</sup>							
	FY19 Q3	FY19 Q2	Variance		FY18 Q3	Variance	
Adjusted net service fee margin	61%	61%		-	62%		(1.0)
Distributable Income (S\$'000)	7,115	7,922	(807)	(10.2)	9,221	(2,106)	(22.8)

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 considers the performance of FHTL which was accounted for as an associate.

### FY19 Q3 against FY19 Q2

### **Exchange rate**

The foreign exchange rates used to translate the results of the India subsidiary companies are INR/SGD 51.76 and INR/SGD 51.71 for the quarter ended 31 December 2018 and 30 September 2018 respectively.

### **Total Revenue**

Total Revenue for FY19 Q3 in INR terms is lower than FY19 Q2 is mainly due to lower variable fee as a result of the drop in revenue recorded by the Operator at the RHT Clinical Establishments arising from the lower occupancy rate.

### **Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)**

Despite the decrease in Total Revenue, Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation) in INR terms has increased slightly. The net service fee and hospital income margin excluding FHTL has remained fairly consistent.

### **Contribution from FHTL**

Net Service Fee from FHTL has decreased against FY19 Q2 is mainly due to increase in costs as a result of under recognition in the last quarter. While the net service fee margin decreased quarter-on-quarter, it remained fairly consistent against corresponding year-to-date.

### **Distributable Income**

Despite the slight increase in Net Service Fees and improved effective forward rate, Distributable Income for this quarter is lower due to the effect of 100% of trustee-manager fees for the quarter to be paid in cash and deferred trustee-manager fees in relation to FY19 1H being considered in this quarter.

## **FY19 Q3 against FY18 Q3**

### **Exchange rate**

The foreign exchange rates used to translate the results of the India subsidiary companies are SGD/INR 51.76 and SGD/INR 47.70 for the quarter ended 31 December 2018 and 31 December 2017 respectively.

### **Total Revenue**

Total Revenue for the quarter in INR terms is higher compared to the corresponding quarter. Higher total revenue is mainly attributable to the contractual 3% annual increase in base fees and higher hospital income. However, this is offset by lower variable fee as a result of the drop in revenue recorded by the Operator at the RHT Clinical Establishments arising from the lower occupancy rate.

### **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 slightly increased in INR terms due to the increase in total revenue. The net service fee and hospital income margin remained fairly consistent.

### **Contribution from FHTL**

Net Service Fee from FHTL has slightly increased against FY18 Q3 due to the higher total revenue recorded. The higher total revenue is due to the contractual 3% increase in base fee as well as higher variable fee attributed to the higher occupancy rate. The net service fees margin has decreased mainly due to the increase in cost resulting from under recognition in the last quarter. The year-to-date net service fees margin remains consistent.

### **Distributable Income**

The lower Distributable Income for the current quarter is due to

- (i) depreciation of the effective forward rate;
- (ii) higher interest payments resulting from higher interest rates and increased borrowings;
- (iii) effect of 100% of trustee-manager fees for the quarter to be paid in cash and deferred trustee-manager fees in relation to FY19 1H being considered in this quarter; and
- (iv) increase in other trust expense.

## **Year-to-date analysis**

Portfolio				
	FY19 YTD	FY18 YTD	Variance	
	S\$'000	S\$'000	S\$'000	%
Total Revenue (excluding straight lining)	66,450	71,294	(4,844)	(6.8)
Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)	37,211	40,029	(2,818)	(7.0)
	INR'000	INR'000	INR'000	%
Total Revenue (excluding straight lining)	3,405,371	3,367,888	37,483	1.1
Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)	1,906,926	1,890,921	16,005	0.8
FHTL <sup>(1)</sup>				
	FY19 YTD	FY18 YTD	Variance	
	S\$'000	S\$'000	S\$'000	%
Total Revenue (excluding straight lining)	38,492	41,218	(2,726)	(6.6)
Net Service Fee (excluding straight-lining, depreciation and amortisation)	31,726	34,044	(2,318)	(6.8)
	INR'000	INR'000	INR'000	%
Total Revenue (excluding straight lining)	1,972,623	1,947,147	25,476	1.3
Net Service Fee (excluding straight-lining, depreciation and amortisation)	1,625,839	1,608,223	17,616	1.1
Group <sup>(2)</sup>				
	FY19 YTD	FY18 YTD	Variance	
Adjusted net service fee margin	62% <sup>(3)</sup>	62% <sup>(3)</sup>		-
Distributable Income (S\$'000)	23,588	29,339	(5,751)	(19.6)

Note:

- (1) The table showing FHTL's results represent the performance of FHTL on 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 of 49.0% of the results of FHTL going forward. Please refer to Note 1 of Paragraph 1(a) for actual contribution from FHTL to the Group.
- (2) This table considers the performance of FHTL which was accounted as an associate.
- (3) Considering 100.0% of FHTL, the adjusted net service fee margin would have been at around 66% for both FY2018 and FY2019.

## FY19 YTD against FY18 YTD

### Exchange rate

The foreign exchange rates used to translate the results of the Indian subsidiary companies are SGD/INR 51.25 and SGD/INR 47.24 for the quarter 31 December 2018 and 31 December 2017 respectively.

### Total Revenue

Total revenue for FY 19 YTD in INR terms has increased slightly against FY 18 YTD. The increase in total revenue is a result of the contractual annual 3% in base fees and increase in Hospital income. However, the impact is offset by lower variable fees as a result of lower revenue recorded by the Operator at the Clinical Establishments arising from the decrease in occupancy rate.

### Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)

Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation) in INR terms increased compared to the corresponding period as a result of the increase in total revenue. The net service fee margin has remained fairly consistent.

### Contribution from FHTL

Net Service Fee from FHTL in INR terms increased against FY18 YTD due to the contractual 3% increase in base fees. However, the increase is offset by the decrease in occupancy. Net Service Fee margin has remained fairly consistent.

### Distributable Income

The lower Distributable Income for the current period is due to

- (i) depreciation of the effective forward rate;
- (ii) higher interest payments resulting from higher interest rates and increased borrowings;
- (iii) effect of 100% of trustee-manager fees for the period to be paid in cash; and
- (iv) increase in other trust expense.

## 9 Variance from Forecast

No forecast has been provided.

## 10 Market and Industry Information

Following the completion of the Disposal on 15 January 2019, RHT has ceased to have any operating business, and has become a cash trust within the meaning of Rule 1018 of the Listing Manual of the SGX-ST. The Trustee-Manager is considering various options available for RHT, including identifying any possible new business for RHT which is able to satisfy the SGX-ST's requirements for a new listing, or the winding up of RHT and distribution of any remaining cash after deducting any expenses incurred therefrom to the Unitholders. Unitholders should note that pursuant to Rule 1018(2) of the Listing Manual, the SGX-ST will remove RHT from the Official List if it is unable to meet the requirements for a new listing within 12 months from the time it becomes a cash trust. The Trustee-Manager may apply to the SGX-ST for a maximum six-month extension to the 12-month period if it has already signed a definitive agreement for the acquisition of a new business, of which the acquisition must be completed in the six-month extension period. The extension is subject to RHT providing information to investors on its progress in meeting key milestones in the transaction. In the event RHT is unable to meet its milestones, or complete the relevant acquisition despite the extension granted, no further extension will be granted and RHT will be required to delist and a cash exit offer in accordance with Rule 1309 of the Listing Manual be made to its Unitholders within six months. Pursuant to Rule 1018(1)(b) of the Listing Manual, the Trustee-Manager will announce monthly reports of its net assets and utilisation of cash and provide quarterly updates of milestones in obtaining a new business (if any) via SGXNET.

The Trustee-Manager will make relevant announcements (if any) when appropriate to keep Unitholders updated of any significant developments.

## 11 Information on Distribution

### Current financial period

Yes. A Special Distribution of 0.752 Singapore dollars per Unit which is equivalent to S\$610.18 million, was declared and paid on 4 February 2019. For further details on the Special Distribution, please refer to the announcement on 18 January 2019, which is available on [www.sgx.com](http://www.sgx.com) or [www.rhealthtrust.com](http://www.rhealthtrust.com).

A further 60% of the Net Proceeds retained from the Disposal ("**Retained Proceeds**"), which amounts to 0.0238 Singapore dollars per Unit ("**Cash Distribution**") and equivalent to S\$19.27 million, is declared.

Event	Date
Ex-Cash Distribution date and time	<b>21 February 2019 at 9.00 a.m.</b>
Books closure date and time	<b>22 February 2019 at 5.00 p.m.</b>
Payment date	<b>1 March 2019</b>

### Corresponding period of the immediately preceding year

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  
14 February 2019