

VIRTUS HEALTH ANNUAL GENERAL MEETING



CHAIRMAN'S ADDRESS

This past financial year has been one of considerable change for Virtus Health. As you are probably aware this is our first Annual General Meeting as a public company following our ASX listing in June.

As I stated in the Annual Report the transition to an ASX listing for a private company is challenging for management, employees and shareholders. I am pleased to say that throughout this time consuming process Virtus Health has continued to focus on the delivery of high quality patient care and this will continue to be the most important aspect of our future business development.

A key feature of our future growth plans which Sue will describe shortly is our continued investment in new facilities and new medical equipment. In the last financial year our state management teams have completed the opening of several new facilities including Dee Why in New South Wales, and Waverley and Werribee in Victoria. Following the initial launch in Queensland we also opened three new locations under our The Fertility Centre brand; one in Liverpool NSW and two in Victoria in Dandenong and Sunshine. Finally our relocation and expansion of our main Brisbane facility provides a newly refurbished state of the art facility for our Brisbane patients, doctors and employees; it is a facility of which we are extremely proud.

Within many of our locations we continue to improve and develop our scientific and clinical capability. Many of our fertility specialists and scientists engage in ground breaking research as we collectively pursue better patient outcomes. Infertility is a medical condition which continues to impact more and more Australian couples and we are committed to providing them with the best possible treatments to assist them in fulfilling their dream to have a child.

In financial terms the group had a successful year. Due to the material and complex nature of the costs incurred in relation to the ASX listing we provided details of our pro-forma financial results in the Annual Report and these show improvements in revenue and EBITDA of approximately 9% when compared to the equivalent pro-forma results from the previous year.

The result was pleasing as IVF cycle volumes in our primary markets grew by only 1.2% in the 12 months to June 2013; while Virtus Health achieved IVF cycle growth of 3.8% and this resulted in a market share improvement. This improvement was largely a function of the launch of the new TFC clinics and also the recruitment of newly qualified fertility specialists in the previous 2 years.

At 30 June 2013 Virtus Health had a debt to EBITDA ratio of 2.5 times. Virtus Health continues to be a highly cash generative business and this will benefit shareholders in 3 ways:

- Virtus Health will continue to re-invest in new facilities, medical equipment and clinical and scientific research to support improved patient care;
- Virtus Health will pursue earnings enhancing acquisitions; and finally
- Virtus Health should provide shareholders with a steady dividend distribution commencing with an interim dividend in April 2014.

Sue will provide more information about our growth strategy but we are reviewing acquisition and corporatisation opportunities both here in Australia and overseas. We are particularly excited by continued inquiries from several international organisations who are interested in partnering with Virtus Health; their primary objective is to improve patient outcomes through safe IVF practice by gaining access to Virtus Health's clinical, scientific and diagnostic knowledge base.

Our Fertility Specialists and scientists have earned worldwide reputations and they are committed to assisting their international peer group.

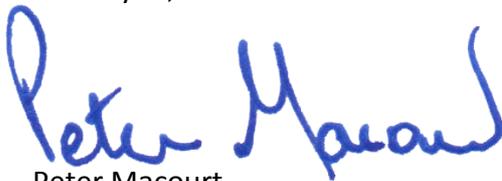
The long term outlook for Virtus Health continues to provide opportunities for sustainable growth. Looking at the short term outlook the first quarter of financial year 2014 has seen softness in the Queensland market offset by growth in our TFC clinics. Accordingly we believe we are on track to meet the prospectus forecast for 2014.

Your board and management are committed to building shareholder value and ensuring the future growth of Virtus Health and are also committed to maintaining a strong balance sheet while continuing to review capital management.

On behalf of the Board I thank all our shareholders for your support.

I will handover to Sue Channon now for her detailed report on this past year.

Thank you,

A handwritten signature in blue ink that reads "Peter Macourt". The signature is fluid and cursive, with the first name being more prominent.

Peter Macourt
Chairman
Virtus Health Limited
6th November 2013