



ANNUAL GENERAL MEETING PRESENTATION 2015

Andrew Ferrier

Chairman of the Board of Directors

Ian McCrae

Chief Executive Officer

Graeme Wilson

Chief Operating Officer

Order of Business

Chairman's
Address

Andrew Ferrier
Chairman

CEO's
Address

Ian McCrae
CEO

Financial
Statements

Graeme Wilson
COO

Ordinary
Business &
Resolutions

Andrew Ferrier
Chairman

Other
Business

Andrew Ferrier
Chairman

Important Notice

This presentation is given on behalf of Orion Health Group Limited (“**OHE**”)

Information in this presentation:

- is for general information purposes only, and is not an offer or invitation for subscription, purchase, or recommendation of securities in OHE;
- should be read in conjunction with, and is subject to, OHE’s Annual Report, market releases, and information published on OHE’s website (www.orionhealth.com);
- includes forward-looking statements about OHE and the environment in which OHE operates, which are subject to uncertainties and contingencies outside of OHE’s control - OHE’s actual results or performance may differ materially from these statements;
- includes statements relating to past performance, which should not be regarded as a reliable indicator of future performance; and
- may contain information from third parties believed to be reliable, however, no representations or warranties are made as to the accuracy or completeness of such information

All currency amounts are in NZ dollars unless otherwise stated.

The use of n/m means not meaningful due to statistical insignificance.

OHE results are reported under NZ IFRS. This announcement includes non-GAAP financial measures which are not prepared in accordance with NZ IFRS.

- the information contained in this presentation should be read in conjunction with the financial statements and accompanying notes
- due to rounding, the numbers presented throughout this presentation may not add up precisely to the totals presented. Percentages may not precisely reflect the presented figures as these are based on unrounded numbers

Chairman's Address —



FY2015 - The Year in Review



- Raised \$120m via Initial Public Offering



- Transitioned from a perpetual license to a subscription model



- Significant strategic wins globally



- NZ Hi-Tech Company of the year 2014

CEO's — Address



FY2015 Financial Highlights

Total Operating
Revenue

\$164m

7% increase
from FY2014

Increased R&D
capacity by

27%

from 363 people
to 461

Successfully
completed

\$125m

Initial Public Offering
of Orion Health Shares

Significant
increase of

42%

in Annualised
Recurring Revenue

Net Cash*
balances of

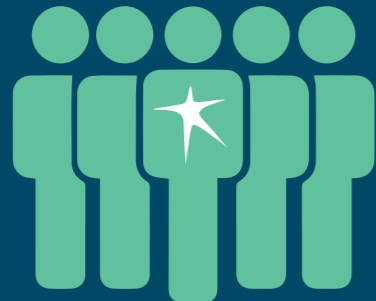
\$95m

as at
31 March 2015

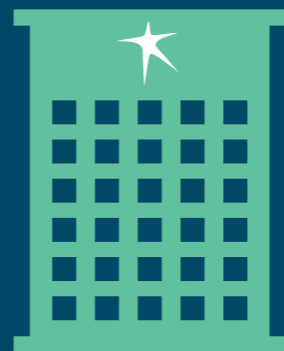
* Includes cash, cash equivalents and term deposits

FY2015 - Operational Highlights

1200+



-
- We employed an additional 184 staff globally



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- We opened three new offices in three new locations



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- We enjoyed the biggest product release in our history



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- We continued to deliver to our strategy

Our Goal

To revolutionise healthcare through use of technology, ultimately giving people longer, happier, healthier lives.

Global Opportunity

US \$6 Trillion
Healthcare

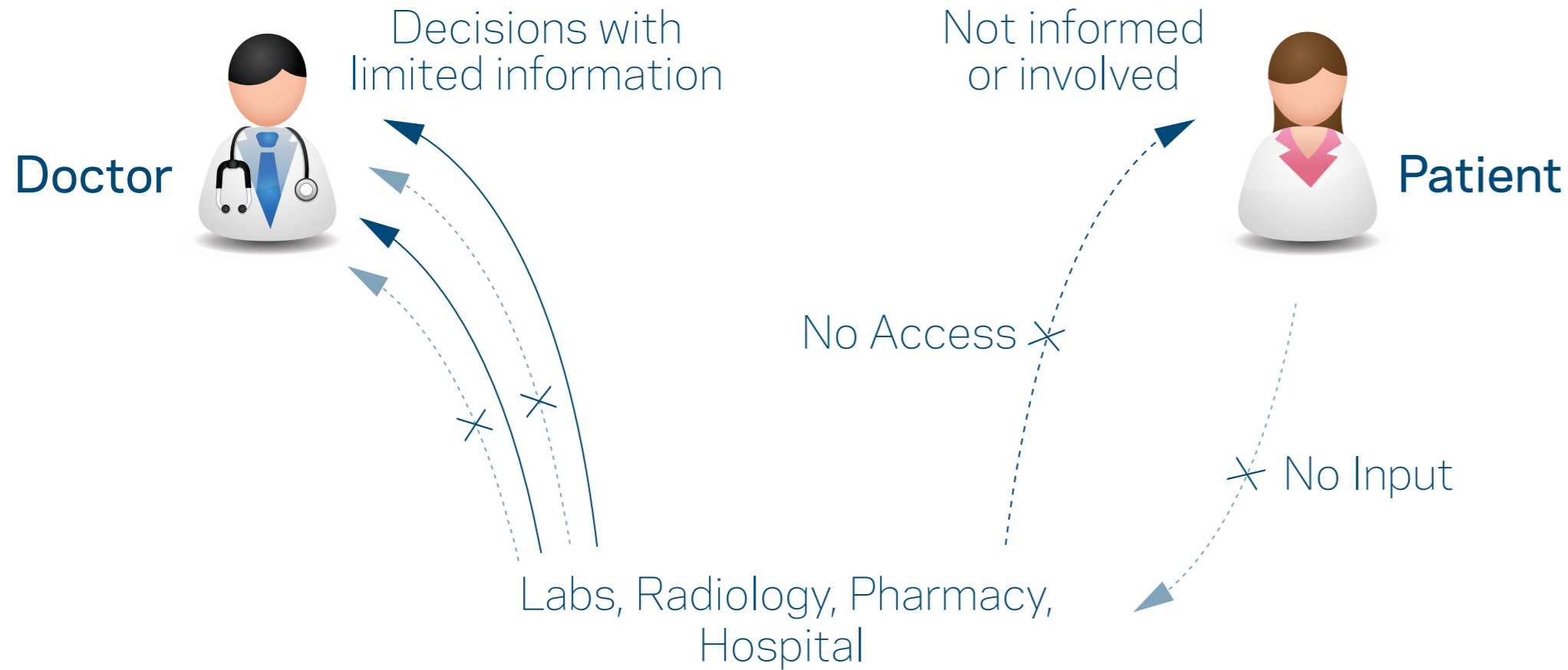
US\$2 Trillion
Waste

US\$50 Billion
Healthcare I.T.

Our Goal	To revolutionise healthcare through use of technology, ultimately giving people longer, happier, healthier lives.		
Global Opportunity	US \$6 Trillion Healthcare	US\$2 Trillion Waste	US\$50 Billion Healthcare I.T.
Drivers of Change	<p>Burgeoning costs (chronic conditions, wastage, aging)</p> <p>Internet will revolutionise Health</p> <p>New Technology (devices, mobile, etc)</p> <p>Genomics</p>		

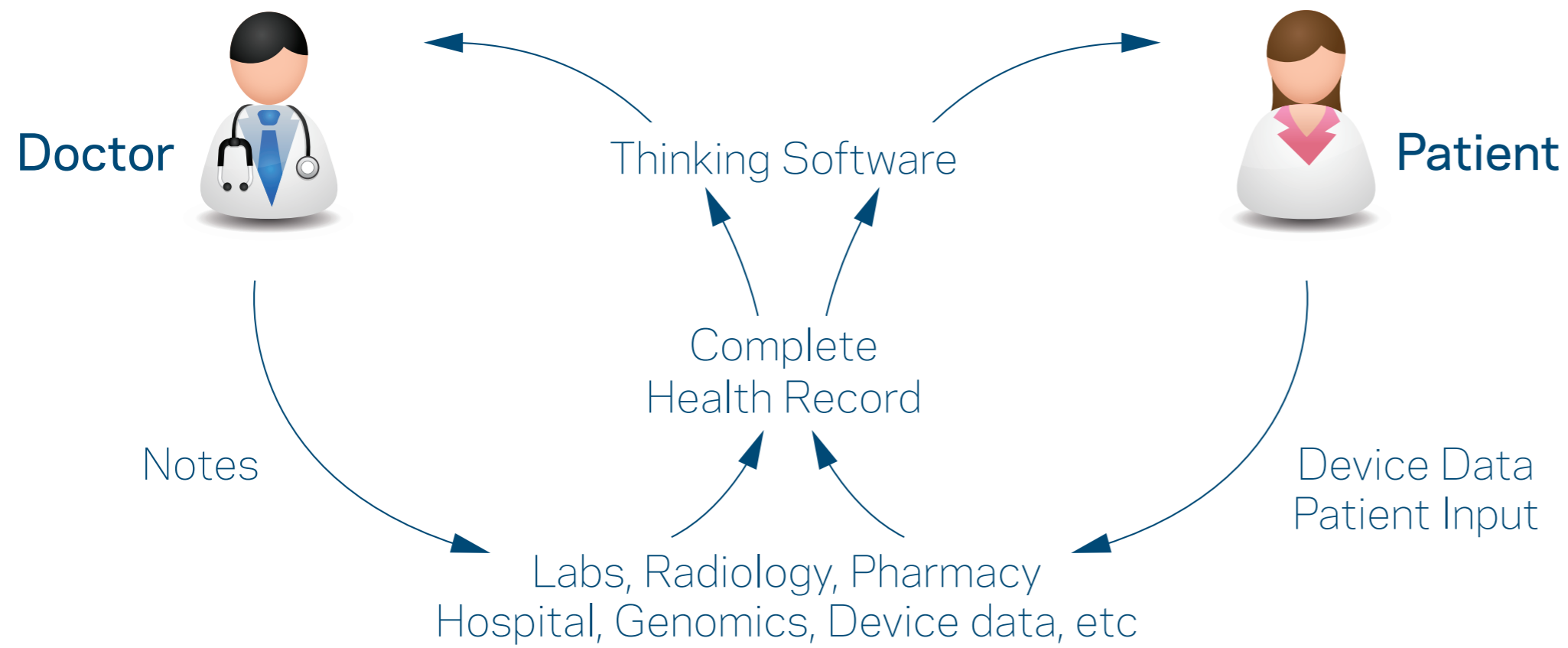
Our Goal	To revolutionise healthcare through use of technology, ultimately giving people longer, happier, healthier lives.		
Global Opportunity	US \$6 Trillion Healthcare	US\$2 Trillion Waste	US\$50 Billion Healthcare I.T.
Drivers of Change	<p>Burgeoning costs (chronic conditions, wastage, aging)</p> <p>Internet will revolutionise Health</p> <p>New Technology (devices, mobile, etc)</p> <p>Genomics</p>		
Orion's Leadership	<p>Industry Analyst ratings - IDC, Chilmark, Black Book</p> <p>Greater number of big, regional sites than all other vendors</p> <p>Award recognition - HealthInvestor UK, Hi-Tech NZ</p>		

Healthcare Today



Poor Healthcare
Duplication
Medication Errors
30-40% of waste!
(\$2 Trillion globally)

The Future of Healthcare



Optimal
Precise
Healthcare for
Each Patient

The Benefits

Northern Ireland

- Avoidance of Laboratory tests in 27% of patients Saving ~£4 per patient
- Avoidance of Imaging tests in 8% of patients Saving ~£52 per patient
- Reduced need for a Review appointment in 3% of patients (30,000 appointments saved)

Ontario

- Delivery and input time into the EMR reduced from 12 days to less than 30 minutes.
- Physician time scanning, filing and inputting information into the EMR halved
- Printing costs for health records reduced by 50%.

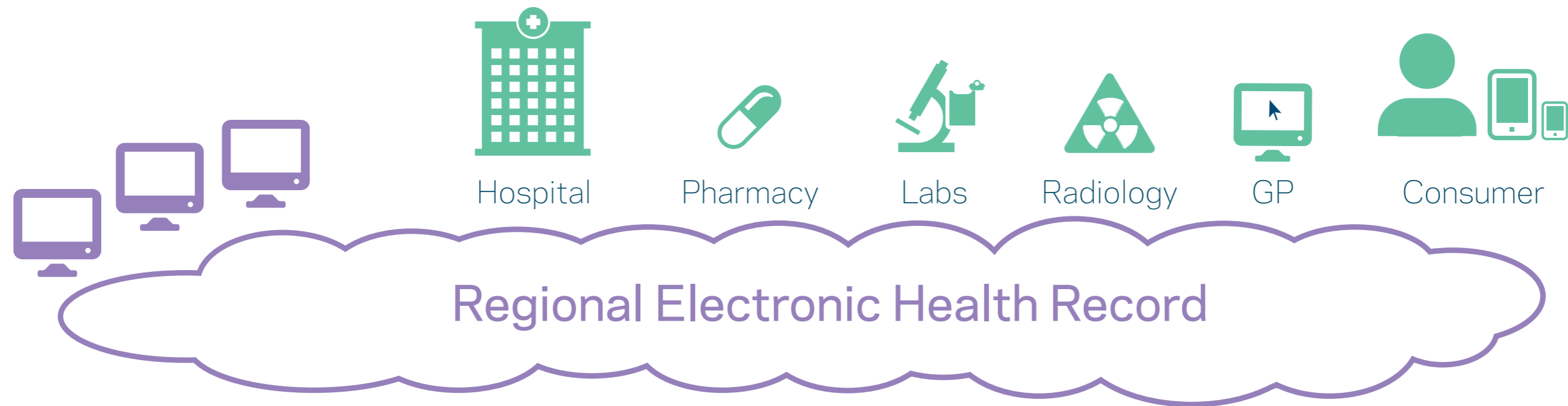
South Island

- Reduced vendor support, hardware maintenance costs, and software license fees – estimated to be approximately \$3.5m p.a. post all 4 DHBs go-live.

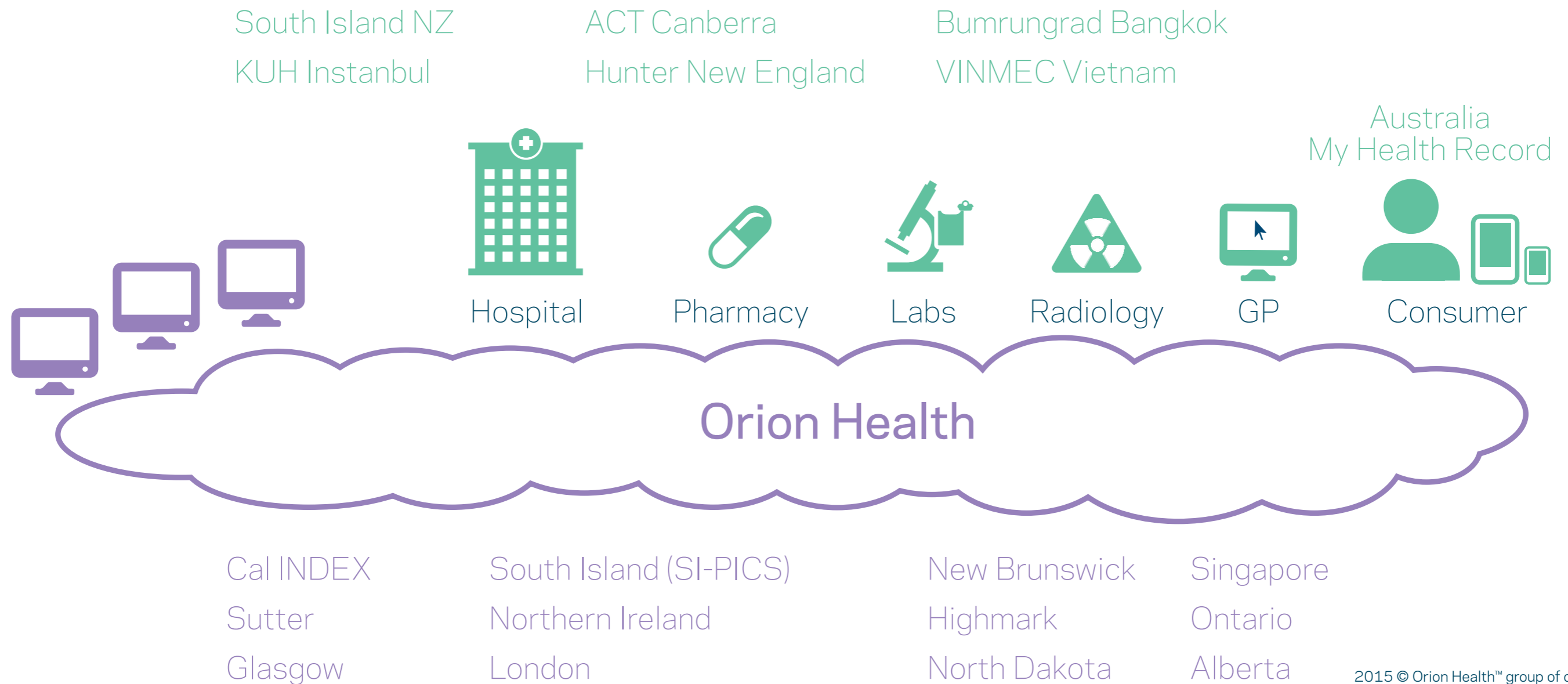
Bangkok

- US \$294,000 of radiology film costs reduced to \$26,000 in hard disk storage
- Patient waiting times reduced by 39%

Connected Health



Orion Health: The Health Data Platform of Choice



It's a Land-Grab Opportunity

Number of Patient Records

\$ Charge per Patient

Our Ambition

To transform healthcare and become the **number one** health IT vendor globally

FY2015 Financial — Performance



FY2015 Financial Highlights



* Includes cash, cash equivalents and term deposits

Summary Financial Performance

FY2015 results reflect execution of strategy

	FY2015 NZ\$m	FY2014 NZ\$m	% Change
Recurring revenue	53.7	44.5	21%
Non-recurring revenue	110.3	108.5	2%
Total Operating Revenue	164.1	153.0	7%
Other Income	5.1	10.2	-50%
Total Income	169.2	163.2	4%
Operating Expenses	221.2	165.3	34%
Loss Before Income Tax	(50.7)	(1.7)	n/m
Income Tax expense/(credit)	10.1	(0.6)	n/m
Loss After Income Tax	(60.8)	(1.1)	n/m

Note: Other Income in FY2014 above includes the gain on sale of the Healthlink business of \$6.4m. The remainder of Other Income during FY2014 and FY2015 primarily relates to grant income.

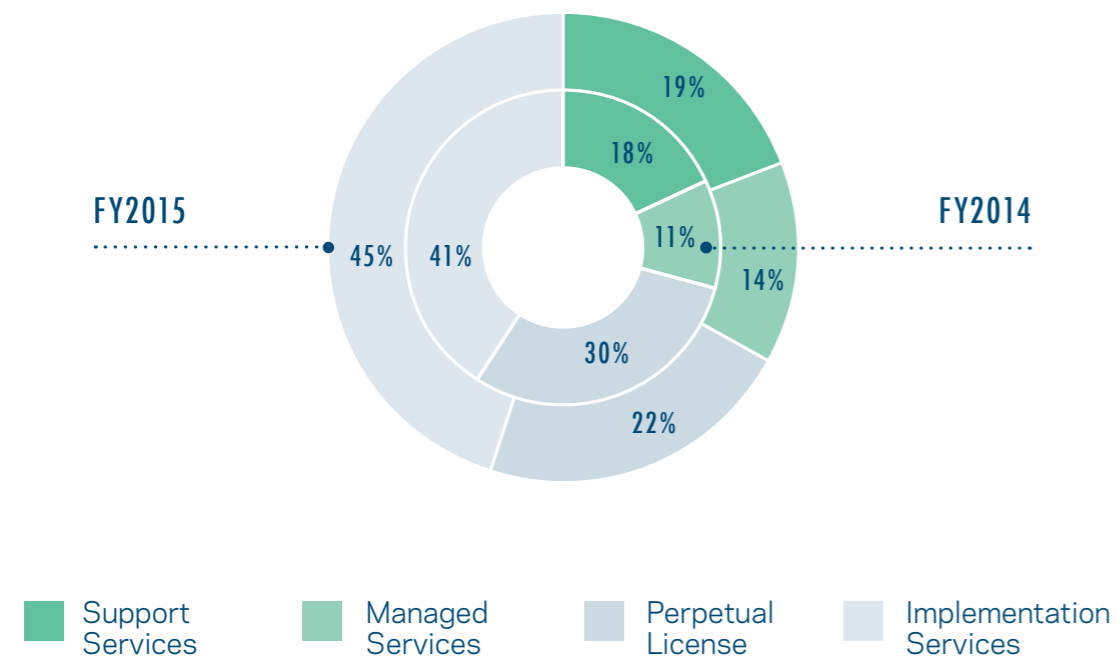
Note: LBIT includes share of profit of associate and Net Finance Income

- FY2015 Operating Revenue \$164m, up 7%
- All regions experienced growth except for North America
- North American market in transition to PHM, driven by regulatory change with some volatility in contract closure
- Rise of Payers as key market leaders, we have secured three key customers
- US Operating Revenue constrained by shift from perpetual license to subscription revenue
- Strong performance from United Kingdom and New Zealand, delivering 60% and 23% revenue growth respectively
- Invested in Research and Development (R&D), adding 98 net new R&D personnel
- Loss Before Income Tax includes \$2.2m of costs related to the Initial Public Offering (IPO) of Orion Health shares
- Loss After Income Tax includes a \$7m deferred tax writeoff
- \$145.5m of new capital raised via June 2014 placement and November 2014 IPO of Orion Shares
- \$95m in cash, cash equivalents and term deposits at 31 March 2015

Operating Revenue Mix

Recurring Revenue represented 33% of Operating Revenue

Operating Revenue Mix

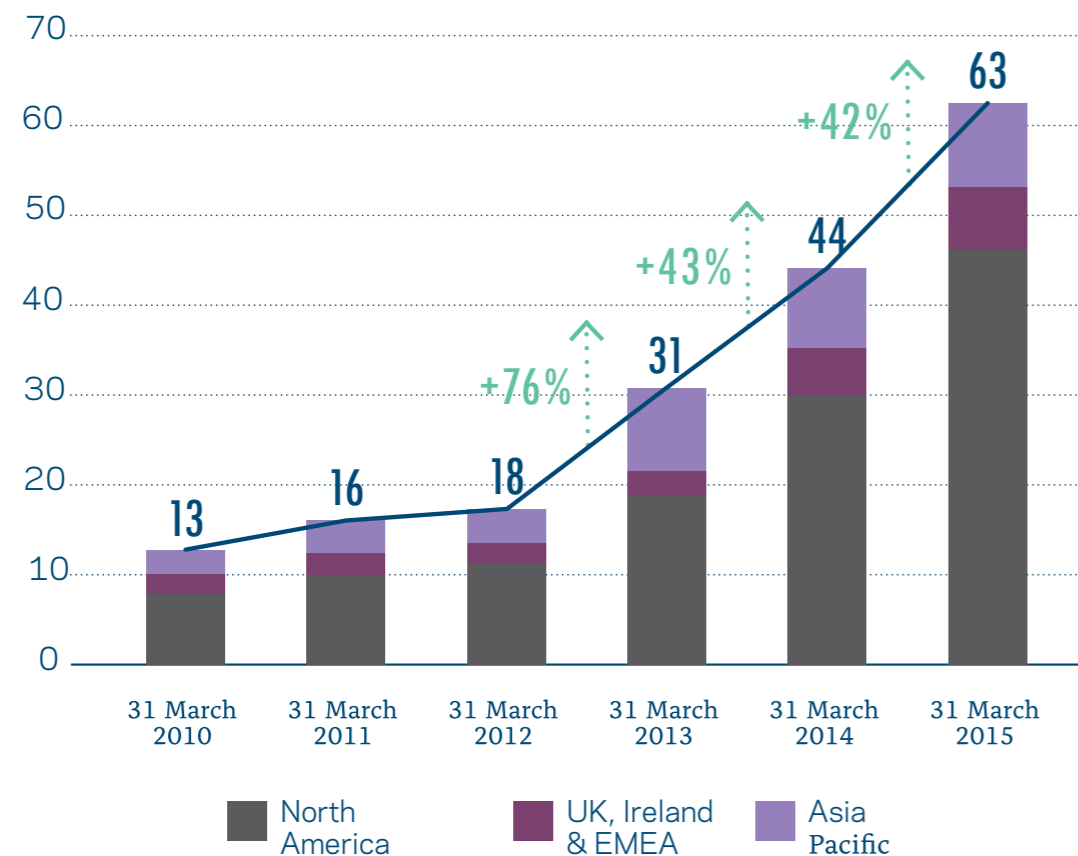


- Recurring Revenue made up 33% of Operating Revenue in FY2015, up from 29% in FY2014
- Recurring Revenue comprises Managed Services Revenue from customers paying subscription fees and Support Services Revenue from perpetual licence customers
- Ongoing transition from perpetual licences to full subscription model will drive future Recurring Revenue growth
- Target over 50% Recurring Revenue over next five years

Annualised Recurring Revenue

ARR increased 42% to \$63m

Annualised Recurring Revenue NZ\$m



- Consistently strong growth in Annualised Recurring Revenue (ARR) over last few years
- ARR at end of FY2015 was \$63m, up 42% from the end of FY2014
- Transition to subscription revenue largely complete for United States Healthier Populations business
- Commencing transition in other markets
- This growth includes new United States payer (insurer) customers added in FY2015 on per-member-per-year subscription fee model

Note: ARR is used to estimate the Managed Services and Support Services Operating Revenue already secured for the next 12 months at a particular time. Refer to the Annual Report FY2015 for a description on the calculation method.

Service Margins

Investing in expanding service capacity

	FY2015 NZ\$m	FY2014 NZ\$m	% Change
Implementation Services			
Operating revenue	71.5	60.9	17%
Margin	9.3	18.5	-49%
Margin %	13%	30%	
Support Services			
Operating revenue	30.5	28.1	9%
Margin	24.8	23.5	6%
Margin %	81%	84%	
Managed Services			
Operating revenue	23.2	16.4	42%
Margin	2.4	4.2	-44%
Margin %	10%	26%	

- The decline in Implementation Services margin a result of United States performance, all other regions delivered acceptable margins
 - Significant number of large-scale United States customers were secured in FY2014 and challenge of scaling implementation capability adversely impacted margin in FY2015
 - These projects included many interfaces to connect providers to our Healthier Populations solutions. While low margin, these interfaces increase customer utility and embed our solutions long term
 - Margin improvement expected in FY2016 as FY2014 projects come to an end
- Managed Services margin reflects investment in building capacity to host new Healthier Populations solution in public cloud environment and in expanding capacity for existing private cloud customers

Other Operating Expenses

Increase primarily due to investment in R&D

	FY2015 NZ\$m	FY2014 NZ\$m	% Change
OTHER OPERATING EXPENSES			
Research & Development	48.7	34.3	42%
% of Group Operating Revenue	30%	22%	
Sales & Marketing	37.4	36.3	3%
% of Group Operating Revenue	23%	24%	
General & Administration	46.4	35.6	30%
% of Group Operating Revenue	28%	23%	
Other Operating Expenses	132.5	106.1	25%

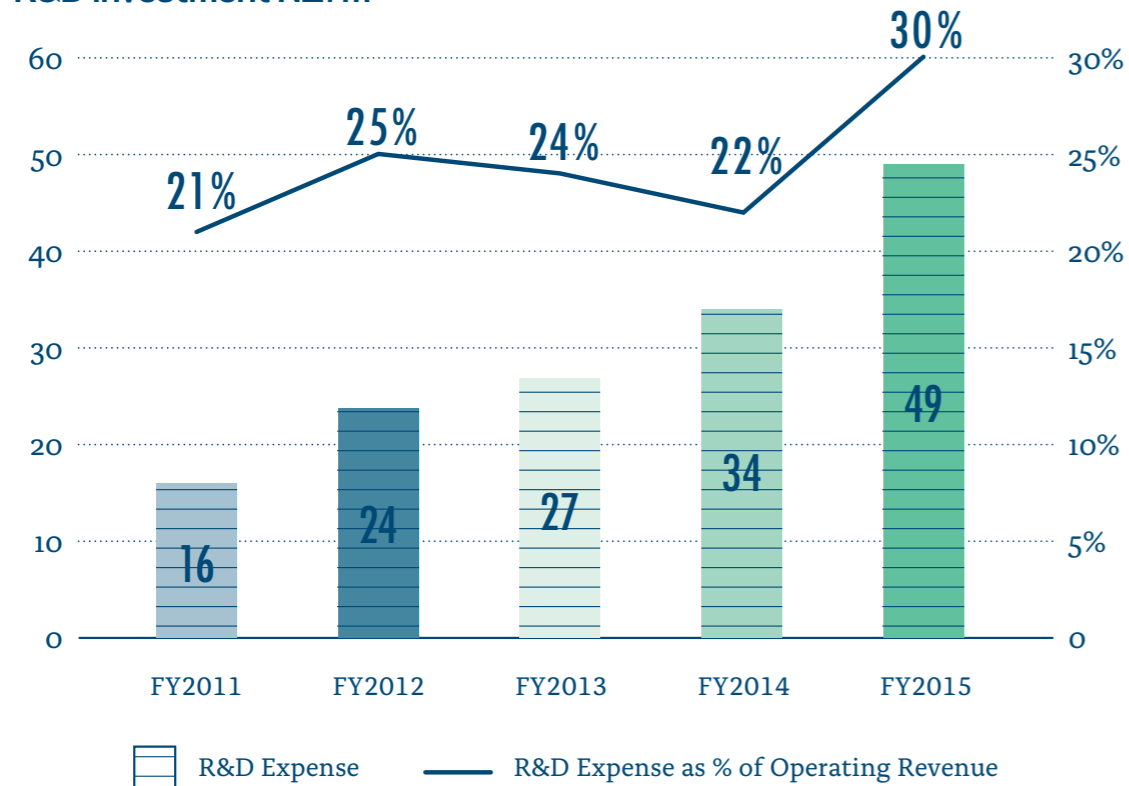
- R&D headcount has grown from 363 to 461 in FY2015
- New capital raised in FY2015 directed to funding the significant ramp up in R&D hiring that began in late 2013
- Sales & Marketing expenses flat year-on-year, expect increase moving forward
- Increase in General & Administration expenses includes impact of foreign exchange gains and losses, increased investment in Security and People functions, and new office openings

Note: IPO related costs of \$2.2m are included in the General & Administration costs above in FY2015.

Investment in Research and Development

Accelerated product development

R&D investment NZ\$m



Year	R&D Headcount
FY2015	461
FY2014	363
FY2013	279
FY2012	297
FY2011	195

- Significant increase in R&D headcount over the last two years has enabled accelerated enhancement of all solutions
- New versions of all solutions launched at annual global Health IT conference, HIMSS, April 2015
- Approach to R&D is based on embracing latest technologies; innovating through design; open architecture; interoperability and scalability

FY2016 - How We are Positioned



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- Good cash position



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- Currency is in our favour



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- We are gaining traction in our markets



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- We have growing opportunities to pursue



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- We have the strategy, vision and products to succeed

Ordinary Business and Resolutions



Ordinary Business and Resolutions

To consider and, if thought fit, pass the following ordinary resolutions:

Resolution 1: That Andrew Ferrier, who retires by rotation in accordance with clause 20.6 of the Constitution, be re-elected as a director of the Company

Ordinary Business and Resolutions

To consider and, if thought fit, pass the following ordinary resolutions:

Resolution 2: That Neil Cullimore, who retires by rotation in accordance with clause 20.6 of the Constitution, be re-elected as a director of the Company

Ordinary Business and Resolutions

To consider and, if thought fit, pass the following ordinary resolutions:

Resolution 3: That the Board of the Company be authorized to fix the auditors' remuneration for the financial year ending 31 March 2016

Other
Business —

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Investor Calendar

Upcoming Key Dates

Next quarterly
business update

**Mid - Late
October**

FY2016
Interim Results

**Mid - Late
November**

FY2016
Investor Day

**Early
December**

Questions —

