

ASX ANNOUNCEMENT

1 March 2022

VIRTUS HEALTH LIMITED (ASX: VRT)

CapVest tables improved proposal to acquire Virtus

Virtus Health Limited ("Virtus", ASX: VRT) advises that it has received a revised non-binding, conditional and indicative proposal from CapVest Partners LLP ("CapVest") to acquire all of Virtus' shares by way of scheme of arrangement ("Scheme") offering \$7.80 cash per share (less the value of any dividends or distributions declared or paid after today, including the \$0.12 per share dividend declared by Virtus on 22 February 2022). CapVest has also indicated it is willing to proceed with an alternative structure which only requires acceptance by 50.1% of Virtus shareholders, such as an off-market takeover bid with a minimum 50.1% minimum acceptance condition, offering \$7.70 cash per share (less any dividends or distributions) ("Alternative Transaction") (together with the Scheme, the "Revised CapVest Proposal").

CapVest has also advised that a substantial level of due diligence has now been undertaken by CapVest and that subject to the ongoing negotiation of an implementation deed and the completion of its due diligence, it expects to be in a position to enter into an implementation agreement by 11 March 2022. Apart from the increased price, the terms and conditions of the Revised CapVest Proposal are the same as those announced on 20 January 2022. CapVest has advised that it has applied for a no objection notice from the Foreign Investment Review Board to acquire 100% of the shares in Virtus.

Following receipt of the Revised CapVest Proposal and taking all relevant considerations into account in the interests of Virtus and its shareholders, the Virtus Board has determined that it will not be engaging with BGH Capital Pty Ltd ("BGH") in respect of its revised proposal, as set out in Virtus' ASX announcement on 28 February 2022, to acquire all of Virtus' shares by way of scheme of arrangement at \$7.65 cash per share (less the value of dividends or other distributions) ("Revised BGH Proposal"), given the Revised CapVest Proposal is superior to the Revised BGH Proposal.

There is no certainty that the Revised CapVest Proposal will result in any transaction being put to Virtus shareholders for their consideration. This announcement does not constitute a proposal by CapVest to make a takeover bid for the purposes of section 631 of the Corporations Act. Any takeover offer as part of an Alternative Transaction will only be made when, and if, an implementation deed is entered into between Virtus and CapVest which commits CapVest to make a takeover offer.

Virtus shareholders do not need to take any action in relation to the Revised CapVest Proposal or the Revised BGH Proposal, and the Board will continue to keep shareholders and the market informed of developments.

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

-ENDS-

Further information:

Investor Enquiries:

Matt Prior
CFO, Virtus Health
+61 (0)498 003 973
matthew.prior@virtushealth.com.au

Media Enquiries:

Angela Read
PR and Media Specialist, Virtus Health
+61 (0)428 448 719
angela.read@virtushealth.com.au

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 ARS collaborations in the world. With 126 of the world's leading fertility specialists supported by over 1300 professional staff, we are the largest network and provider of fertility services in Australia, Ireland and Denmark, Singapore and UK.