

# 2 FOR 9 RIGHTS OFFER 7 JUNE 17



This is an important document. You should read the whole document before deciding whether to subscribe for shares. If you have any doubts about what to do, please consult your broker or financial, investment or other professional advisor.

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# Important Information

## General information

This Offer Document has been prepared by Orion Health in connection with an underwritten pro rata two for nine renounceable rights offer of ordinary shares.

The Rights you are entitled to under the Offer are renounceable. This means that you can sell any Rights that you do not want to take up. Your Rights may have value. If you do nothing (i.e., do not take up your Rights or sell your Rights), the Rights that you do not take up will lapse. You will then not be able to subscribe for the New Shares to which those Rights relate, or receive any value for those Rights.

## Offer document

The Offer is made to Eligible Shareholders under the exclusion in clause 19 of Schedule 1 of the New Zealand Financial Markets Conduct Act 2013 (FMCA) and pursuant to the provisions of the Australia Corporations Act 2001 (Corporations Act) (as modified by ASIC Instrument 2016/84 and ASIC Instrument 15-0947 which allow rights offers to be made by providing certain confirmations to the market).

This Offer Document is not a product disclosure statement or prospectus for the purposes of the FMCA, or the Corporations Act or any other law, and does not contain all of the information that an investor would find in such a document or which may be required in order to make an informed investment decision about the Offer or Orion Health.

## Additional information available under continuous disclosure obligations

Orion Health is subject to continuous disclosure obligations under the Listing Rules. The ASX Listing Rules also require that Orion Health immediately provides to ASX all the information which it provides to NZX that is, or is to be, made public. Market releases by Orion Health are available at [www.nzx.com](http://www.nzx.com) and [www.asx.com.au](http://www.asx.com.au) under the stock code OHE.

Orion Health may, during the Offer, make additional releases to NZX and ASX. No release by Orion Health to NZX or ASX will permit an Applicant to withdraw any previously submitted Application without Orion Health's prior consent.

The market price of Shares may increase or decrease between the date of this Offer Document and the date of allotment of New Shares. Any changes in the market price of Shares will not affect the Issue Price and the market price of

New Shares following allotment may be higher or lower than the Issue Price.

## Offering restrictions

This Offer Document is intended for use only in connection with the Offer to:

- Shareholders with a registered address in New Zealand or Australia as at 7.00pm (NZ time) on the Record Date; and
- to Eligible Institutional Shareholders, including those with a registered address in Hong Kong or Singapore as at 7.00pm (NZ time) on the Record Date.

This Offer Document does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

This Offer Document may not be sent or given to any person outside New Zealand or Australia in circumstances in which the Offer or distribution of this Offer Document would be unlawful. The distribution of this Offer Document (including an electronic copy) outside New Zealand and Australia may be restricted by law. In particular, this Offer Document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside New Zealand or Australia except to the extent permitted in this Offer Document or as Orion Health may otherwise determine in compliance with applicable laws. Further details on the offering restrictions that apply are set out in 'Details of the Offer'.

If you come into possession of this Offer Document, you should observe any such restrictions. Any failure to comply with such restrictions may contravene applicable securities law. Orion Health disclaims all liability to such persons.

Without limitation, this Offer Document may not be sent into or distributed in the United States of America.

## No guarantee

No person named in this document (nor any other person) guarantees the New Shares to be issued pursuant to the Offer or warrants the future performance of Orion Health or any return on any investment made pursuant to this document.

## Decision to participate in the offer

The information in this Offer Document does not constitute a recommendation to acquire New Shares nor does it amount to financial product advice. This Offer Document has been prepared without taking into account the particular needs or circumstances of any investor, including their investment objectives, financial and/or tax position.

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You should make your decision as to whether to invest in New Shares based on your personal circumstances. Please read this Offer Document carefully and in full before making that decision. You are encouraged to take your own professional advice before you invest.

You should not rely on any information in respect of the Offer other than information contained in this Offer Document or any other communication authorised by Orion Health's directors.

## Privacy

Any personal information provided by Eligible Shareholders on the Acceptance Form or via the online application process will be held by Orion Health and/or the Registrar at the addresses set out in the Directory. This information will be used for the purposes of administering your investment in Orion Health. This information will only be disclosed to third parties with your consent or if otherwise required by law. Under the New Zealand Privacy Act 1993 and the Australian Privacy Act 1988 (Cth), you have the right to access and correct any personal information held about you.

## Enquiries

Enquiries about the Offer can be directed to an NZX Primary Market Participant, or your lawyer, accountant or other professional adviser. If you have any questions about the number of New Shares shown on the Acceptance Form

that accompanies this Offer Document or via the online application process, or questions on how to complete the Acceptance Form or complete an online application, please contact the Registrar.

## Defined Terms

Capitalised terms used in this Offer Document have the meanings given to them in the Glossary.

All references in this Offer Document to time are to New Zealand time, and all references to money are in New Zealand dollars, unless otherwise stated.

## Governing law and jurisdiction

This Offer Document and any contract resulting from it are governed by the laws of New Zealand and you submit to the exclusive jurisdiction of the courts of New Zealand.

Unless stated otherwise, all references to legislation are references to New Zealand legislation. New Zealand legislation can be viewed at [www.legislation.govt.nz](http://www.legislation.govt.nz).

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# Contents

IMPORTANT INFORMATION	1
LETTER FROM THE CHAIRMAN AND CEO	4
KEY TERMS OF THE OFFER	5
IMPORTANT DATES	6
DETAILS OF THE OFFER	7
ACTIONS TO BE TAKEN BY ELIGIBLE SHAREHOLDERS	13
GLOSSARY	17
DIRECTORY	19

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# Letter from the Chairman and CEO

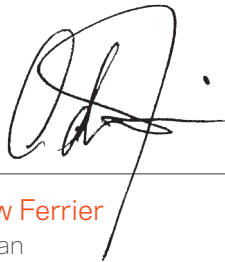
Dear Shareholder,

On behalf of the Board, we are pleased to invite you to participate in this renounceable rights offer to raise approximately NZ\$32m of new equity (Rights Offer).

FY2018 is an important year for Orion Health as the business focuses on its drive to profitability during the second half of the financial year. The Rights Offer and the existing banking facilities together provide the business the financial resources to achieve that objective.

All Eligible Shareholders are able to subscribe for new shares at NZ\$0.90 (A\$0.85 for Eligible Australian Shareholders) on a 2 for 9 basis. CEO and 50.8% shareholder, Ian McCrae, has committed to take up NZ\$15m of shares in the Rights Offer and the second largest shareholder with 9.6% current ownership, together with all New Zealand based Directors, have committed to take up their full entitlements in support of the Rights Offer. First NZ Capital is underwriting the balance of the NZ\$32m offer.

Orion Health is continuing with a strategic review of the business, which was announced in early April by the Board. As part of the strategic review (which was focused on sources of additional capital including minority investments in Orion Health), Orion Health has also received expressions of interest outside the original review scope. Consequently, Orion Health has decided to widen and extend the review to explore that interest, focused on ways to maximize shareholder value and deliver outcomes that are in the best interests of all stakeholders.



**Andrew Ferrier**  
Chairman

We would like to take this opportunity to acknowledge that recent events have created a challenging time for our shareholders. We have made, and will continue to make, appropriate changes to improve business performance. At the core of our business we have an impressive list of prestigious customers internationally, modern scalable technology and our staff are passionate and talented. Therefore we remain totally committed to the business and have supported the Rights Offer to the greatest extent we can.

The Rights Offer closes at 7.00pm (NZ time) on 29 June 2017. Applications by Eligible Shareholders must be made (together with payment) either:

- on the enclosed Acceptance Form and returning it to the Registrar; or
- using the online application form at [www.orionhealthshareoffer.co.nz](http://www.orionhealthshareoffer.co.nz).

Applicants are encouraged to submit their Acceptance Forms or apply via the online application process as soon as possible.



**Ian McCrae**  
Director and Chief Executive Officer

30 May 2017

# Key terms of the offer

ISSUER	Orion Health
THE OFFER	An underwritten pro rata renounceable rights offer of two New Shares for every nine Existing Shares held on the Record Date. Entitlements to fractions of New Shares will be rounded down to the nearest Share.
ELIGIBILITY FOR THE OFFER	A Shareholder, as at 7.00pm (NZ time) on the Record Date, that: <ul style="list-style-type: none"> <li>has a registered address in New Zealand or Australia; or</li> <li>is an Eligible Institutional Shareholder,</li> </ul> who in either case is not in the United States of America and not acting for the account or benefit of a person in the United States of America.
RIGHTS	Eligible Shareholders have an entitlement to subscribe for two New Shares for every nine Existing Shares held on the Record Date. Eligible Shareholders do not pay for the Rights themselves – they will pay only for New Shares issued to them if they choose to take up some or all of their Rights. The Rights will be quoted on the NZX Main Board and can be traded. Rights will not be quoted on ASX and cannot be traded on ASX.
ISSUE PRICE	NZ\$0.90 per New Share, or for Eligible Australian Shareholders, A\$0.85 per New Share.
OFFER SIZE	The amount to be raised under the Offer is approximately \$32 million.
AVAILABLE ACTIONS	If you are an Eligible Shareholder (see “Eligibility for the Offer” in the section above), you may take the following actions under the Offer: <ul style="list-style-type: none"> <li>take up some or all or none of your Rights;</li> <li>sell all or some or none of your Rights;</li> <li>take up some of your Rights and sell all or some or none of the balance; or</li> <li>do nothing with all or some of your Rights.</li> </ul> <p><b>Important:</b> If you do nothing, your Rights will lapse and you will not be able to subscribe for any New Shares or realise any other value for your Rights. The Offer is a pro rata offer. If you take up all of your Rights your percentage holding in Orion Health will not reduce. However, if you do not take up all your Rights, your percentage holding in Orion Health will reduce following completion of the Offer.</p>
NO OVERSUBSCRIPTIONS	There is no oversubscription facility for this Offer.
OFFER UNDERWRITTEN	The Offer is underwritten by First NZ Capital Securities Limited, other than in respect of the participation of the Pre-Commitment Parties. The Pre-Commitment Parties have each committed to take up their respective Rights (or, in the case of McCrae Limited \$15 million of New Shares). New Shares attributable to unexercised Rights will be taken up by the Underwriter or by sub-underwriters arranged by the Underwriter.
NEW SHARES	Shares of the same class as, and that rank equally with, Existing Shares on the Issue Date.
EXISTING SHARES CURRENTLY ON ISSUE	159,941,256 Existing Shares quoted on the NZX Main Board and ASX.
NUMBER OF NEW SHARES BEING OFFERED	Up to 35,542,501 New Shares.
HOW TO APPLY	Applications by Eligible Shareholders must be made (together with payment) either: <ul style="list-style-type: none"> <li>on the enclosed Acceptance Form and returning it to the Registrar; or</li> <li>using the online application form at <a href="http://www.orionhealthshareoffer.co.nz">www.orionhealthshareoffer.co.nz</a>.</li> </ul> Applicants are encouraged to submit their Acceptance Forms or apply via the online application process as soon as possible. No cooling-off rights apply to Applications submitted under the Offer.

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# Important dates

ANNOUNCEMENT OF THE OFFER	30 May 2017
RIGHTS TRADING COMMENCES ON THE NZX MAIN BOARD	7 June 2017
RECORD DATE FOR DETERMINING RIGHTS	7.00pm (NZ time) on 8 June 2017
OFFER DOCUMENT AND ACCEPTANCE FORMS SENT TO ELIGIBLE SHAREHOLDERS	13 June 2017
RIGHTS TRADING ENDS ON THE NZX MAIN BOARD	23 June 2017
CLOSING DATE FOR THE OFFER (LAST DAY FOR ONLINE APPLICATIONS, OR FOR RECEIPT OF THE ACCEPTANCE FORM WITH PAYMENT AND ANY RENUNCIATIONS)	7.00pm (NZ time) on 29 June 2017
ALLOTMENT OF NEW SHARES UNDER THE OFFER (ISSUE DATE)	4 July 2017
QUOTATION OF NEW SHARES	4 July 2017
MAILING OF HOLDING STATEMENTS	by 10 July 2017

These dates are subject to change and are indicative only. Orion Health reserves the right to amend this timetable (including by extending the Closing Date of the Offer) subject to applicable laws and the Listing Rules. Orion Health reserves the right to withdraw the Offer and the issue of New Shares at any time before the Issue Date at its absolute discretion.

# Details of the offer

## Offer

The Offer is for New Shares to Eligible Shareholders in Orion Health pursuant to a pro rata renounceable rights issue. Under the Offer, Eligible Shareholders can subscribe for two New Shares per nine Existing Shares held on the Record Date. Any fractional Right will be rounded down to the nearest whole number.

The New Shares will be of the same class as, and will rank equally with, the Existing Shares quoted on the NZX Main Board and ASX. It is a term of the Offer that Orion Health will take any necessary steps to ensure that the New Shares are, immediately after the issue, quoted on the NZX Main Board and ASX.

The maximum number of New Shares under the offer is 35,542,501.

The Rights will be quoted on the NZX Main Board and can be traded. Rights will not be quoted on ASX and cannot be traded on ASX.

## Issue price

The Issue Price is NZ\$0.90 per New Share which must be paid in full when you apply.

Eligible Australian Shareholders must make payment in Australian dollars at A\$0.85 per New Share. The Australian dollar price of A\$0.85 has been set by Orion Health taking into account the NZ\$:A\$ daily exchange rate published by the Reserve Bank of New Zealand on its website on 29 May 2017.

Orion Health may choose to accept late Applications and Application Monies but has no obligation to do so. Orion Health may accept or reject any Application which it considers is not completed correctly, and may correct any errors or omissions on an online application or Acceptance Form.

## Eligibility

The Offer is only open to Eligible Shareholders and persons that Orion Health is satisfied can otherwise participate in compliance with all applicable laws.

Eligible Shareholders are those persons who are registered as Shareholders at 7.00pm (NZ time) on the Record Date that:

- have a registered address in New Zealand or Australia; or
- are an Eligible Institutional Shareholder,

who in either case is not in the United States of America and not acting for the account or benefit of a person in the United States of America.

Orion Health considers that extending the Offer to other jurisdictions would be unduly onerous given the costs of complying with the legal requirements in other jurisdictions and the small number of Shareholders the Offer would likely attract in those jurisdictions.

If you sell any Shares (and that sale settles) prior to 7.00pm (NZ time) on the Record Date, then the Rights attributable to those Shares will accrue to the holder of those Shares as at 7.00pm (NZ time) on the Record Date. If you have acquired Shares (and that sale settles) after the Record Date, you will not receive any Rights in relation to those Shares.

The distribution of this Offer Document (including an electronic copy) outside New Zealand and Australia may be restricted by law. Any failure to comply with such restrictions may contravene applicable securities law. Orion Health disclaims all liability to such persons.

The Rights of all Ineligible Shareholders will be transferred to a nominee who will endeavour to sell those Rights. Any proceeds (less transaction costs of 0.5%) will be paid to those Ineligible Shareholders on a pro rata basis.

Any person outside New Zealand or Australia who takes up a Right in the Offer (and therefore applies for New Shares) through a New Zealand or Australian resident nominee, and their nominee, will be deemed to have represented and warranted to Orion Health that the Offer can be lawfully made to their nominee pursuant to this Offer Document. None of Orion Health, the Underwriter, the Registrar or any of their respective directors, officers, employees, agents or advisers accept any liability or responsibility to determine whether a person is eligible to participate in this Offer.

## Opening and closing dates

The Offer will open on 14 June 2017 and close (for both Applications made online or by the Acceptance Form) at 7.00pm (NZ time) on 29 June 2017, subject to Orion Health varying those dates in accordance with the Listing Rules.



## No oversubscription facility

There is no oversubscription facility. Shareholders who wish to acquire more New Shares than their Rights entitle may do so by acquiring Rights from Shareholders who have renounced such Rights.

## Allotment and issue of new shares

New Shares issued pursuant to the exercise of Rights are expected to be allotted and issued by 4 July 2017. Holding statements confirming the allotment of your New Shares will be issued and mailed in accordance with the Listing Rules.

## Terms and ranking of new shares

New Shares will be the same class as, and rank equally in all respects with, Existing Shares on the Issue Date. They will give the holder the right to:

- one vote on a resolution at a meeting of Shareholders (subject to any restrictions in Orion Health's constitution or the Listing Rules);
- be sent reports, notices of meeting and other information sent to Shareholders;
- participate on a pro rata basis in any distributions authorised by the Board; and
- any other rights as a Shareholder conferred by Orion Health's constitution or relevant legislation.

Applicants for New Shares will be bound by Orion Health's constitution and the terms of the Offer set out in this Offer Document.

## Application Monies and refunds

Application Monies will be held in a trust account with the Registrar until the New Shares are allocated or the Application Monies are refunded. Interest earned on the Application Monies will be retained by Orion Health whether or not the issue and allotment of New Shares takes place.

Any refunds of Application Monies will be made by direct credit or cheque. Direct credit payments will be made, and cheques sent, within five Business Days of allotment of the New Shares or of any decision not to proceed with the Offer.

If any Application is not accepted, all applicable Application Monies will be refunded without interest to the relevant Applicant.

## NZX Main Board and ASX quotation

Application has been made for permission to quote the Rights on the NZX Main Board and all NZX requirements have been duly complied with. The Rights will be quoted on the NZX Main Board and can be traded. Rights will not be quoted on ASX and cannot be traded on ASX.

Neither NZX nor ASX accepts any responsibility for any statement in this Offer Document. The fact that NZX and/or ASX may approve the New Shares for quotation is not to be taken in any way as an indication of the merits of Orion Health.

### NZX and ASX

The New Shares will be of the same class as Orion Health's existing quoted ordinary shares and will be quoted on the NZX Main Board and ASX upon completion of allotment procedures. NZX Main Board is a financial product market operated by NZX, a licensed market operator under the FMCA.

It is expected that trading of the New Shares issued under the Offer will commence on 4 July 2017 on a normal settlement basis. Holding statements for New Shares allotted under the Offer will be issued and mailed as soon as practicable after allotment. Applicants under the Offer should ascertain their allocation before trading in the New Shares. Applicants can do so by contacting the Registrar, whose contact details are set out in the Directory.

Applicants selling New Shares prior to receiving a holding statement do so at their own risk. None of Orion Health, the Underwriter, the Registrar nor any of their respective directors, officers, employees, agents or advisers accepts any liability or responsibility should any person attempt to sell or otherwise deal with New Shares before the holding statement showing the number of New Shares allotted to the Applicant is received by the Applicant for those New Shares.

## Nominees

Nominees and custodians may not distribute any part of this Offer Document, and may not permit any beneficial shareholder to participate in the Offer who is located, in the United States of America or any other country outside New Zealand and Australia except to institutional and professional investors listed in, and to the extent permitted under, the section captioned "International Offer Restrictions" below or elsewhere as Orion Health may determine it is lawful and practical to make the Offer.

## International offer restrictions

This Offer Document does not constitute an offer of Rights or New Shares in any jurisdiction in which it would be unlawful. In particular, this Offer Document may not be distributed to any person, and the Rights and New Shares may not be offered or sold, in any country outside New Zealand or Australia except to the extent permitted below.

### Hong Kong

WARNING: This Offer Document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the SFO). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Offer Document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this Offer Document, you should obtain independent professional advice.

### Singapore

This Offer Document and any other materials relating to the Rights and the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Offer Document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Rights or New Shares, may not be issued, circulated or distributed, nor may the Rights or New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase,

whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) of Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), or as otherwise pursuant to, and in accordance with, the conditions of any other applicable provisions of the SFA.

This Offer Document has been given to you on the basis that you are (i) an existing holder of Orion Health's Shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this Offer Document immediately. You may not forward or circulate this Offer Document to any other person in Singapore.

Any offer is not made to you with a view to the Rights or the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Rights or New Shares. As such, investors are advised to acquaint themselves with, the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## Key shareholder commitments

50.8% shareholder, McCrae Limited, has committed to take up \$15 million of New Shares in the Offer and 9.6% shareholder, G A Cumming, together with all New Zealand based directors of Orion Health, have committed to take up their full entitlements to Rights in the Offer.

## Underwriting agreement

Orion Health has requested that the Underwriter underwrite the Offer and the Underwriter has agreed to do so. This means that the Underwriter will subscribe for any New Shares that are not subscribed for under the Offer at the Issue Price in accordance with the terms of the Underwriting Agreement. This underwriting obligation does not extend to the New Shares that the Pre-Commitment Parties have committed to subscribe for as described above under the heading "Key Shareholder Commitments".

A summary of the other principal terms of the Underwriting Agreement are set out as follows:

- The Underwriter has the power to appoint sub-underwriters.
- The Underwriter will be paid:
  - an underwriting fee of 2.0% of the total gross proceeds to be raised under the Offer excluding proceeds received from the participation of the Pre-Commitment Parties who had previously committed to take up their Rights; and

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- a lead management fee of up to 1.25% of the total gross proceeds to be raised under the Offer.
  - If the Underwriting Agreement is terminated by the Underwriter or Orion Health, a termination fee may be payable to the Underwriter. Any termination fee cannot exceed 100% of the underwriting and lead management fee.
  - The Underwriter may terminate its obligations under the Underwriting Agreement on the occurrence of a number of events, including the following:
    - certain New Zealand or Australian legal requirements failing to be satisfied on or prior to the date this Offer Document was distributed;
    - a Material Adverse Event (as defined in the Underwriting Agreement), which includes an event or events, or any matter or matters or information which occurs after the date of the Underwriting Agreement, and which in the Underwriter's reasonable opinion has or is likely to have a material adverse effect on:
      - Orion Health or its business or prospects;
      - the Offer or this Offer Document;
      - the price at which the Existing Shares are traded, or the New Shares will trade, on the NZX Main Board or ASX;
      - the allotment of, and payment for, the New Shares to be issued;
      - the ability of Orion Health to issue the New Shares at the Issue Price;
      - acceptance by Orion Health of Valid Applications (as defined in the Underwriting Agreement) for the New Shares under the Offer;
      - the quotation of the New Shares on the NZX Main Board or ASX; or
      - the transfer or disposition of the New Shares through the NZX Main Board, ASX or otherwise;
    - the occurrence of certain events (including hostilities, changes in financial, economic and political conditions, a general moratorium on commercial banking activities, suspension of trading or listing) in certain countries or financial markets that are Material Adverse Events;
  - the occurrence of certain other specified events that are Material Adverse Events (including changes to this Offer Document, changes in law, public proceedings against Orion Health or any director in their capacity as a director of Orion Health, changes of directors or senior management, a delay in the start date of Orion Health's new chief financial officer, a default by Orion Health of any of its obligations under the Underwriting Agreement, changes to Orion Health's capital structure or constitution, any regulatory action taken by a regulatory body in relation to the Offer or this Offer Document, Orion Health being required to give or giving a correcting notice, Orion Health, its subsidiaries or their respective directors failing to comply with relevant laws);
  - the report of the due diligence committee established by Orion Health to carry out due diligence investigations, or any other information supplied by or on behalf of Orion Health to the Underwriter in relation to Orion Health or the Offer, being inaccurate, incomplete, misleading or deceptive (including by omission) in any material respect;
  - failure to ensure legal compliance of this Offer Document or the Offer in a material respect;
  - Orion Health being prevented from conducting or completing the Offer;
  - Orion Health, any of its directors or certain of its senior executives engaging in any specified fraudulent conduct or activity;
  - Orion Health's Shares ceasing to be quoted on the NZX Main Board or the ASX;
  - the charging of a director of Orion Health or the Chief Executive Officer with a crime involving dishonesty, or any such person being in breach of certain provisions of the FMCA;
  - there having been a decline in the NZX50 Index or the S&P/ASX 200 Index whereby the index is at a level equivalent to 10% or more below its level as at 7.00pm on the Business Day prior to the date of the Underwriting Agreement, and which decline is maintained for a period of at least two consecutive Business Days;
  - there being an Insolvency Event (as defined in the Underwriting Agreement) in respect of Orion Health;

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- a breach of any warranty given by Orion Health to the Underwriter which, if capable of being remedied, is not remedied within three Business Days after notification of the breach, and that is a Material Adverse Event;
  - a delay in the timetable in respect of the Offer by two or more Business Days without the prior consent of the Underwriter;
  - a force majeure event occurring;
  - a judgment, order or encumbrance being enforced or becoming enforceable against any property of Orion Health for a sum exceeding \$5 million;
  - a valid application not being received from McCrae Limited in respect of at least the number of New Shares equal to \$15,000,000 divided by the Offer Price; or
  - any due diligence investigation of Orion Health or conducted by, in conjunction with, or on behalf of the Underwriter, revealing any matter of which the Underwriter was not previously aware and that is a Material Adverse Event.
- Orion Health has agreed to indemnify the Underwriter in connection with the underwrite against certain losses incurred as a result of or in relation to the Offer, the allotment of the New Shares or the Underwriting Agreement.
  - For a period of 180 days after the Closing Date, Orion Health may not, without the prior consent of the Underwriter (which may not be unreasonably withheld or delayed):
    - offer for sale or accept an offer for any shares or other equity securities issued by Orion Health;
    - allot or issue any Shares or other equity securities of Orion Health;
    - issue or grant any right or option that entitles the holder to call for the issue of Shares by Orion Health or that is otherwise convertible into, exchangeable for or redeemable by the issue of, Shares or other equity securities by Orion Health;
    - create any debt instrument or other obligation which may be convertible into, exchangeable for or redeemable by, the issue of Shares or other equity securities by Orion Health;
    - otherwise enter into any agreement whereby any person may be entitled to the allotment and issue of any Shares or other equity securities by Orion Health; or
- make any announcement of an intention to do any of the foregoing, other than pursuant to:
    - an employee incentive scheme in respect of which the number of securities to be issued does not exceed 3% of the Shares on issue after the Rights Issue;
    - the Offer;
    - a Court-approved scheme of arrangement under Part 15 of the Companies Act 1993; or
    - an issue of Shares or other equity securities that has been approved by a special resolution of Orion Health shareholders.
- Orion Health may not, without the prior consent of the Underwriter, for a period of one month after the Closing Date:
    - dispose of or charge, or agree to dispose of or charge, the whole or any substantial part of its business; or
    - enter into any commitment or arrangement which is or may be material in the context of the Offer, the underwriting of any shortfall of the Offer or quotation,

except, in each case, as expressly contemplated in this Offer Document, or as disclosed on the NZX Main Board and ASX or in writing to the Underwriter on or prior to the date of the Underwriting Agreement.
  - Orion Health may terminate the Underwriting Agreement at any time.
  - Warranties given by Orion Health in the Underwriting Agreement include warranties relating to the content of this Offer Document, compliance by Orion Health with relevant laws, the existence of no material litigation, the solvency of Orion Health, and the valid issue and allotment of the New Shares.
- ### Brokerage and stamping fee
- A broker stamping fee of 0.5% (subject to a maximum of \$250) will be paid on successful Applications. The fee will be paid by the Underwriter.
- The Underwriter reserves the right to decline payment of broker stamping fees where it considers that holdings have

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been split or otherwise structured to take advantage of the stamping fee arrangements. In the event that the total broker stamping fees payable exceed \$20,000, the payment will be scaled back on a pro rata basis.

### Minimum amount to be raised

There is no minimum amount that must be raised for the Offer to proceed.

# Action to be taken by Eligible Shareholders

## Available actions

The Rights allotted to you may be valuable and you have a number of options to consider as to how to realise their value. If you are an Eligible Shareholder, you may choose to:

- take up **some** or **all** or **none** of your Rights;
- **sell all** or **some** or **none** of your Rights;
- take up **some** of your Rights and **sell all** or **some** or **none** of the balance; or
- do **nothing with all** or **some** of your Rights.

**Important:** Your Rights may have value. If you do nothing, your Rights will lapse and you will not be able to subscribe for any New Shares or realise any other value for your Rights. If you do not take up all your Rights, your percentage holding in Orion Health will be diluted following completion of the Offer.

If you would like to take up any of your Rights (and therefore subscribe for New Shares), you must do so by using the Acceptance Form or the online application process and following the instructions in this Offer Document and on the Acceptance Form.

If you destroy or lose your personalised Acceptance Form, you can obtain another form by contacting the Registrar (whose details are set out in the Directory).

Applications to take up Rights (and subscribe for New Shares) cannot be revoked or withdrawn. If both an acceptance and a renunciation (sale or transfer) are received in relation to the same Rights, the renunciation (sale or transfer) will take priority.

Orion Health reserves the right to accept late Applications and Application Monies for those Applications, but has no obligation to do so. Orion Health reserves the right to accept or reject (at its discretion) any Application including (without limitation) if it is not completed correctly, and to correct any errors or omissions on any Application, including filling in any blanks.

If you are not an Eligible Shareholder, the Rights that would otherwise be received by you will be issued to a nominee who will endeavour to sell those Rights on the NZX Main Board on your behalf and account to you for the proceeds of sale of those Rights (on a pro rata basis and net of transaction costs of 0.5%).

## Taking up your rights

If you wish to **take up all** or **some** of your Rights, you should:

- complete the Acceptance Form in accordance with the instructions set out in the Acceptance Form;
- make payment by direct debit (for New Zealand Eligible Shareholders), BPAY® (for Eligible Australian Shareholders) or attach your cheque or bank draft in New Zealand dollars (or if you are an Eligible Australian Shareholder, in Australian dollars) to your completed Acceptance Form for the amount required to be paid in accordance with the payment and mailing instructions set out below; and
- return your completed Acceptance Form to the Registrar (by either mail, personal delivery or courier) with the Application Monies by no later than the Closing Date in accordance with the instructions set out in the Acceptance Form. If you are paying by direct debit, you can scan and email your form to the Registrar.

Alternatively, you may apply online in accordance with the instructions for online Applications below, or you can deliver your completed Acceptance Form to any NZX Primary Market Participant or any entity designated as an NZX Firm under the NZX Participant Rules in sufficient time for that document to be forwarded to, and received by, the Registrar by the Closing Date. If you do this, you must make payment of your Application Monies by no later than the Closing Date in accordance with the instructions set out in the Acceptance Form.

Payment of the Application Monies may be made to Orion Health by following the instructions set out below and in the Acceptance Form. You are required to pay the total Issue Price for the number of New Shares you have applied for in full on application by the Closing Date.

## Selling your rights

### *On market sale*

The Rights are renounceable. This means if you do not wish to take up all or some of your Rights, you can sell those Rights through the NZX Main Board. You cannot sell your Rights on ASX.

If you wish to **sell all** or **some** of your Rights, this can be done by instructing an NZX Primary Market Participant to sell your Rights on the NZX Main Board on your behalf. The number of Rights you have is specified on your Acceptance Form, or you can ascertain your Rights by contacting the Registrar at any time after the Record Date. If you trade in Rights before receiving confirmation of your allocation of Rights, you do so at your own risk

(as the number of Rights to which you are entitled, once confirmed, may be different to the number you expected). Trading of Rights will begin on the NZX Main Board under the stock code "OHERA" on 7 June 2017 and will end at 5.00pm on 23 June 2017. Your Rights may be sold on the NZX Main Board between these dates, should you choose not to take up all of your Rights. If you wish to sell your Rights using this method you must do so before close of trading on the NZX Main Board on 23 June 2017.

#### *Off market sale/transfer*

If you wish to sell your Rights off market, you must complete the Security Renunciation / Security Transfer Form section of the Acceptance Form in accordance with the instructions in the Acceptance Form and send it to the buyer of your Rights for completion by them. They must then return the Acceptance Form to the Registrar together with the Application Monies by no later than 7.00pm on the Closing Date.

### Taking up some of your rights and selling the balance

There is no minimum number of New Shares that you must subscribe for under the Offer. You may take up as many or as few of your Rights as you wish. If you wish to **take up some** of your Rights and **sell the balance**, you should:

- instruct an NZX Primary Market Participant to sell the number of Rights you wish to renounce; and
- indicate the number of New Shares you wish to take up on the Acceptance Form and send your completed Acceptance Form, together with payment for the number of New Shares applied for, directly to the NZX Primary Market Participant through whom you sold your Rights.

If Orion Health receives, on or before 7.00pm on the Closing Date, both an acceptance and a renunciation (sale or transfer) for the same Rights, the renunciation (sale or transfer) will take priority to the acceptance.

### Payment and mailing instructions

You must make payment in full on Application by paying the total Issue Price for all New Shares for which you have applied.

Payments are to be made by direct debit (for New Zealand Eligible Shareholders), BPAY® (for Eligible Australian Shareholders), cheque or bank draft in New Zealand dollars (or if you are an Eligible Australian Shareholder, in Australian dollars). Do not send cash. Receipts for payment will not be issued.

### Direct debit (preferred method) – for New Zealand Eligible Shareholders only

If you wish to pay by direct debit you must complete the direct debit section in the Acceptance Form or in the online Application (if you are applying for New Shares using the online Application process set out below). By completing the direct debit section in the Acceptance Form, you authorise the Registrar to direct debit the nominated bank account for the amount applied on the day the Acceptance Form is received by the Registrar. The bank account must be with a New Zealand registered bank.

**You cannot specify a direct debit date** and you must ensure that:

- the bank account details supplied are correct;
- the Application Monies in the bank account for the direct debit are available on the day you submit your Application;
- the person(s) giving the direct debit instruction has/ have authority to operate the account solely/jointly; and
- the bank account you nominated is a transactional account eligible for direct debit transactions. If you are uncertain you should contact your bank.

Should your direct debit fail, your Application will be rejected. If requested, a direct debit form will be provided to you by the Registrar.

### BPAY® – for Eligible Australian Shareholders only

For payment by BPAY®, please follow the instructions on the personalised Acceptance Form or online at [www.orionhealthshareoffer.co.nz](http://www.orionhealthshareoffer.co.nz). You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (CRN) on your personalised Acceptance Form or accessed online at [www.orionhealthshareoffer.co.nz](http://www.orionhealthshareoffer.co.nz). If you do not use the correct CRN specific to your holding your Application will not be recognised as valid.

Please note that should you choose to pay by BPAY®:

- you do not need to submit your Acceptance Form but are taken to agree to the terms of the Acceptance Form; and

- if you do not pay for your all your Rights, you are deemed to have exercised your Rights in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Registrar by no later than 7.00pm (NZ time) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

## Cheques or bank drafts

If you wish to pay by cheque or bank draft, you must ensure that the cheque is drawn on a New Zealand bank or that the bank draft is in New Zealand dollars (or, if you are an Eligible Australian Shareholder, that the cheque is drawn on an Australian bank or that the bank draft is in Australian dollars). Cheques or bank drafts drawn in a different currency will not be accepted.

You should make your cheque or bank draft payable to "Orion Health Group Limited" and ensure that it is crossed "Not Transferrable" and must not be post-dated as cheques will be banked on the day of receipt. If your cheque or bank draft is dishonoured, your Application may be rejected or an allotment made to you may be cancelled.

## Online applications

If you are an Eligible Shareholder, you may also apply for all or part of your entitlement to New Shares online. To do so, you must complete an online Application at [www.orionhealthshareoffer.co.nz](http://www.orionhealthshareoffer.co.nz) by 7.00pm (NZ time) on the Closing Date. You will be required to enter your CSN/Holder number (or HIN or SRN if you are an Eligible Australian Shareholder) which you hold your Shares under and your Entitlement Number (found on your personalised Acceptance Form).

Payments for Applications made online must be made by way of direct debit (for New Zealand Eligible Shareholders) or BPAY® (for Eligible Australian Shareholders). Please read the instructions regarding direct debit payments and BPAY® payments under the headings "Direct Debit (Preferred method)" and "BPAY®" above. Once your Application has been completed successfully, you will be emailed an application confirmation which you should keep for your records.

## Mailing address for acceptance forms

If you wish to mail your completed Acceptance Form and payment (if paying by cheque or bank draft) to the Registrar, you should send them to:

**Orion Health Group Limited**  
C/- Link Market Services Limited  
Private Bag 91976  
Auckland 1142  
New Zealand

or, for Eligible Australian Shareholders:

**Orion Health Group Limited**  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia

If you wish to deliver or courier your completed Acceptance Form and payment to the Registrar (if paying by cheque or bank draft), you may do so to the Registrar's physical address set out in the Directory.

Applications must be received by the Registrar by 7.00pm on the Closing Date. You may also lodge your Application with any NZX Primary Market Participant but you must deliver your completed Acceptance Form in time to enable forwarding to the Registrar before the Closing Date.

## No confirmation of receipt

No receipt or confirmation of payment or receipt of Acceptance Forms will be provided to you, except if you apply through the online Application process.

## Status of acceptances

By completing and returning an Application and applying for New Shares, you agree to accept the New Shares:

- subject to the terms set out in Orion Health's constitution; and
- on the terms and conditions set out in this Offer Document and the Acceptance Form.

Your application for New Shares is irrevocable and cannot be withdrawn. Orion Health has the sole discretion to accept or reject your application for New Shares.

## Deemed applications

If you specify on your Application a number of New Shares in excess of your Rights under the Offer, you will be deemed to have applied for all of your Rights to New Shares.

If there is a discrepancy between the amount of Application Monies and the number of New Shares indicated on your Application, you will be deemed to have applied for the number of New Shares that the Application Monies equates to (rounded down) unless that number of New Shares would exceed your Rights to New Shares, in which case you will be



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deemed to have applied for all of your Rights to New Shares.

## Enquiries

If you have any queries about the number of Rights shown on the Acceptance Form which accompanies this Offer

Document, or how to complete the Application, please contact the Registrar at:

### Link Market Services Limited

Level 11, Deloitte Centre  
80 Queen Street  
Auckland 1010  
New Zealand

Private Bag 91976  
Auckland 1142  
New Zealand

Telephone +64 9 375 5998

or, if you are an Eligible Australian Shareholder:

### Link Market Services Australia

Level 12  
680 George Street  
Sydney NSW 2000  
Australia

Locked Bag A14  
Sydney South NSW 1235  
Australia

Telephone +61 1300 554 474

Email: [orionhealth@linkmarketservices.com](mailto:orionhealth@linkmarketservices.com)

If you are in doubt as to any aspect of this Offer Document or the Offer, you should consult your financial or other professional adviser or an NZX Primary Market Participant or ASX Broker.

# Glossary

A\$	The lawful currency of Australia
Acceptance Form	The personalised acceptance form enclosed with this Offer Document for an Eligible Shareholder
Applicant	An investor whose Application for New Shares has been received by the Registrar
Application	An application to subscribe for New Shares under this Offer Document
Application Monies	Money received from Eligible Shareholders who have applied for New Shares under the Offer
ASIC	The Australian Securities and Investments Commission
ASX	ASX Limited or the market it operates, as the context requires
ASX Broker	Any ASX participating organisation
ASX Listing Rules	The listing rules of the ASX as they apply to Orion Health as a foreign exempt listed issuer, as amended from time to time
Business Day	A day on which both the NZX Main Board and ASX are open for trading
Closing Date	7.00pm (NZ time) on 29 June 2017
Corporations Act	The Australian Corporations Act 2001 (Cth)
Eligible Australian Shareholder	An Eligible Shareholder with a registered address in Australia as at 7.00pm (NZ time) on the Record Date
Eligible Institutional Shareholder	<p>A Shareholder who, as at 7.00pm (NZ time) on the Record Date:</p> <ul style="list-style-type: none"> <li>▪ has a registered address in Hong Kong who Orion Health considers is a “professional investor” as defined in the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong;</li> <li>▪ has a registered address in Singapore who Orion Health considers is an “institutional investor” or “relevant person” as defined in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore; or</li> <li>▪ to whom Orion Health, in its sole discretion, is satisfied that the Offer may be made without the need for any registration, lodgement or other formality (other than a formality with which Orion Health is willing to comply)</li> </ul>
Eligible Shareholder	<p>A Shareholder who, as at 7.00pm (NZ time) on the Record Date:</p> <ul style="list-style-type: none"> <li>▪ has a registered address in New Zealand or Australia; or</li> <li>▪ is an Eligible Institutional Shareholder,</li> </ul> <p>and in any case who is not in the United States of America and not acting for the account or benefit of a person in the United States of America</p>
Existing Shares	Shares on issue on the Record Date
FMCA	Financial Markets Conduct Act 2013
Ineligible Shareholders	Shareholders of Orion Health who are not Eligible Shareholders
Issue Date	The date of allotment of the New Shares, which is expected to be 4 July 2017
Issue Price	NZ\$0.90 per New Share (or, for Eligible Australian Shareholders, A\$0.85 per New Share)
Listing Rules	The listing rules of the NZX Main Board, as amended from time to time
New Share	One Share in Orion Health offered under the Offer of the same class as, and ranking equally in all respects with Orion Health's quoted Shares at the Issue Date

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NZ\$ or \$	The lawful currency of New Zealand
NZX	NZX Limited
NZX Main Board	The main board equity security market operated by NZX
NZX Primary Market Participant	Any company, firm, organisation or corporation designated or approved as a "primary market participant" from time to time by NZX
Offer	The offer to subscribe for New Shares to Eligible Shareholders as at the Record Date, under the renounceable rights offer set out in this Offer Document
Offer Document	This document
Opening Date	14 June 2017
Orion Health	Orion Health Group Limited
Pre-Commitment Parties	McCrae Limited, Geoffrey A Cumming, Andrew Ferrier, Neil Cullimore, Paul Shearer and Roger France
Record Date	7.00pm (NZ time) on 8 June 2017
Registrar	Link Market Services Limited
Right	The renounceable right to subscribe for two New Shares for every nine Existing Shares held on the Record Date at the Issue Price, issued pursuant to the Offer
Share	An ordinary fully paid share in Orion Health
Shareholder	A registered holder of Shares (as recorded on Orion Health's Share register) on the Record Date
Underwriter	First NZ Capital Securities Limited
Underwriting Agreement	The agreement entered into between Orion Health and the Underwriter dated 30 May 2017

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# Directory

<b>DIRECTORS OF ORION HEALTH GROUP LIMITED</b>	Andrew Ferrier (Chair) Roger France (Deputy Chair) Ian McCrae Paul Shearer Neil Cullimore John Halamka Ronald Andrews
<b>ISSUER</b>	Orion Health Group Limited Orion House 181 Grafton Road Grafton Auckland 1010  Phone +64 9 638 0600  <a href="http://www.orionhealth.com">www.orionhealth.com</a>
<b>LEGAL ADVISORS</b>	Bell Gully Level 22, Vero Centre 48 Shortland Street Auckland 1140  Phone +64 9 916 8800  <a href="http://www.bellgully.com">www.bellgully.com</a>
<b>UNDERWRITER</b>	First NZ Capital Securities Limited Level 39, ANZ Centre 23-29 Albert Street Auckland 1010  <a href="http://www.fnzc.co.nz">www.fnzc.co.nz</a>
If you have any questions about the number of Rights shown on the Acceptance Form, or how to complete the Acceptance Form, please contact the Registrar at:	
<b>REGISTRAR</b>	Link Market Services Limited Level 11, Deloitte Centre 80 Queen Street Auckland 1010 New Zealand  <a href="http://www.linkmarketservices.co.nz">www.linkmarketservices.co.nz</a>  Phone +64 9 375 5998  Level 12 680 George Street Sydney NSW 2000 Australia  <a href="http://www.linkmarketservices.com.au">www.linkmarketservices.com.au</a> <a href="mailto:orionhealth@linkmarketservices.com">orionhealth@linkmarketservices.com</a>  Telephone +61 1300 554 474