

ASX ANNOUNCEMENT



DATE: 23 March 2020

VIRTUS HEALTH LIMITED (ASX: VRT)

COVID-19 IMPACT

Virtus Health Limited (ASX "VRT") provides the following statement on the current impact of COVID-19.

Although earnings up to February 2020 have been in line with existing consensus expectations, the extent of the impact of COVID-19 on the business in the final quarter of FY20 is too uncertain to be able to be quantified.

The impact of COVID-19 on VRT has been different in each of the company's businesses and continues to evolve. The current status as at the date of this statement is as follows:

- Australia – IVF patients in Australia continue to be treated in accordance with published guidelines from *The Fertility Society of Australia* which is that the continuation of assisted reproductive treatment is safe. However, the company experienced a reduction in day one appointments by patients in the two weeks ending Wednesday 18th March 2020;
- Singapore – IVF patients in Singapore continue to be treated in accordance with local government guidelines although the company is experiencing a reduction in patient appointments;
- Europe – following guidance from the *European Society of Human Reproduction*, existing IVF patients in Europe continue to be treated. However, clinics are not treating new patients and clinic closures will occur in the first half of April;
- Australian Diagnostics and Day Hospital activity remains at levels which are in line with consensus expectations, although the company anticipates a decline in line with Australian IVF activity levels from April onwards.

Management in all jurisdictions are actively pursuing strategies and other initiatives to mitigate the anticipated revenue impacts and maintain cash flow. In Europe these initiatives include the secondment of Virtus staff to public health services and some Government support initiatives, the quantum of which are still to be clarified.

Sonia Petering, Virtus Chair commented: "Our teams have been outstanding in managing the potential risk of infection for patients, employees and doctors and their flexibility and dedication has been exceptional."

"The COVID-19 pandemic and its impact on our community and our business is evolving rapidly. Short-term forecasting for the business units is challenging given the material uncertainties in predicting the duration of the impact and the timing of the expected recovery from COVID-19." Group CEO Kate Munnings said.

"As a team we are reviewing the situation daily and taking advice from the relevant government authorities to ensure we are caring for the health and safety of our patients and staff," Kate added.

As an international leader in the provision of assisted reproductive services, the Company strongly believes in the fundamentals of the business, the value of its services and the support we provide to people in achieving their desire to create a family.

Given the changing circumstances, Kate Munnings has commenced as Group CEO on 23 March 2020.

This announcement is authorised by the board of directors of the company.

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About Virtus Health Limited

Virtus Health Limited (ASX:VRT) brings together leading clinicians, scientists, researchers and support staff to provide the very best in fertility care and related specialised diagnostic and day hospital services. We have developed one of the most successful medical collaborations in the world. With 125 of the world's leading fertility specialists supported by over 1200 professional staff, we are the largest network and provider of fertility services in Australia and Ireland, with a growing international presence in the UK, Denmark and Singapore.