



(a business trust constituted on 29 July 2011 and registered on 25 September 2012 under the laws of the Republic of Singapore)
managed by

RHT Health Trust Manager Pte. Ltd.

RESPONSE TO SGX-ST'S QUERIES

RHT Health Trust Manager Pte. Ltd., as trustee-manager of RHT Health Trust ("RHT") (the "**Trustee-Manager**"), refers to the queries raised by the SGX-ST on 9 January 2018 in relation to the newspaper article "Fortis seeking \$1b in capital as part of founders' deal to sell stake" which appeared in The Straits Times on the 6 January 2018.

Queries:

The Trust disclosed on 5 December 2017 that although its distribution policy is to distribute at least 90% of its distributable income on a semi-annual basis for every 6-month period ending 30 September and 31 March, the Trust had not declared a distribution for 1HFY2018 ending 30 September 2017 due to outstanding service fees and interest income on the CCDs (approximately INR 1,431 million in aggregate) due from Fortis entities. To that extent, please provide further clarification:

- a) Whether the credit terms of the outstanding fees is in line with the management agreement between the Trust and Fortis;

Response: As stated in the announcement dated 15 November 2017 in relation to the proposed disposal of the entire asset portfolio of RHT (the "**Term Sheet Announcement**"), certain service fees and interest income on the CCDs (approximately INR1,431.1 million in aggregate) (the "**Outstanding Amounts**") have not been received from the relevant Fortis entities in respect of the six months ended 30 September 2017 ("**1HFY2018**"). The Outstanding Amounts are past their due dates and RHT had on 13 November 2017 delivered letters to the various Fortis subsidiaries on the outstanding amounts. These letters also set out the rights of the various RHT entities under the relevant Hospital and Medical Services Agreements ("**HMSAs**") including RHT's entitlement to interest on the overdue payments as per the terms of the HMSAs.

- b) Whether the Trust will be charging any interest on Fortis for the late payment of INR 1,431 million;

Response: RHT has been accruing interest on the Outstanding Amounts due.

- c) Whether the Trust has any difficulty in the collection of outstanding amount from the Fortis entities;

Response: The Trustee-Manager has been regularly and actively following up with the Fortis entities on the Outstanding Amounts. To date, an amount of INR 978.7 million of the Outstanding Amounts remains due and payable by the Fortis entities as at 30 September 2017. The Trustee-Manager has used the amounts received from Fortis to satisfy interest due on RHT's existing loan facilities and operating expenditure.

- d) Whether the outstanding fees have since been collected and if not, whether there is a timeline for the outstanding amount to be paid to the Trust; and

Response: The Trustee-Manager refers to the announcement released on 15 January 2018, in relation to the Extension of the Exclusivity Period of the Term Sheet, as well as the commitment from Fortis in respect of the Outstanding Amounts. Fortis has committed to pay to the various RHT entities the remainder of the Outstanding Amounts by 31 January 2018.

- e) Whether the Trust has the obligation under the Trust deed or internal policy to pay any distribution to the unitholders for 1HFY2018 once the outstanding amount has been received for distribution.

Response: As mentioned in RHT's announcement dated 5 December 2017, RHT's distribution policy is to distribute at least 90% of its Distributable Income on a semi-annual basis. However, nothing in RHT's Trust Deed or its internal policy obliges it to distribute at least 90% of its Distributable Income on a semi-annual basis. Notwithstanding this, as and when the Trustee-Manager receives all of the Outstanding Amounts from Fortis, it will consider the distribution of the 1HFY2018 Distributable Income, subject to compliance with applicable laws and regulations. The Directors when considering the declaration of the Distribution for 1HFY2018, are obliged to take into account whether the Trustee-Manager will be able to fulfil, from the trust property of RHT, the liabilities of RHT as these liabilities fall due following the payment of any Distribution.

By Order of the Board

Gurpreet Singh Dhillon
Executive Director and Chief Executive Officer

RHT Health Trust Manager Pte. Ltd.
(Registration Number: 201117555K)
(as trustee-manager of RHT Health Trust)

15 January 2018