



 **RHT** | HEALTH TRUST

Extraordinary General Meeting 29 July 2016



Disclaimer

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The Indian Rupee and Singapore Dollar are defined herein as "INR" and "S\$" respectively. Any discrepancy between individual amounts and total shown in this presentation is due to rounding.

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This presentation is not for distribution, directly or indirectly, in or into the United States. It is not an offer of securities for sale into the United States. The units in Religare Health Trust ("**RHT**") ("**Units**") may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended) unless they are registered or exempt from registration. There will be no public offer of securities in the United States.

Unitholders should also note that there is no assurance that the Proposed Disposal and the Related Arrangements will be entered into and/or completed, as there is currently no legally binding obligation on either the Trustee-Manager or FHL to enter into any documents in respect of the Proposed Disposal and the Related Arrangements. Even if such documents are entered into, the Proposed Disposal and the Related Arrangements will be subject to certain conditions precedent, including the approval of RHT's Unitholders.

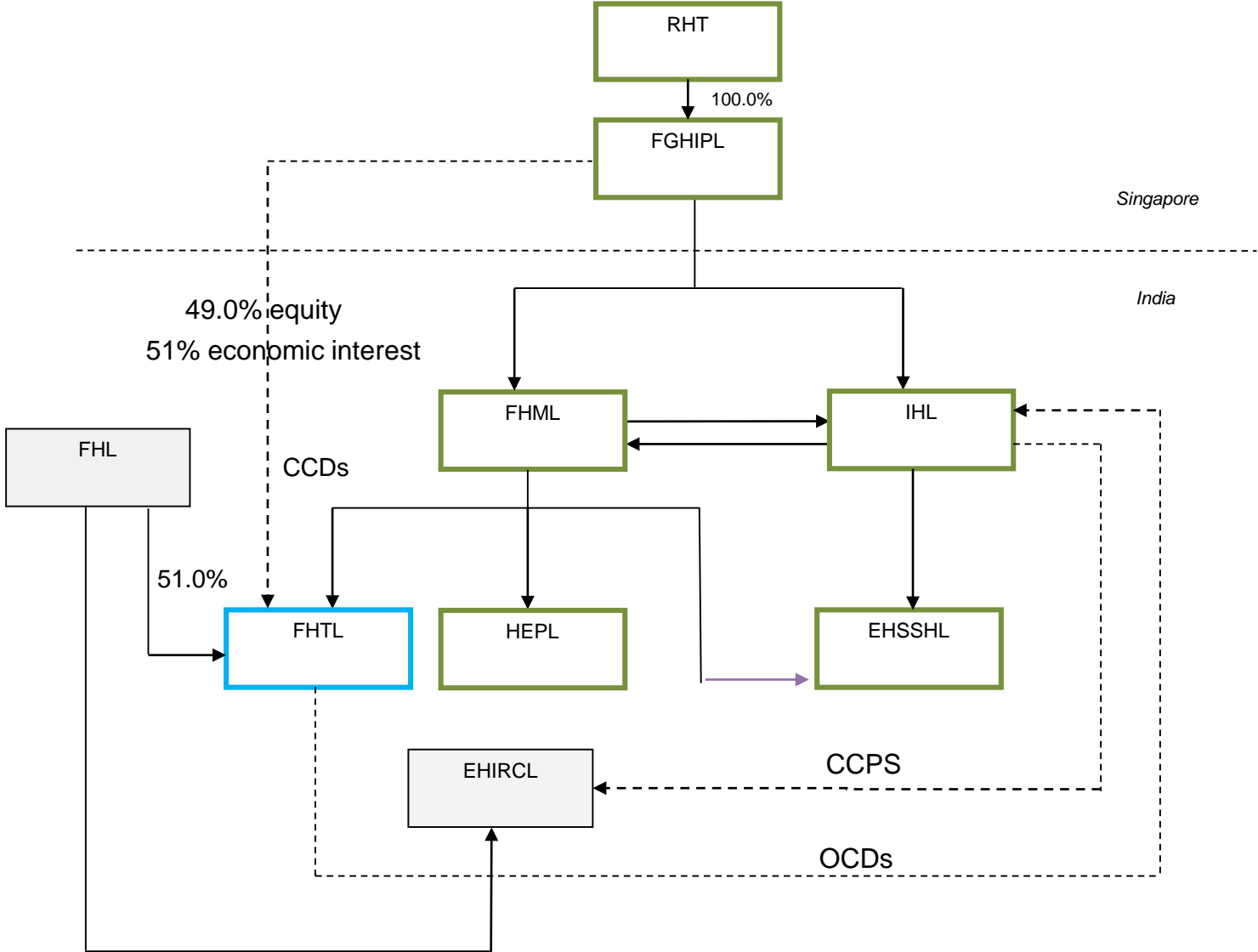
Background

- Fortis Hospotel Limited (“FHTL”) owns the Gurgaon Clinical Establishment and the Shalimar Bagh Clinical Establishment. A condition imposed by the Haryana Urban Development Authority (the “Relevant Authority”) that Fortis Healthcare Limited (“Fortis”) shall hold at least 51% equity interest in FHTL or of the land site on which the Gurgaon Clinical Establishment is situated (“Gurgaon Plot”). Hence, the RHT group may only hold a 49% equity interest in FHTL.
- RHT currently has a 49% equity interest in FHTL. The remaining 51% equity interest is owned by Fortis, the sponsor of RHT.

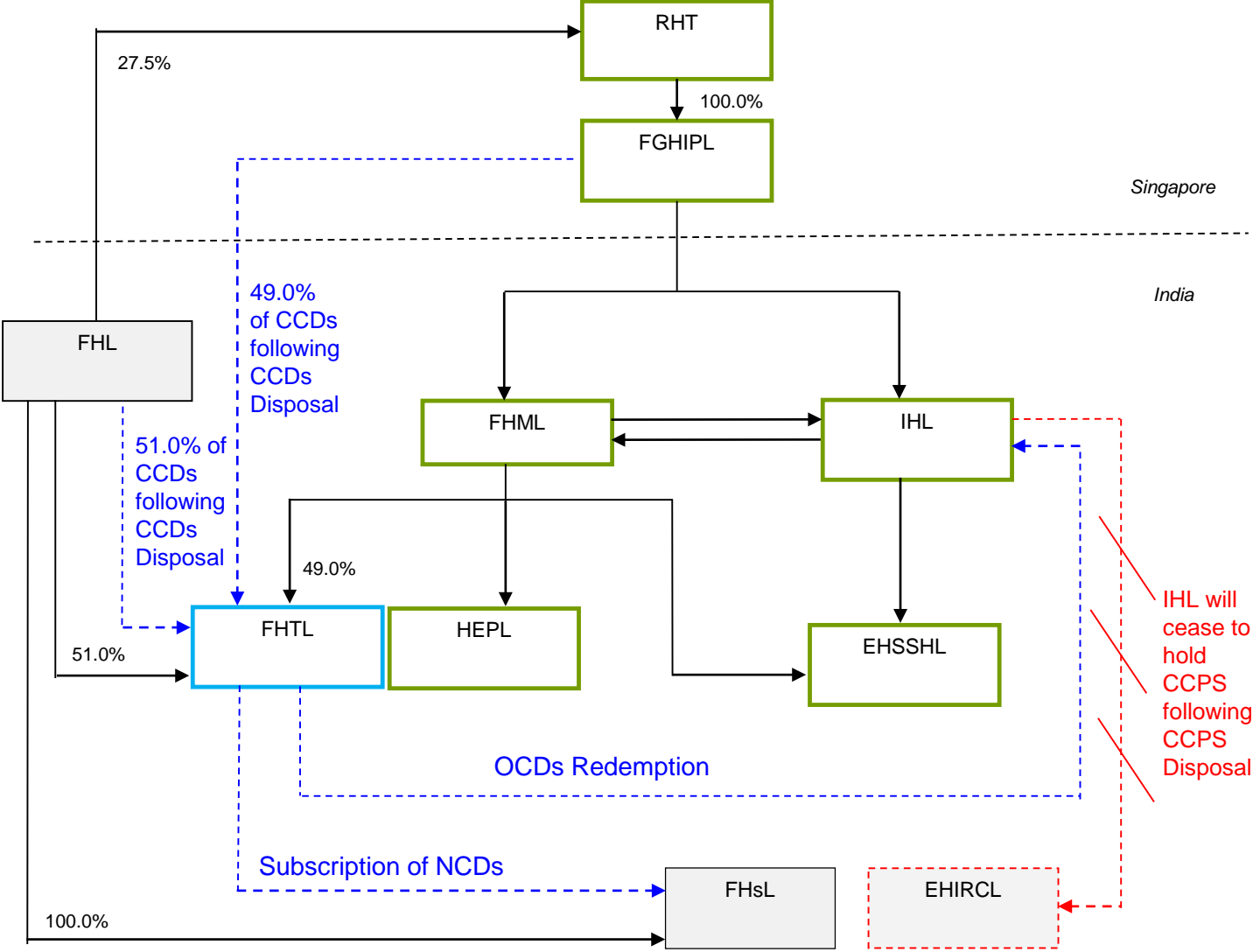
Background

- An application was made on 12 June 2013 by Fortis to the relevant authorities for approval to transfer its 51% equity interest in FHTL to RHT. To date, no approval has been received from the relevant authorities. The approval for the acquisition of the 51% equity interest in FHTL has been delayed beyond the Trustee-Manager's expectations.
- In view of the uncertainty of obtaining the requisite approvals, the Trustee-Manager has decided to dispose of 51% of RHT's economic interest in FHTL by disposing of 51% of the CCDS in FHTL.

Structure Before Proposed Disposal and Related Arrangements



Structure After Proposed Disposal and Related Arrangements



Effects of the Proposed Disposal and Related Arrangements

Following the completion of the Proposed Disposal and Related Arrangements:

- RHT will continue to own 49% equity and economic interests in FHTL.
- FHTL will no longer be accounted for by RHT on a consolidated basis.

Rationale for the Proposed Disposal and Related Arrangements

Reduce Regulatory Risk

- There is no assurance that the local regulatory authorities consider the arrangements put in place at the time of RHT's IPO (including the Call Option and the CCPS Put Option) to be against applicable laws or unenforceable. In the event, the local regulatory authorities consider otherwise with respect to the Gurgaon Plot, this would materially and adversely affect the business, financial condition, results of operations and prospects of RHT.

Alignment of RHT's Equity and Economic Interest in FHTL

- The sale of 51% of RHT's economic interest will ensure that post-transaction, the economic interest of RHT, matches its equity interest
- RHT will, through its wholly-owned subsidiary, Fortis Heath Management Limited, own a 49% equity interest and a 49% economic interest in FHTL
- Continue to meet local regulations

Rationale for the Proposed Disposal and Related Arrangements

Attractive Rate of Return

- An attractive rate of return on RHT's 51% interest in FHTL as compared to the enterprise valuations of the Gurgaon and Shalimar Bagh Clinical Establishments at the time of RHT's IPO
- Internal Rate of Return* on 51% interest is approximately 14.5% in SGD terms and 18.9% in INR terms
- No certainty or assurance that RHT would be able to unwind the transaction structure on similar terms or conditions in the future

*Internal rate of return is the discount rate that sets the net present value of an investment equal to zero, or a rate of return (interest rate received) for an investment consisting of payments (negative values) and income (positive values)

Benefits to Unitholders

Net Proceeds from Proposed Disposal and Related Arrangements to be distributed to Unitholders

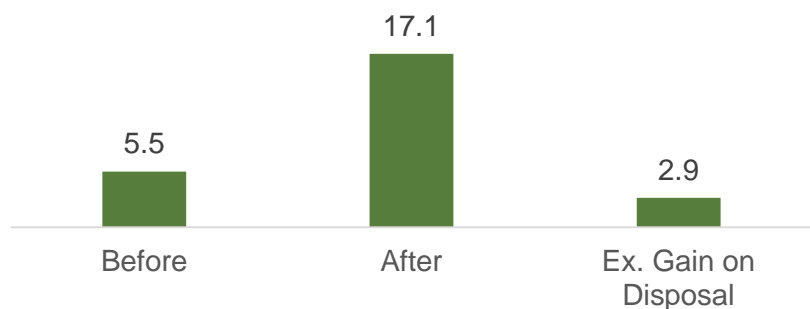
- Subject to and after completion of the Proposed Disposal and Related Arrangements, 100% of the net proceeds from the Proposed Disposal and Related Arrangements are proposed to be distributed to unitholders after deducting expenses incurred
- For illustrative purposes, this translates to a special distribution of S\$0.240 per unit¹

¹ Based on exchange rate of S\$=INR49.22

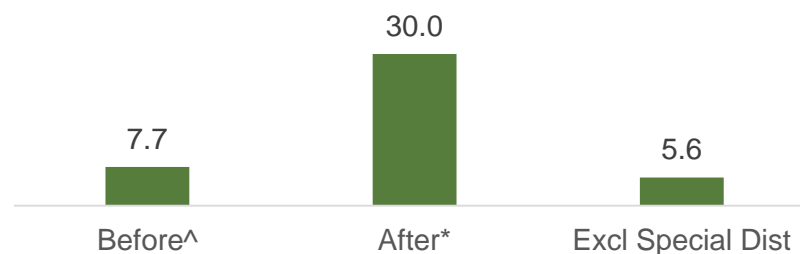
Financial Effects of the Proposed Disposal and Related Arrangements

Pro forma basis as at 31 March 2016

Earnings Per Share ("EPU", cents)



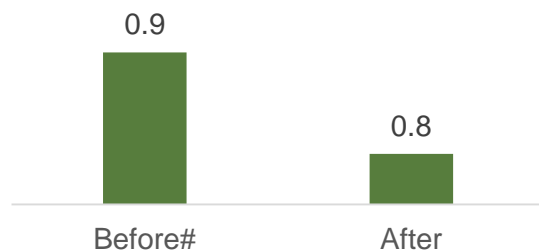
Distribution Per Unit ("DPU", cents)



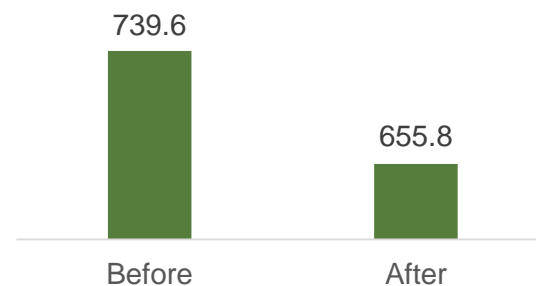
[^]Based on Distributable Income and DPU as announced by RHT on 8 July 2016

^{*}Includes distribution of sale proceeds

NAV/unit



NAV (\$'000)

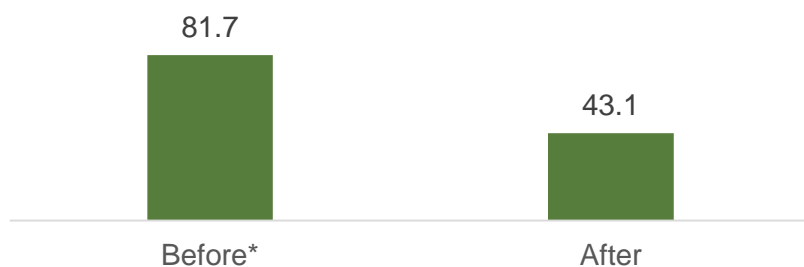


[#]Based on audited financial statements of RHT Group for 31 March 2016

Financial Effects of the Proposed Disposal and Related Arrangements

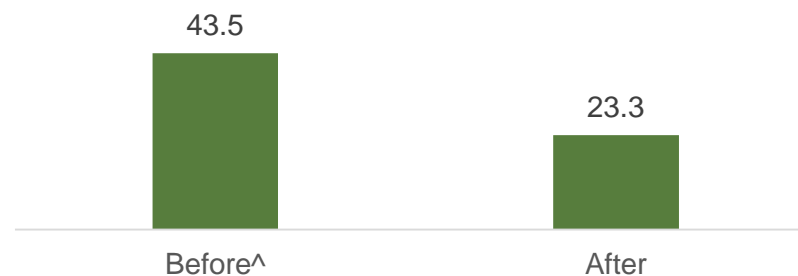
Pro forma basis as at 31 March 2016

Net Service Fee and Hospital Income (S\$ million)



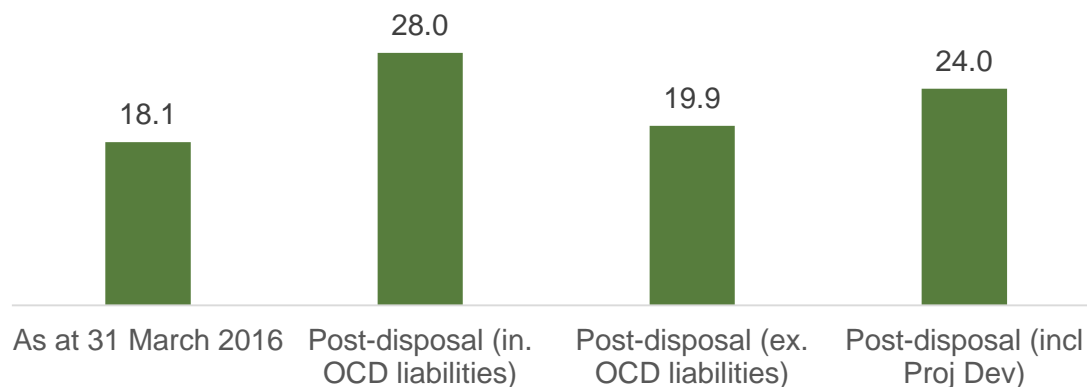
*Based on total revenue less total service fee and hospital expenses derived from the audited financial statements of RHT for FY2016

Net Profit (S\$ million)



^Excludes gain on disposal of CCDs and gain on retained interest in FHTL

Gearing (%)



Approval from Unitholders

Ordinary Resolution

- (1) The Proposed Disposal of the Relevant Securities to, and Related Arrangements with, Interested Persons**
- (2) The Whitewash Resolution (as a result of the issuance of units as management fee to the Trustee-Manager)**

Closing Mechanism

(INR mn)	31 Mar 16	31 Jul 16 ¹
CCD Consideration ²	10,848.9	10,945.0
CCPS Consideration	3,566.9	3,566.9
OCD Redemption and Interest Payment ³	(4,713.8)	(4,803.3)
Transaction cost	(91.8)	(91.8)
Net consideration	9,610.2	9,616.8

1 Assuming transaction closes on 31 July 2016

2 Adjusted for the NCA movement between 31 July 2016 and 31 March 2016

3 Total OCD liability outstanding as of 31 July 2016 is 9,418.2 mn compared to INR 9,242.8 mn as of 31 March 2016. This results in the payment of interest outstanding as of 31 July 2016 of INR 2,266.7 mn and redemption of OCD amounting to INR 2,536.6 mn totaling to INR 4,803.3 mn (equivalent to 51% of the outstanding OCD liability as of 31 July 2016)

Future Plans following the Proposed Disposal and Related Arrangements

Expanding and Enhancing the Existing Portfolio through Organic and Inorganic Growth

Organic Growth

- The Management will look to maximizing the potential within the existing RHT portfolio
- Upon completion of expansion projects and greenfield developments currently underway, this would see a bed growth of approx. 571 beds to RHT's portfolio
 - Development projects – Noida, Amritsar, Mulund, Nagarbhavi and Jaipur
 - Brownfield – BG Road
 - Greenfield – Ludhiana

Inorganic Growth

- Acquiring third party healthcare-related infrastructure assets

Revenue Enhancement

- Provision of higher end surgical medical treatments such as oncology, cardiac, renal and orthopaedics
- Modification and refurbishment works to the existing facilities in RHT's clinical establishments to better cater for the provision of high end surgical medical programs

Thank You

