

Disclosure of movement of 1% or more in substantial holding
or change in nature of relevant interest, or both

Sections 277 and 278, Financial Markets Conduct Act 2013

To NZX Limited
To ASX Limited
And Orion Health Group Limited

Relevant event being disclosed: A movement of 1% or more in a substantial holding and a change in the nature of any relevant interest in a substantial holding

Date of relevant event: 21 February 2019

Date this disclosure made: 21 February 2019

Date last disclosure made: 6 February 2019

Substantial product holder(s) giving disclosure:

Name: Ian Richard McCrae

Summary of substantial holding to which this disclosure relates:

Class of listed voting securities: Orion Health Group Limited ordinary shares ("OHE shares")

Summary for Ian Richard McCrae

For **this** disclosure, —

(a) total number held in class: 90,802,248

(b) total in class: 90,802,248

(c) total percentage held in class: 100%

For **last** disclosure, —

(a) total number held in class: 84,863,673

(b) total in class: 90,802,248

(c) total percentage held in class: 93.460%

Details of the transactions and events giving rise to relevant event

Details of the transactions or other events requiring disclosure:

On 6 February 2019, Grafton Health Holdings Limited ("**Grafton**") entered into a subscription agreement ("**Subscription Agreement**") with, among others: McCrae Limited; Hamish Kennedy; Gordon McCrae; Ian McCrae; Gavin Reeve, Victoria Reeve and Brian Leaning as trustees of the CVC Share Trust; Ian McCrae, Rosemary McCrae and Gregory Thomas Walker as trustees of the Gairloch Trust; and Harish Panchal, Ashok Panchal and Ila Panchal and trustees of the Panchal Family Trust (each an "**Investor**"). Pursuant to the Subscription Agreement, Grafton made an unconditional full takeover offer dated 15 February 2019 under the Takeovers Code for all of the OHE shares ("**Offer**"). Ian Richard McCrae owns and/or controls 86.708% of the shares in Grafton and, as such, has the power to control the exercise of the right to vote attached to the OHE shares

held by Grafton.¹ A copy of the Subscription Agreement was attached as document A to the Substantial Product Holder Notice dated 6 February 2019 given by Grafton ("**Grafton SPH Notice**"). A copy of the Offer document dated 15 February 2019 was sent to NZX on 20 February 2019. Under the terms of the Offer, settlement of any acceptance received under the Offer is to be made within five business days of receipt by Grafton of that acceptance.

On 21 February 2019, the Investors, who together held 84,863,673 OHE shares (representing 93.460% of all of the OHE shares), accepted the Offer in respect of all the OHE shares held by them in accordance with the terms of various lock-up agreements entered into with Grafton (attached as documents B – H of the Grafton SPH Notice) ("**Lock Up Acceptances**"). In addition, on that same date, shareholders who are not party to a lock-up agreement with Grafton accepted the Offer in respect of, in aggregate, 203,531 OHE shares (representing 0.224% of all of the OHE shares) held by them ("**Other Acceptances**").

As such:

- (a) as a result of the Lock Up Acceptances
 - (i) Ian McCrae's relevant interest in 178,280 OHE shares (representing 0.196% of all of the OHE shares) held by him has changed such that, on settlement of the Lock Up Acceptances being effected, Ian McCrae will cease to be the registered and beneficial owner of those OHE shares and Grafton will become the registered and beneficial owner of those OHE shares;
 - (ii) Ian McCrae's relevant interest in 165,773 OHE shares (representing 0.183% of all of the OHE shares) held by him jointly with Rosemary McCrae and Gregory Thomas Walker has changed such that, on settlement of the Lock Up Acceptances being effected, they will cease to be the registered and beneficial owner of those OHE shares and Grafton will become the registered and beneficial owner of those OHE shares;
 - (iii) Ian McCrae's relevant interest in 78,021,379 OHE shares (representing 85.925% of all of the OHE shares) held by McCrae Limited has changed such that, on settlement of the Lock Up Acceptances being effected, McCrae Limited will cease to be the registered and beneficial owner of those OHE shares and Grafton will become the registered and beneficial owner of those OHE shares;
 - (iv) Ian McCrae's relevant interest in 6,498,241 OHE shares (representing 7.156% of all of the OHE shares) held by the Investors other than Ian McCrae, McCrae Limited, and Ian McCrae and Rosemary McCrae and Gregory Thomas Walker (jointly) has changed such that, on settlement of the Lock Up Acceptances being effected, those Investors will cease to be the registered and beneficial owner of those OHE shares and Grafton will become the registered and beneficial owner of those OHE shares;
- (b) as a result of the Other Acceptances, Grafton has acquired a relevant interest in 203,531 OHE shares (representing 0.224% of all of the OHE shares) as Grafton will, on settlement of the Other Acceptances being effected, become the registered and beneficial owner of those OHE shares; and

¹ This total comprises: (a) 78,021,389 shares held by McCrae Limited; (b) 178,280 shares held by Ian McCrae; and (c) 165,773 shares held by Ian McCrae, Rosemary McCrae and Gregory Walker as trustees of the Gairloch Trust.

- (c) Grafton has become the dominant owner of Orion Health Group Limited under Part 7 of the Takeovers Code and has the right pursuant to the Takeovers Code to compulsorily acquire the 5,735,044 OHE shares (representing 6.316% of all of the OHE shares) that are not the subject of the Lock Up Acceptances or the Other Acceptances.

Details after relevant event

Details for Ian Richard McCrae

Nature of relevant interest(s): As the owner and/or controller of 86.708% of the shares in Grafton, Ian McCrae has the same relevant interest as Grafton which, on settlement of the Lock Up Acceptances being effected, will become the registered and beneficial owner of 178,280 OHE shares previously held by Ian McCrae.

For that relevant interest, —

- (a) number held in class: 178,280
(b) percentage held in class: 0.196%
(c) current registered holder(s) of securities: Ian McCrae
(d) registered holder(s) of securities once transfers registered: Grafton Health Holdings Limited

Details after relevant event

Details for Ian Richard McCrae

Nature of relevant interest(s): As the owner and/or controller of 86.708% of the shares in Grafton, Ian McCrae has the same relevant interest as Grafton which, on settlement of the Lock Up Acceptances being effected, will become the registered and beneficial owner of 165,773 OHE shares previously jointly held by Ian McCrae, Rosemary McCrae and Gregory Thomas Walker.

For that relevant interest, —

- (a) number held in class: 165,773
(b) percentage held in class: 0.183%
(c) current registered holder(s) of securities: Ian McCrae, Rosemary McCrae and Gregory Thomas Walker
(d) registered holder(s) of securities once transfers registered: Grafton Health Holdings Limited

Details after relevant event

Details for Ian Richard McCrae

Nature of relevant interest(s): As the owner and/or controller of 86.708% of the shares in Grafton, Ian McCrae has the same relevant interest as Grafton which, on settlement of the Lock Up Acceptances being effected, will become the registered and beneficial owner of

78,021,379 OHE shares previously jointly held by McCrae Limited.

For that relevant interest, —

- (a) number held in class: 78,021,379
- (b) percentage held in class: 85.925%
- (c) current registered holder(s) of securities: McCrae Limited
- (d) registered holder(s) of securities once transfers registered: Grafton Health Holdings Limited

Details after relevant event

Details for Ian Richard McCrae

Nature of relevant interest(s): As the owner and/or controller of 86.708% of the shares in Grafton, Ian McCrae has the same relevant interest as Grafton which, on settlement of the Lock Up Acceptances being effected, will become the registered and beneficial owner of 6,498,241 OHE shares previously held by the Investors other than Ian McCrae, McCrae Limited, and Ian McCrae and Rosemary McCrae and Gregory Thomas Walker (jointly).

For that relevant interest, —

- (a) number held in class: 6,498,241
- (b) percentage held in class: 7.156%
- (c) current registered holder(s) of securities: Hamish Kennedy in respect of 4,837,643 OHE shares;
Gordon McCrae in respect 1,090,598 OHE shares;
Gavin Reeve, Victoria Reeve and Brian Leaning in respect of 20,000 OHE shares; and
Harish Panchal, Ashok Panchal and Ila Panchal in respect of 550,000 OHE shares.
- (d) registered holder(s) of securities once transfers registered: Grafton Health Holdings Limited

Details after relevant event

Details for Ian Richard McCrae

Nature of relevant interest(s): As the owner and/or controller of 86.708% of the shares in Grafton, Ian McCrae has the same relevant interest as Grafton which, on settlement of the Other Acceptances being effected, will become the registered and beneficial owner of 203,531 OHE shares.

For that relevant interest, —

- (a) number held in class: 0.224%
- (b) percentage held in class: 203,531
- (c) current registered holder(s) of securities: Widely held

(d) registered holder(s) of securities once transfers registered: Grafton Health Holdings Limited

Details after relevant event

Details for Ian Richard McCrae

Nature of relevant interest(s): As the holder and controller of 86.71% of the shares in Grafton, Ian McCrae has the same relevant interest as Grafton which, pursuant to the Takeovers Code, has the right to compulsorily acquire the remaining OHE shares at the end of the Offer period.

For that relevant interest, —

(a) number held in class: 5,938,575
(b) percentage held in class: 6.540%
(c) current registered holder(s) of securities: Widely held
(d) registered holder(s) of securities once transfers registered: Grafton Health Holdings Limited

Additional information

Address of substantial product holder(s): Orion House
181 Grafton Road
Auckland 1010
New Zealand

Contact details: Ian McCrae
+64 9 638 0600
ian.mccrae@orionhealth.com

Name of any other person believed to have given, or believed to be required to give, a disclosure under the Financial Markets Conduct Act 2013 in relation to the financial products to which this disclosure relates: Grafton Health Holdings Limited, McCrae Limited and Hamish Alexander Kennedy.

Disclosure has effect for purposes of directors' and senior managers' disclosure

Ian Richard McCrae is also a director of Orion Health Group Limited. This disclosure also constitutes disclosure for the purposes of the directors' and senior managers' disclosure obligations.

Certification

I, Ian Richard McCrae, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.