

25 November 2016

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**RECOMMENDED ACQUISITION**

of

**Constellation Healthcare Technologies, Inc. ("CHT" or the "Company")**

**by CHT Holdco LLC ("Parent")**

**through its wholly owned subsidiary CHT Merger Sub, Inc. ("Sub")**

**to be effected under the terms of a merger agreement between CHT, Parent, Sub and others**

The board of each of CHT and Parent are pleased to announce that they have reached agreement on the terms of a recommended acquisition ("**Acquisition**") under which Parent will acquire CHT pursuant to the terms of an agreement and plan of merger entered into on 24 November 2016 between CHT, Parent, Sub and others ("**Merger Agreement**").

**Summary**

- Under the terms of the Acquisition, CHT Shareholders will be entitled to receive:

**for each Common Share      \$2.93 in cash; and**

**\$0.43 in Promissory Notes**

together amounting to \$3.36 ("**Acquisition Price**").

- The Acquisition Price is the equivalent of £2.70 per Common Share on the basis of an exchange rate of \$1.2457 to £1.00 as at 24 November 2016 (being the Business Day prior to the date of this announcement). The Acquisition Price is fixed and will be paid in USD and the risk and rewards of fluctuations of the Sterling equivalent at closing will be borne by CHT Shareholders.
- The Acquisition Price values the entire issued and to be issued share capital of CHT at approximately \$309.4 million and represents a premium of approximately 45 per cent. to the Closing Price of 186 pence on 24 November 2016 (being the last Business Day prior to the date of this announcement) on the basis of an exchange rate of \$1.2457 to £1.00 as at 24 November 2016.
- The Acquisition Price also represents a premium of approximately:
  - 30.2 per cent. to the all-time high closing price of 211.5 pence per Common Share on 17 October 2016;
  - 33.4 per cent. to the Closing Price of 206.5 pence on 12 October 2016 (being the Business Day prior to the date of the Offer); and

- 76.8 per cent. to the volume weighted average Closing Price of 155.8 pence for the three month period ended 12 October 2016 (being the Business Day prior to the date of the Offer),

in each case, on the basis of an exchange rate of \$1.22 to £1.00 as at 12 October 2016.

- The Promissory Notes shall accrue payment-in-kind (PIK) interest at an annual rate of 5 per cent., be payable by CHT or Parent (or an intermediary holding company between the Surviving Corporation or Parent) on or prior to the date that is the seventh anniversary of the issuance date, will be unsecured, will not be registered for listing or trading and will be subject to typical transfer restrictions. If any CHT Shareholder does not sign a Voting Agreement which contains a release of claims under the laws of the State of Delaware, the value of its Promissory Notes may reduce in certain circumstances as described in this announcement.
- The Parmar Controlled Entities are selling approximately 38 per cent. of their Common Shares in CHT.
- The Parent is a US-based company which is backed by CC Capital Management, LLC ("**CC Capital**") and Paul Parmar, the Chief Executive Officer of CHT.
- CC Capital is a US-based company which will provide part of the financing to the Parent in connection with the Acquisition.
- Bank of America Merrill Lynch has committed to provide senior credit facilities to Parent in connection with the Acquisition and for ongoing working capital purposes of up to \$145 million subject to certain conditions being satisfied prior to closing.
- CHT provides a holistic, integrated suite of practice management support services to hospitals and medical practices across the United States.
- The Acquisition is not governed by the Takeover Code and, as such, CHT Shareholders will not be afforded the protections of the Takeover Code but is governed by the laws of the State of Delaware.
- The Acquisition is subject to the approval of Shareholders at a General Meeting of the Company to be convened by way of an explanatory circular and notice of meeting ("**Proxy Statement**") to be published as soon as practicable and, in any event, within 30 days of the date of this announcement. The Resolution will require (i) the approval of CHT Shareholders (including the Parmar Controlled Entities) holding Common Shares representing at least 89 per cent. of the issued and outstanding Common Shares; (ii) Company Stockholder Approval (being an affirmative vote of a majority of the aggregate voting power of the issued and outstanding shares of Common Shares); and (iii) Majority of the Minority Approval (being the holders of the majority of outstanding Common Shares other than those Common Shares held by any officer of CHT or held by the Parmar Controlled Entities). Whilst the Parmar Controlled Entities (holding 53.5 per cent. of the total outstanding Common Shares in the Company at closing) are entitled to vote in respect of a Company Stockholder Approval, they are not entitled to have their votes counted in respect of a Majority of the Minority Approval.
- The Special Committee, which comprises all of the Board save for Mark Feuer, Paul Parmar and Sam Zaharis, consider the terms of the Acquisition to be fair to all CHT Shareholders other than the Parmar Controlled Entities. Accordingly, the Special Committee has unanimously approved the

transaction and intend unanimously to recommend that CHT Shareholders vote in favour of the Acquisition and the Resolution to be proposed at the General Meeting.

- The Acquisition is subject to the satisfaction or waiver of the conditions and further terms that are set out in the Merger Agreement and summarised in paragraph 12 of this announcement and which will be further described in the Proxy Statement.
- Following the signing of the Merger Agreement, CHT is permitted, on the terms and subject to the conditions of the Merger Agreement, to initiate, solicit and encourage enquiries from and engage in discussions with third parties relating to alternative acquisition proposals during the Go-Shop Period.

Commenting on the Acquisition, John Johnston, Chairman of CHT said:

"This deal will provide the capital that Constellation Healthcare Technologies needs to grow its business at the rate that changes in its market demands while at the same time giving an excellent return to shareholders since IPO."

This summary should be read in conjunction with the full text of this announcement and its appendix.

The appendix to this announcement contains definitions of certain terms used in this summary and in this announcement. The appendix forms part of this announcement.

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## **Important Notices:**

### ***Disclaimers***

finnCap, which is authorised and regulated in the UK by the Financial Conduct Authority is acting exclusively for CHT and no one else in connection with the matters set out in this announcement. In connection with such matters, finnCap will not regard any other person as their client, nor will they be responsible to any other person for providing the protections afforded to clients of finnCap or for providing advice in relation any matter referred to herein.

This announcement is for information purposes only and is not intended to, and does not constitute, or form part of any offer, invitation, inducement or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of or exercise rights in respect of any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise. Any vote, decision in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Proxy Statement. Each CHT Shareholder is urged to consult its independent professional advisers immediately regarding the tax consequences of the Acquisition applicable to them.

In accordance with normal practice in the United Kingdom, the Parent or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Common Shares, other than pursuant to the Acquisition, until the date on which the Acquisition becomes Effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

### ***Overseas Shareholders***

The ability of Overseas Shareholders to participate in the Acquisition and the distribution of this announcement in, into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this announcement comes should inform themselves of, and observe, any such restrictions. Any person (including without limitation, nominees, trustees and custodians) who would, or otherwise intends to, forward this announcement, the Proxy Statement, the Form of Proxy or any accompanying document to any jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action. If any Overseas Shareholder remains in any doubt, it should consult an appropriate independent professional adviser in its relevant jurisdiction without delay. In particular, the ability of persons who are not resident in the United Kingdom to vote their Common Shares at the General Meeting or to execute and deliver a Form of Proxy appointing another to vote their Common Shares in respect of the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located.

Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared for the purposes of complying with the AIM Rules and the laws of England and Wales and the information disclosed may not be the same as that which would have

been disclosed if this document and the accompanying documents had been prepared in accordance with the laws of other jurisdictions. In particular, the Acquisition is not governed by the Takeover Code and CHT Shareholders will not be afforded the protection of the Takeover Code.

This announcement is not intended to, and does not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Acquisition or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful.

### ***Forward-Looking Statements***

This announcement contains statements about CHT, Parent and Sub that are or may be forward-looking statements which are prospective in nature. All statements other than statements of historical facts may be forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "targets", "plans", "believes", "expects", "aims", "intends", "will", "should", "could", "would", "may", "anticipates", "estimates", "synergy", "cost-saving", "projects", "goal" or "strategy" or, words or terms of similar substance or the negative thereof. Forward-looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of CHT's and Parent's operations and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on CHT's and Parent's business.

These forward-looking statements are not guarantees of future performance. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this announcement. All subsequent oral or written forward-looking statements attributable to CHT and Parent or any of their respective members, directors, officers or employees or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. CHT and Parent disclaim any obligation to update any forward-looking or other statements contained in this announcement, except as required by applicable law.

### ***No Profit Forecasts or Estimates***

No statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for CHT or Parent, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for CHT or Parent, as appropriate.

### ***Rounding***

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

***Exchange Rates***

The Acquisition Price is fixed in USD and the risk of fluctuations of the Sterling equivalent at closing will be borne by CHT Shareholders. Amounts not denominated in Sterling in this announcement have been converted into Sterling at the prevailing exchange rate as quoted from Bloomberg at the close of business in London on the relevant date.

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**to be effected under the terms of a merger agreement between CHT, Parent, Sub and others**

**1. Introduction**

The board of each of CHT and Parent are pleased to announce that they have reached agreement on the terms of a recommended acquisition ("**Acquisition**") under which Parent will acquire CHT pursuant to the terms of an agreement and plan of merger entered into on 24 November 2016 between CHT, Parent, Sub and others ("**Merger Agreement**").

**2. The Acquisition**

Under the terms of the Acquisition, which is subject to the conditions and further terms set out in the Merger Agreement (and summarised in paragraph 12 of this announcement), CHT Shareholders will be entitled to receive:

**for each Common Share      \$2.93 in cash; and**  
**\$0.43 in Promissory Notes**

together amounting to \$3.36 ("**Acquisition Price**").

The Acquisition Price is the equivalent of £2.70 per Common Share on the basis of an exchange rate of \$1.2457 to £1.00 as at 24 November 2016 (being the Business Day prior to the date of this announcement). The Acquisition Price is fixed and will be paid in USD and the risk and rewards of fluctuations of the Sterling equivalent at closing will be borne by CHT Shareholders.

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The Acquisition Price also represents a premium of approximately:

- 30.2 per cent. to the all-time high closing price of 211.5 pence per Common Share on 17 October 2016;
- 33.4 per cent. to the Closing Price of 206.5 pence on 12 October 2016 (being the Business Day prior to the date of the Offer); and
- 76.8 per cent. to the volume weighted average Closing Price of 155.8 pence for the three month period ended 12 October 2016 (being the Business Day prior to the date of the Offer),

in each case, on the basis of an exchange rate of \$1.22 to £1.00 as at 12 October 2016.

The Common Shares will be acquired by Parent fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights or interests whatsoever and together with all rights existing at the date of this announcement or thereafter attaching thereto.

The Promissory Notes shall accrue payment-in-kind (PIK) interest at an annual rate of 5 per cent., be payable by CHT or Parent (or an intermediary holding company between the Surviving Corporation or Parent) on or prior to the date that is the seventh anniversary of the issuance date, will be unsecured, will not be registered for listing or trading and will be subject to typical transfer restrictions. If any CHT Shareholder does not sign a Voting Agreement which contains a release of claims under the laws of the State of Delaware, the value of its Promissory Notes may reduce in certain circumstances. Further terms of the Promissory Notes are summarised in paragraph 11 below.

The Acquisition is conditional on all conditions having been satisfied or waived by 15 February 2017.

### **3. Recommendation**

The Special Committee, which comprises all of the Board save for Mark Feuer, Paul Parmar and Sam Zaharis, consider the terms of the Acquisition to be fair to all CHT Shareholders other than the Parmar Controlled Entities. Accordingly, the Special Committee has unanimously approved the transaction and intend unanimously to recommend that CHT Shareholders vote in favour of the Acquisition and the Resolution to be proposed at the General Meeting.

McGuireWoods, in its capacity as legal counsel, is representing the Special Committee in connection with the Acquisition and will represent Paul Parmar in making regulatory filings required under United States law.

### **4. Background to and reasons for the Acquisition**

CC Capital is a private firm that acquires and operates controlling interests in high quality businesses. It focuses on buying, holding and managing businesses that operate in industries with an attractive growth profile, companies that have strong cash flow attributes and face minimal threats of technological or competitive obsolescence. CC Capital believes that existing and new customers of CHT can draw confidence from the reputation of CC Capital and the track record of its founders.

CC Capital believes that certain of the challenges facing CHT during the foreseeable future could be addressed more effectively as a private company with access to additional capital and its long-term ownership perspective.



## **5. Background to and reasons for the Special Committee's recommendation**

After due consideration of CHT's circumstances and the market within which it operates, the Special Committee has concluded that the Acquisition substantially recognises CHT's growth prospects, as well as the risks associated with those prospects.

Accordingly, the Special Committee believes that the Acquisition Price represents an opportunity for CHT Shareholders (other than the Parmar Controlled Entities) to realise value for their holdings of Common Shares at an attractive premium to the Common Share price prior to the Acquisition being announced.

The Special Committee believes the Acquisition is in the best interests of CHT Shareholders (other than the Parmar Controlled Entities) and, therefore, intend unanimously to recommend that CHT Shareholders vote in favour of the Acquisition and the Resolution to be proposed at the General Meeting.

## **6. Voting support**

The Acquisition is subject to both Company Stockholder Approval and Majority of the Minority Approval having been obtained. Whilst the Parmar Controlled Entities (holding 53.5 per cent. of the total outstanding shares in the Company at closing) are entitled to vote in respect of a Company Stockholder Approval, they are not entitled to have their votes counted in respect of a Majority of the Minority Approval. If the Company fails to satisfy either of these voting conditions and they are not waived by Parent such that the Acquisition does not complete, then the Company will be liable to reimburse CC Capital's reasonable expenses of up to \$4 million.

It is a condition of the Merger Agreement that the Parmar Controlled Entities shall execute and deliver a Voting Agreement pursuant to which such persons shall agree to vote in favour of the Acquisition in respect of a total of 49,302,598 Common Shares representing approximately 53.5 per cent. of the Common Shares outstanding at the closing of the Acquisition.

It is also a condition of the Merger Agreement that CHT Shareholders (including the Parmar Controlled Entities) holding Common Shares representing at least 89 per cent. of the issued and outstanding Common Shares: (i) execute and deliver Voting Agreements; and (ii) vote in favour of the Merger Agreement. If the Company fails to satisfy either of these voting conditions and they are not waived by Parent such that the Acquisition is not consummated, then the Company will be liable to pay CC Capital a fee of \$10 million and reimburse CC Capital's reasonable expenses of up to \$4 million.

## **7. Go-Shop**

Following the signing of the Merger Agreement, CHT is permitted to initiate, solicit and encourage enquiries from and engage in discussions with third parties relating to alternative acquisition proposals during the Go-Shop Period ("**Go-Shop**"). Further terms and conditions relating to the Go-Shop are set out in the Merger Agreement and summarised in paragraph 12 below. In the event that a superior proposal is forthcoming from a third party which amounts to a Superior Proposal Determination, then the Voting Agreement permits the relevant CHT Shareholders to vote in favour of such a proposal.

## 8. Termination payments

The Merger Agreement contains circumstances in which certain parties may be obliged to make termination payments including:

- if Company Stockholder Approval or Majority of the Minority Approval is not obtained, CHT will pay the reasonable expenses of CC Capital up to a maximum cap of \$4 million ("**Company Expense Reimbursement**");
- if Parent terminates due to an intentional breach of CHT's representations, CHT will pay CC Capital \$16.1 million ("**Tier 3 Termination Fee**") plus the Company Expense Reimbursement;
- if CHT has received Voting Agreements from fewer than 89 per cent. of CHT shareholders or fewer than 89 per cent. of CHT shareholders vote in favour of the Merger Agreement, and Parent terminates, CHT will pay to CC Capital \$10 million ("**Tier 2 Termination Fee**") plus the Company Expense Reimbursement;
- if CHT terminates due to:
  - a non-intentional breach of Parent or Sub representations, then Parent will pay to CHT the reasonable expenses of CHT capped at \$2 million ("**Parent Expense Reimbursement**"); or
  - an intentional breach of Parent or Sub representations, then Parent will pay to CHT \$16.1 million ("**Tier 2 Reverse Termination Fee**") and the Parent Expense Reimbursement;
- if CHT or Parent terminates due to a Superior Proposal Determination made:
  - during the Go-Shop Period, resulting in a Change in Recommendation serving as the basis of such termination, then CHT will pay to CC Capital \$8 million ("**Tier 1 Termination Fee**") and the Company Expense Reimbursement; or
  - after the Go-Shop Period, resulting in a Change in Recommendation serving as the basis of such termination, then Company will pay to CC Capital the Tier 3 Termination Fee and the Company Expense Reimbursement;
- if Parent terminates due to failure to close the financing of the Acquisition, then CC Capital will pay CHT a fee of \$10 million ("**Tier 1 Reverse Termination Fee**") and the Parent Expense Reimbursement.

Further details relating to termination payments are summarised in paragraph 12 below.

## 9. Information on Parent and Sub

The Parent and the Sub are newly incorporated companies formed at the direction of CC Capital and Paul Parmar for the purpose of implementing the Acquisition. Save for activities in connection with the making, implementation and financing of the Acquisition, neither the Parent nor the Sub have carried on any business prior to the date of this announcement. Neither Parent nor Sub has prepared any historical financial accounts.

## 10. Information on CHT

CHT provides a holistic, integrated suite of practice management support services to hospitals and medical practices across the United States. CHT's main business involves the provision of revenue cycle management services to medical practices and hospitals using IT based billing systems, together with sophisticated automation and workflow management with a view to optimising the medical billing and cash collection processes. CHT also manages a group purchasing organisation business focused on the procurement of vaccines, flu shots and other drugs on behalf of participating physicians to lower vaccine costs through volume pricing with pharmaceutical suppliers.

CHT's mission is to work in partnership with its clients to lead the evolution of the health care industry. CHT enables its clients to seamlessly access and integrate patient data, diagnostic data, lab and test data, and pharmacology data to improve the quality of care for their patients, while providing automated and optimised technical and logistical support to create and sustain long-term, bottom-line success for its clients.

## 11. Financing the Acquisition

First United Health LLC, a Delaware limited liability company ("**FUH**") and Constellation Health LLC, a Delaware limited liability company ("**CH**") both companies in respect of which Paul Parmar is a manager have formed a new company Alpha Cepheus, LLC, a Delaware limited liability company ("**AC**") for the purposes of the Acquisition.

Of the 39,892,833 Common Shares held by Parmar Controlled Entities in the Company, such entities are proposing to sell 15,037,196 Common Shares in aggregate through the Acquisition which in aggregate amounts to approximately 38 per cent. of their shareholding in the Company. The balance of such Common Shares (being 24,855,637 Common Shares) have been contributed to Parent by FUH and CH, via AC. FUH has further contributed a loan agreement and promissory note to Parent in the principal amount of US\$12 million.

In connection with the closing of the Acquisition, CC Capital will make an equity subscription amounting to approximately \$88.7 million in the capital of Parent so that on closing CC Capital will have a 50.7 per cent. economic interest in the capital of Parent and AC shall have a 49.3 per cent. economic interest. The proceeds of CC Capital's contribution will be applied to the satisfaction of part of the cash consideration payable under the terms of the Acquisition. CC Capital's subscription to Parent is subject to the satisfaction of the conditions to the Acquisition being satisfied prior to or contemporaneously with CC Capital's contribution.

The balance of the total consideration payable under the terms of the Acquisition will be funded from new committed facilities established by Parent with Bank of America Merrill Lynch ("**Bank**"). The Bank has committed to provide senior credit facilities of up to \$145 million pursuant to a commitment letter, the terms of which are summarised in paragraph 13 below.

As part of the transaction, CH, AC and FUH and Paul Parmar personally have agreed to indemnify CC Capital for a period of nine months from the execution of the Merger Agreement for breaches of representations and warranties, and breach of covenants by CHT under the Merger Agreement and representations, warranties and covenants made under the subscription agreement with CC Capital. As collateral for the indemnification obligations during this indemnification period, CH, AC and FUH

have each executed pledge and security agreements with CC Capital CHT Holdco LLC as the secured party which includes security over their direct and indirect interest in Common Shares.

The Promissory Notes shall be issued by CHT or Parent (or an intermediary holding company between the Surviving Corporation or Parent) in a form to be reasonably agreed upon in good faith by CHT and Parent. The Promissory Notes shall: (i) be denominated in U.S. dollars; (ii) accrue payment-in-kind (PIK) interest at an annual rate of 5 per cent.; (iii) be payable by the issuer thereof (at such issuer's election) on or prior to the date that is the seventh anniversary of the issuance date; (iv) not be registered for listing or trading; and (v) be subject to restrictions on transfer. The Promissory Notes are unsecured.

To the extent there are any Proceedings brought by any current or former CHT Shareholder directly or indirectly with respect to the Company, Parent, Sub, the Surviving Corporation, CC Capital or any of their respective Affiliates relating to or arising from the Merger and which results in any losses, the face value of each Promissory Note to be issued to a CHT Shareholder that does not sign a Voting Agreement governed by the laws of the State of Delaware which contains a release of claims under the laws of the State of Delaware shall be reduced dollar-for-dollar on a pro rata basis for such losses. Any offset to any Promissory Note issued to such CHT Shareholder shall be treated as an adjustment to the merger consideration.

## 12. Structure of the Acquisition

It is intended that the Acquisition will be implemented by way of the Merger Agreement entered into between CC Capital, Orion Healthcorp, Inc. (a wholly owned subsidiary of CHT) ("**Orion**"), Parent, Sub and CHT, a summary of the principal terms and conditions of which are set out below.

- The Acquisition

Pursuant to the terms of the Merger Agreement, Sub shall be merged with and into CHT, with CHT being the surviving corporation ("**Surviving Corporation**"). Upon such event taking place, the Common Shares not held by members of the Purchaser Group will be converted into the right to receive the Acquisition Price.

- Representations and Warranties ("**representations**")

The parties are making representations customary for transactions of this type.

- Conditions to closing

- *Conditions to Each Party's Obligation to Effect the Acquisition:* Majority of the Minority Approval; Company Stockholder Approval; no Governmental Entity taking action enjoining or otherwise prohibiting consummation of the Acquisition and no person initiating a Proceeding for such enjoinder; and termination or expiration of HSR waiting period (if applicable).

- *Conditions to Parent and Sub's Obligations to Effect the Acquisition:* certain Company representations true and correct as of the signing date and as of the closing; Company performance of all obligations and delivery of certificate affirming same to Parent; all conditions to closing of the contribution of certain shares and other securities by Contributing Entities ("**Contribution**") satisfied, waived, or will be satisfied at closing, and the Contribution has been consummated or will be consummated contemporaneously with closing; execution and delivery of employment agreements for certain key employees; no Company Material Adverse Effect

has occurred; execution and delivery of Voting Agreements by CHT Shareholders holding at least 89 per cent. of issued and outstanding Common Shares and no such shareholders having revoked, attempted to revoke or challenged the validity or enforcement of such agreement and 89 per cent of the issued and outstanding Common Shares having voted in favour of the Merger Agreement; and all conditions to the closing of the financing of the transaction ("**Financing**") have been satisfied or waived and the Financing has been or will be consummated contemporaneously with closing.

- *Conditions to the Company's Obligations to Effect the Acquisition:* Representations of Parent and Sub are true and correct as of the signing date and as of closing and Parent and Sub have performed all obligations and delivered a certificate affirming same to Company.
- Termination
  - *Company or Parent:* Company or Parent may terminate: upon mutual written agreement; should any Governmental Entity take action prohibiting the consummation of the Acquisition; upon a Change in Recommendation as a result of a Superior Proposal Determination or public announcement of an intention to effect the foregoing (see below); should the Company Stockholder Approval or the Majority of the Minority Approval not be obtained; or if the Acquisition has not occurred before February 15, 2017 ("**Outside Date**") unless this is due to the failure of the terminating party to fulfil its obligations in any material respect.
  - *Company:* Company may terminate upon a breach of any Parent or Sub representation uncured for 30 days following written notice of such breach.
  - *Parent:* Parent may terminate upon a breach of any Company representation uncured for 30 days, or within 10 days of receipt of an update to the disclosure schedules to the Merger Agreement evidencing breach of Company representations; should CHT Shareholders holding at least 89 per cent. of issued and outstanding Common Shares not execute and deliver Voting Agreements to the Company and vote in favour of the Merger Agreement (subject to the below); or upon failure to consummate the Financing, provided that CC Capital may not terminate upon failure to consummate the Financing without first paying \$10 million ("**Tier 1 Reverse Termination Fee**") plus the Parent Expense Reimbursement to the Company.
  - *Effect of Termination:* If Parent or Company terminates due to the Company Stockholder Approval or Majority of the Minority Approval not having been obtained or the Acquisition not having occurred before the Outside Date, or if Parent terminates due to breach of Company representations, Company will pay the reasonable expenses of CC Capital, with such expenses capped at \$4 million unless termination has occurred due to failure to consummate the Acquisition prior to the Outside Date (because no Governmental Entity taking action enjoining or otherwise prohibiting consummation of the Acquisition; and termination or expiration of HSR waiting period (if applicable)), in such case, reimbursement will be capped at \$2 million. If Parent terminates due to an intentional breach of Company representations, Company will pay CC Capital \$16.1 million ("**Tier 3 Termination Fee**") plus the Company Expense Reimbursement. If Company has received Voting Agreements from fewer than 89 per cent. of CHT shareholders or fewer than 89 per cent. of CHT shareholders vote in favour of the Merger Agreement and Parent terminates, Company will pay CC Capital \$10 million ("**Tier 2 Termination Fee**") and the Company Expense Reimbursement. If Company terminates due

to a non-intentional breach of Parent or Sub representations, then Parent will pay to Company an expense reimbursement capped at \$2 million ("**Parent Expense Reimbursement**"). If Company terminates due to an intentional breach of Parent or Sub representations, then Parent will pay to Company \$16.1 million ("**Tier 2 Reverse Termination Fee**") and the Parent Expense Reimbursement. If Company or Parent terminates due to a Superior Proposal Determination made during the Go-Shop Period resulting in a Change in Recommendation serving as the basis of such termination, then Company will pay to CC Capital \$8 million ("**Tier 1 Termination Fee**") and the Company Expense Reimbursement. If Company or Parent terminates due to a Superior Proposal Determination made after the Go-Shop Period resulting in a Change in Recommendation serving as the basis of such termination, then Company will pay to CC Capital the Company Expense Reimbursement and the Tier 3 Termination Fee. If Parent terminates due to failure to close the Financing, then CC Capital will pay to Company the Tier 1 Reverse Termination Fee and the Parent Expense Reimbursement.

- Guarantee

Orion absolutely and unconditionally guarantees the full and prompt payment of any Termination Fee and/or Company Expense Reimbursement, as well as all other payment obligations of the Company. CC Capital absolutely and unconditionally guarantees the full and prompt payment of any Reverse Termination Fee and/or Parent Expense Reimbursement and all other payment obligations of each of Parent and Sub.

- Covenants

During the period between the date of this announcement and the date of closing of the Acquisition ("**Pre-Closing Period**") CHT covenants to ensure that the business and operations of each of the Acquired Corporations shall be conducted in the ordinary course of business consistent with past practices, and in compliance with all applicable law (including, without limitation, healthcare laws) and the requirements of all material contracts; and CHT shall use reasonable best efforts to ensure that each of the Acquired Corporations (A) preserves intact its current business organisation, (B) preserves its existing relationships and goodwill with all customers, suppliers and others having significant business dealings with it and with all Governmental Entities, (C) keeps available the services of its current officers and other employees. Without limiting the generality of the foregoing, except (w) as may be required by law or requested by a Governmental Entity, (x) with the prior written consent of Parent, (y) as required or specifically requested by or pursuant to the Merger Agreement or (z) as disclosed, during the Pre-Closing Period, the Acquired Corporations covenant not to do certain acts or things including, but not limited to, not making changes to its share capital and not acquiring or disposing of assets outside the ordinary course of business.

- Go Shop

During the Go-Shop Period, the Acquired Corporations and their respective representatives shall have the right to, directly or indirectly: (i) solicit or initiate, or induce, facilitate or encourage, the making, submission or announcement of any Acquisition Proposal or take any action that would reasonably be expected to lead to an Acquisition Proposal; (ii) furnish any non-public information regarding any of the Acquired Corporations to any Person in connection with or in response to an Acquisition Proposal (other than any notes, analysis or other documents or materials prepared by

CC Capital); and (iii) engage in discussions or negotiations with any Person with respect to any Acquisition Proposal.

### 13. Acquisition-related documents

In connection with the Acquisition, additional documents will be entered into including those summarised below.

- Voting Agreements

The Merger Agreement contemplates the execution and delivery of Voting Agreements by CHT Shareholders holding at least 89 per cent. of issued and outstanding Common Shares, to vote or procure votes in favour of the Resolution to be proposed at the General Meeting to approve the Merger.

- Employment Agreement

Following the Acquisition, Paul Parmar shall remain as the Chief Executive Officer ("**CEO**") of CHT and shall enter into an employment agreement with CHT. The employment term, subject to typical termination provisions contained in the agreement, is for a period of four years. The CEO's annual base salary for the term shall be \$250,000. The CEO shall be eligible to receive an annual performance bonus having a target of \$250,000 relating to each complete calendar year during the term.

In the event of the CEO's termination of employment without "cause" or for "good reason," or the CEO's resignation following a "change of control" of CHT (as each term is defined in the employment agreement) during the term, subject to the conditions set out in the agreement, he will be entitled to severance payments equal to \$1,000,000 in the aggregate, payable over two years, and continued medical, dental and life insurance benefits for two years.

The CEO will be subject to two year non-compete and non-solicitation restrictions should he leave CHT.

- Consulting Agreement

Paul Parmar, shall indirectly enter into a consulting agreement with Parent pursuant to which he shall, indirectly, receive an annual fee of \$250,000 and be eligible for an annual performance-based fee of \$250,000. The consulting term is for a period of four years, unless earlier terminated in accordance with the agreement.

- Bank Commitment Letter

Bank of America Merrill Lynch ("**Bank**") and Parent have entered into a commitment letter pursuant to which the Bank will provide senior credit facilities of up to \$145 million comprising a term loan of up to \$130 million and a revolving credit facility of up to \$15 million. The commitment is subject to the parties agreeing definitive loan documentation. The senior credit facilities will be subject to conditions including the satisfaction of typical conditions precedent to closing and the accuracy of specified representations including:

- there not having occurred since the date of the Merger Agreement any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a

material adverse effect on, among other things, the business, condition (financial or otherwise), prospects, operations, assets or financial performance of the Acquired Corporations taken as a whole;

- the representations and warranties in connection with CHT in the Merger Agreement that are material to the interests of the lenders; and
- the representations and warranties of the borrower and the guarantors in the definitive loan documentation relating to, among other things, corporate or other organisational existence, corporate power and authority to enter into the loan documentation, due authorisation, execution and delivery of the loan documentation and non-contravention of laws as a result of entering into the loan documents.

#### **14. Related Party Transaction**

The entering into of the Merger Agreement on 24 November 2016 between, amongst other parties, CHT and Parent (which on such date was controlled, directly or indirectly by Paul Parmar), and the entering into of Voting Agreements by Paul Parmar, Sam Zaharis and the Parmar Controlled Entities for the purposes of giving full effect to the Acquisition are both related party transactions within the meaning of the AIM Rules. In accordance with and as required by the AIM Rules, the members of the Special Committee, having consulted with finnCap, consider that these arrangements are fair and reasonable insofar as the Company's shareholders are concerned.

#### **15. Additional issue of shares**

It is contemplated by the Merger Agreement that during the Pre-Closing Period further Common Shares will be issued, including 188,372 Common Shares to be issued to certain non-executive members of the Board in lieu of CHT's obligations to pay fees earned pursuant to their respective terms of appointment, such that a total number of Common Shares outstanding at the closing shall be 92,081,632 Common Shares.

#### **16. Cancellation of admission to trading on AIM and re-registration**

Prior to the Acquisition becoming Effective, an application will be made to the London Stock Exchange for the admission of the Common Shares to trading on AIM to be cancelled on the first Business Day following the Effective Date. The last day of dealings in, and for registration of transfers of, Common Shares is expected to be the close of business on the Business Day before the Effective Date. No transfers of Common Shares will be registered after this date.

It is intended that the cancellation of admission of the Common Shares to trading on AIM will take effect on the first Business Day following the Effective Date. In addition, entitlements to depositary interests held within the CREST system will be cancelled and share certificates in respect of the Common Shares will cease to be valid and should, if so requested by CHT, be sent to CHT for cancellation.

#### **17. Overseas Shareholders**

The ability of Overseas Shareholders to participate in the Acquisition and the distribution of this announcement in, into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this announcement comes should inform themselves of, and observe, any such restrictions. Any person (including without limitation,



nominees, trustees and custodians) who would, or otherwise intends to, forward this announcement, the Proxy Statement, the Form of Proxy or any accompanying document to any jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action. If any Overseas Shareholder remains in any doubt, it should consult an appropriate independent professional adviser in its relevant jurisdiction without delay. In particular, the ability of persons who are not resident in the United Kingdom to vote their Common Shares at the General Meeting or to execute and deliver a Form of Proxy appointing another to vote their Common Shares in respect of the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located. Further details in relation to Overseas Shareholders will be contained in the Proxy Statement.

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**Important Notices:**

***Disclaimers***

finnCap, which is authorised and regulated in the UK by the Financial Conduct Authority is acting exclusively for CHT and no one else in connection with the matters set out in this announcement. In connection with such matters, finnCap will not regard any other person as their client, nor will they be responsible to any other person for providing the protections afforded to clients of finnCap or for providing advice in relation any matter referred to herein.

This announcement is for information purposes only and is not intended to, and does not constitute, or form part of any offer, invitation, inducement or the solicitation of an offer to purchase, otherwise acquire,

subscribe for, sell or otherwise dispose of or exercise rights in respect of any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise. Any vote, decision in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Proxy Statement. Each CHT Shareholder is urged to consult its independent professional advisers immediately regarding the tax consequences of the Acquisition applicable to them.

In accordance with normal practice in the United Kingdom, the Parent or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Common Shares, other than pursuant to the Acquisition, until the date on which the Acquisition becomes Effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

### ***Overseas Shareholders***

The ability of Overseas Shareholders to participate in the Acquisition and the distribution of this announcement in, into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this announcement comes should inform themselves of, and observe, any such restrictions. Any person (including without limitation, nominees, trustees and custodians) who would, or otherwise intends to, forward this announcement, the Proxy Statement, the Form of Proxy or any accompanying document to any jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action. If any Overseas Shareholder remains in any doubt, it should consult an appropriate independent professional adviser in its relevant jurisdiction without delay. In particular, the ability of persons who are not resident in the United Kingdom to vote their Common Shares at the General Meeting or to execute and deliver a Form of Proxy appointing another to vote their Common Shares in respect of the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located.

Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared for the purposes of complying with the AIM Rules for Companies and the laws of England and Wales and the information disclosed may not be the same as that which would have been disclosed if this document and the accompanying documents had been prepared in accordance with the laws of other jurisdictions. In particular, the Acquisition is not governed by the Takeover Code and CHT Shareholders will not be afforded the protection of the Takeover Code.

This announcement is not intended to, and does not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Acquisition or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful.

### ***Forward-Looking Statements***

This announcement contains statements about CHT, Parent and Sub that are or may be forward-looking statements which are prospective in nature. All statements other than statements of historical facts may be forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "targets", "plans", "believes", "expects", "aims", "intends", "will", "should", "could", "would", "may", "anticipates", "estimates", "synergy", "cost-saving", "projects", "goal" or "strategy" or, words or terms of similar substance or the negative thereof. Forward-looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of CHT's and Parent's operations and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on CHT's and Parent's business.

These forward-looking statements are not guarantees of future performance. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this announcement. All subsequent oral or written forward-looking statements attributable to CHT and Parent or any of their respective members, directors, officers or employees or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. CHT and Parent disclaim any obligation to update any forward-looking or other statements contained in this announcement, except as required by applicable law.

### ***No Profit Forecasts or Estimates***

No statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for CHT or Parent, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for CHT or Parent, as appropriate.

### ***Rounding***

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

### ***Exchange Rates***

The Acquisition Price is fixed in USD and the risk of fluctuations of the Sterling equivalent at closing will be borne by CHT Shareholders. Amounts not denominated in Sterling in this announcement have been converted into Sterling at the prevailing exchange rate as quoted from Bloomberg at the close of business in London on the relevant date.

**APPENDIX**  
**DEFINITIONS**

The following definitions apply throughout this announcement unless the context requires otherwise.

<b>"Acquired Corporations"</b>	(a) the Company; (b) each of the Company's subsidiaries; and (c) any other Entity that has been merged with or into, or that is a predecessor to, any of the Entities identified in paragraphs (a) or (b) above;
<b>"Acquisition"</b>	the recommended acquisition of the entire issued and to be issued ordinary share capital of CHT by the Parent through the Sub at the Acquisition Price in cash and Promissory Notes to be effected by means of the Merger Agreement and, where the context admits, any subsequent variation, revision, extension or renewal thereof;
<b>"Acquisition Price"</b>	\$2.93 in cash and \$0.43 in Promissory Notes per share;
<b>"Acquisition Proposal"</b>	any inquiry, indication of interest, proposal or offer made by any Person (other than Parent or any of its Affiliates) contemplating or otherwise relating to any Acquisition Transaction;
<b>"Acquisition Transaction"</b>	any transaction or series of related transactions involving: (a) any merger, exchange, consolidation, business combination, plan of arrangement, issuance of securities, acquisition of securities, reorganization, recapitalization, takeover offer, tender offer, exchange offer or other similar transaction: (i) in which a Person or "group" (as defined in the Exchange Act) of Persons directly or indirectly acquires beneficial or record ownership of securities representing more than 50.1% of the outstanding securities of any class of voting securities of any of the Acquired Corporations whose assets, individually or in the aggregate, constitute 50.1% or more of the consolidated assets of the Company (as determined on a book value basis); or (ii) in which any of the Acquired Corporations whose assets, individually or in the aggregate, constitute 50.1% or more of the consolidated assets of the Company (as determined on a book value basis) issues securities representing more than 50.1% of the outstanding securities of any class of any Acquired Corporation's voting securities; (b) any sale, lease, exchange, transfer, license or disposition of any business or businesses or assets that constitute or account for 50.1% or more of the consolidated net revenues, consolidated net income or consolidated assets of the Acquired Corporations taken as a whole; or (c) any liquidation or dissolution of any of the Acquired Corporations whose assets, individually or in the

	aggregate, constitute 50.1% or more of the consolidated assets of the Company (as determined on a book value basis);
<b>"Affiliate"</b>	has the meaning given to such term in Rule 12b-2 under the Exchange Act; provided that (a) neither Parent, Sub nor any other member of the Purchaser Group shall be deemed to be Affiliates of any Acquired Corporation and (b) no Acquired Corporation shall be deemed to be an Affiliate of Parent, Sub or any other member of the Purchaser Group for any purpose;
<b>"AIM"</b>	the market of that name operated by the London Stock Exchange;
<b>"AIM Rules"</b>	the AIM Rules for Companies published by the London Stock Exchange, as amended from time to time;
<b>"Board"</b>	the board of directors of CHT;
<b>"Business Day"</b>	a day (other than Saturdays, Sundays and public holidays) on which banks are open for business in London;
<b>"CC Capital"</b>	CC Capital Management, LLC;
<b>"Change in Recommendation"</b>	any of the following by Company, the Board or any committee thereof: (i) withhold, withdraw, amend, qualify or modify, in a manner adverse to Parent or Sub, or propose publicly to withhold, withdraw, amend, qualify or modify, in a manner adverse to Parent or Sub, the Company Recommendation, (ii) adopt, approve or recommend, or publicly propose to adopt, approve or recommend, or publicly take a neutral position or no position with respect to, any Acquisition Proposal, (iii) fail to include the Company Recommendation in the Proxy Statement or (iv) following receipt of an Acquisition Proposal, fail to reaffirm its approval or recommendation of the Merger Agreement and the Acquisition within five (5) Business Days after receipt of any reasonable request to do so from Parent;
<b>"CHT" or "Company"</b>	Constellation Healthcare Technologies, Inc, a Delaware Corporation;
<b>"CHT Shareholders" or "Shareholders"</b>	the holders of Common Shares;
<b>"Closing Price"</b>	the middle market price of a Common Share at the close of business on the day to which such price relates, as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange for that day or from Bloomberg in the case of the average Closing Price for the three month period ended on 12 October 2016;

- "Common Share"** share of common stock, par value \$0.0001 per share, of the Company;
- "Company Expense Reimbursement"** the reimbursement of the CC Capital's reasonable expenses in the event the Parent terminates the Acquisition due to breach of Company representations up to a maximum cap of \$4 million;
- "Company Material Adverse Effect"** any Effect that, considered together with all other Effects, has had or would reasonably be expected to have or result in a material adverse effect on: (a) the business, condition (financial or otherwise), prospects, operations, assets or financial performance of the Acquired Corporations taken as a whole, other than any such Effect resulting from (i) any decrease in the market price of the Common Share (but not any Effect underlying such decrease to the extent that such Effect would otherwise constitute a Company Material Adverse Effect), (ii) conditions generally affecting the economy or financial markets generally or the industry in which the Acquired Corporations operate, (iii) any Effect resulting from the announcement or pendency of this Agreement or the Contemplated Transactions, (iv) changes in Law or GAAP or principles, interpretations or enforcement thereof, (v) the occurrence, escalation, outbreak or worsening of any acts of war, armed hostilities, sabotage or terrorism (including cyber-terrorism or cyber-attacks) threatened or underway as of the date of this Agreement, (vi) the existence, occurrence or continuation of any force majeure event, including any earthquakes, floods, hurricanes, tropical storms, fires or other national disasters, (vii) any action taken or not taken by the Company or any of its Subsidiaries, in each case that is specifically required by this Agreement, or (viii) any action taken by or at the explicit written request of the Purchaser Group; provided that any Effect resulting from any of the matters described in sub-paragraph "(ii)", "(iv)", "(v)" or "(vi)" may be taken into account in determining whether or not there has been, or is reasonably expected to be, a Company Material Adverse Effect if, but only if, such Effect has a disproportionate adverse effect (and solely to the extent of such disproportionate adverse effect) on the Company and its Subsidiaries, taken as a whole, as compared to other companies in the industry in which the Company and its Subsidiaries operate, other than any such Effect resulting from any of the matters described in the immediately preceding clauses "(vii)" and "(viii)," or (b) the ability of the Company to consummate the Contemplated Transactions or to perform any of its covenants or obligations under this Agreement;

<b>"Company Recommendation"</b>	the Company's recommendation that the Shareholders approve the adoption of the Merger Agreement and the Acquisition;
<b>"Company Stockholder Approval"</b>	affirmative vote of a majority of the aggregate voting power of the issued and outstanding shares of Common Shares;
<b>"Competing Proposed Transaction"</b>	a proposal or offer from, or participate or engage in or conduct any discussions or negotiations with, any Person relating to any inquiry, contact, offer or proposal, oral, written or otherwise, formal or informal, with respect to any possible business combination with CHT;
<b>"Contemplated Transactions"</b>	the Acquisition and the other transactions contemplated by the Merger Agreement, and the Voting Agreements and the transactions contemplated therein;
<b>"Contributing Entities"</b>	a person directly or indirectly contributing Common Shares directly or indirectly beneficially owned by such Contributing Entity to Parent;
<b>"CREST"</b>	a relevant system (as defined in the Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the Regulations);
<b>"DGCL"</b>	General Corporation Law of the State of Delaware;
<b>"Effect"</b>	any effect, event, fact, development, circumstance, condition or change;
<b>"Effective"</b>	in the context of the Acquisition, the Merger Agreement becoming effective in accordance with the terms of the Merger Agreement;
<b>"Effective Date"</b>	the date on which the Acquisition becomes Effective in accordance with its terms;
<b>"Entity"</b>	any corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, joint venture, joint venture syndicate, estate, trust, company (including any company limited by shares, limited liability company or joint stock company), firm, society or other enterprise, association, organisation or entity;
<b>"Exchange Act"</b>	the Securities Exchange Act of 1934, as amended;
<b>"Financial Conduct Authority"</b>	the UK Financial Conduct Authority or its successor from time to time;
<b>"Financing"</b>	financing of the Acquisition;

<b>"finnCap"</b>	finnCap Ltd, the nominated adviser and broker to CHT for the purposes of the AIM Rules;
<b>"Form of Proxy"</b>	the form of proxy for use at the General Meeting;
<b>"General Meeting"</b>	the general meeting of CHT Shareholders (and any adjournment thereof) to be convened in connection with the Acquisition;
<b>"Go-Shop Period"</b>	the period from the date of the Merger Agreement until 25 December 2016;
<b>"Governmental Entity"</b>	any: (a) nation, state, commonwealth, province, territory, county, municipality, tribal territory, district or other jurisdiction of any nature; (b) U.S. federal, state, local or municipal, non-U.S. or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental division, department, agency, commission, instrumentality, official, ministry, fund, foundation, center, organization, unit, body or Entity and any court or other tribunal); (d) self-regulatory organization (including the London Stock Exchange and the FCA); or (e) any government healthcare program contractor;
<b>"HSR"</b>	the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended;
<b>"London Stock Exchange"</b>	London Stock Exchange Group plc, a public limited company incorporated in England and Wales with registered number 5369106;
<b>"Majority of the Minority Approval"</b>	the holders of the majority of outstanding Common Shares, other than those Common Shares held by an "officer" of the Company (as defined in Rule 16a-1(f) promulgated under the Exchange Act) and the Parmar Controlled Entities voting in favour of the adoption of the Merger Agreement;
<b>"Offer"</b>	the non-binding offer proposing terms of the Acquisition made to the Company on behalf of Parent on 13 October 2016;
<b>"Orion"</b>	Orion Healthcorp, Inc. (a wholly owned subsidiary of CHT);
<b>"Outside Date"</b>	15 February 2017;
<b>"Overseas Shareholders"</b>	CHT Shareholders (or nominees, custodians or trustees of CHT Shareholders) who are resident in, or nationals or citizens of jurisdictions outside of the UK or who are citizens or residents of countries other than the UK;
<b>"Panel" or "Takeover Panel"</b>	the UK Panel on Takeovers and Mergers;



<b>"Parent"</b>	CHT Holdco, LLC, a Delaware Corporation;
<b>"Parent Expense Reimbursement"</b>	reimbursement by the Parent to the Company if the Company terminates the Acquisition due to a non-intentional breach of Parent or Sub representations;
<b>"Parmar Controlled Entity"</b>	entities managed, whether directly or indirectly, by Paul Parmar and Sam Zaharis namely PBPP Partners LLC, MYMSMD LLC, PPSR Partners LLC, Blue Mountain Healthcare LLC, and Parent (formerly FUH and CH prior to their contribution described in paragraph 11 above), which together are interested in 49,302,598 Common Shares representing 53.5 per cent. of the issued and outstanding Common Shares at closing of the Acquisition;
<b>"Person" or "Persons"</b>	any individual, person (including a "person" as defined in Section 13(d)(3) of the Exchange Act), Entity or Governmental Entity;
<b>"Pre-Closing Period"</b>	the period between the date of this announcement and the date of closing of the Acquisition;
<b>"Proceeding"</b>	any threatened or pending claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, and whether formal or informal;
<b>"Promissory Notes"</b>	the promissory notes forming part of the Acquisition Price, the terms of which are further described in paragraph 11 above;
<b>"Proxy Statement"</b>	the document to be sent to CHT Shareholders in connection with seeking the adoption of the Merger Agreement, containing and setting out the terms of the Acquisition and the notice convening the General Meeting;
<b>"Purchaser Group"</b>	Parent, Sub, Paul Parmar, each Contributing Entity and CC Capital;
<b>"Regulations"</b>	the Uncertificated Securities Regulations 2001 (SI2001 No. 3755), as amended from time to time;
<b>"Regulatory Information Service"</b>	a service approved by the London Stock Exchange for the distribution to the public of announcements and included on the list maintained on the London Stock Exchange's website;
<b>"Resolution"</b>	the resolution to be proposed at the General Meeting to approve the Merger Agreement in connection with the Acquisition;
<b>"Reverse Termination Fee"</b>	each of the Tier 1 Reverse Termination Fee and the Tier 2 Reverse Termination Fee;

<b>"Special Committee"</b>	all of the members of the Board save for Mark Feuer, Paul Parmar and Sam Zaharis;
<b>"Sub"</b>	CHT Merger Sub, Inc, a Delaware corporation;
<b>"Superior Proposal Determination"</b>	an unsolicited bona fide written Acquisition Proposal that: (a) did not result from a breach of the Acquisition Proposal terms; (b) is not subject to a financing contingency and in respect of which any required financing is then committed; (c) includes merger consideration in excess of the aggregate Acquisition Price pursuant to the terms of the Merger Agreement; and (d) is determined by the Board or any independent committee, in its good faith judgment, and after taking into account, among other things, all legal, financial, regulatory and other aspects of the offer, including any conditions, and the identity of the offeror and the likelihood and anticipated timing of consummation, to be more favourable from a financial point of view to the holders of the Common Shares not held by members of the Purchaser Group than the Contemplated Transactions;
<b>"Surviving Corporation"</b>	the Company, following the Sub having merged with and into the Company and the separate corporate existence of Sub shall ceasing thereupon, being the surviving corporation in the Merger and continuing to be governed by the laws of the State of Delaware;
<b>"Takeover Code" or "Code"</b>	the UK City Code on Takeovers and Mergers;
<b>"Termination Fee"</b>	each of the Tier 1 Termination Fee, Tier 2 Termination Fee and the Tier 3 Termination Fee;
<b>"Tier 1 Reverse Termination Fee"</b>	payment of \$10,000,000 by CC Capital to the Company;
<b>"Tier 2 Reverse Termination Fee"</b>	payment of \$16,100,000 by the Parent to the Company;
<b>"Tier 1 Termination Fee"</b>	payment of \$8,000,000 by the Company to CC Capital;
<b>"Tier 2 Termination Fee"</b>	payment of \$10,000,000 by the Company to CC Capital;
<b>"Tier 3 Termination Fee"</b>	payment of \$16,100,000 by the Company to CC Capital;
<b>"United Kingdom" or "UK"</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>"United States" or "US"</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction;
<b>"Voting Agreement"</b>	either a voting and support agreement (including a waiver and release of claims) to approve the Merger governed by the laws of the State of Delaware or a form of irrevocable commitment

to vote in favour of the Merger governed by English law, both in substantially the form set out in the Merger Agreement; and

"\$" or "**USD**"

the lawful currency of the United States of America.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this announcement.

All the times referred to in this announcement are London times unless otherwise stated.

References to the singular include the plural and vice versa.