



ASX Release

ATOS Wellness secures US\$0.5m finance

29 June 2009 – Singapore based and ASX listed wellness and health care group ATOS Wellness Limited (ASX: ATW) has secured a US\$500,000 financing facility to meet working capital needs for the next six months. The arrangement is with Bestempire Ltd, an investment company operating from the British Virgin Islands. Major terms of the funding are:

- Term:** 6 months with one roll over for a further 6 months with the consent of the financier.
- Conversion:** Financier has a right to conversion in ATOS ordinary shares at the end of 6 months at AUD 0.02 per share but agrees to keep below 20% of total equity in ATOS with the rest being repaid in cash.
In the event that ATOS is not in a position to repay the loan on the due date the financier obtains a conversion price of AUD 0.0125 per share but still stays below 20% with the balance to be repaid in cash. The conversion of the loan to shares will be subject to ATW shareholder approval.
- Guarantee:** Siva Ananda Rajah, CEO of ATOS, provides his personal guarantee to ensure timely repayment of the loan.
- Condition precedent:** Siva Ananda Rajah has subordinated a contingent liability of AUD 1.9m due to him for the balance of consideration owed to him for the ATOS Wellness acquisition of his shares in Body Contours in July 2006. Also subordinated is S\$1,181,500 owed by ATOS Wellness to Ananda & his wife Pathma Sivaguru Ayadurai. These amounts will be forgiven if the financier converts to ATOS ordinary shares.

ATOS intends to use this facility to roll out smaller centres around 100m² in size which are easier to manage and license rather than the existing ATOS centres that are around 800m². These smaller centres will concentrate on a 40-minute rejuvenation package that includes an ATOS wave hydromassage flotation treatment, the ATOS Fit which gives a 5 minute workout to all muscle groups in the body and the ATOS Bioresonance total wellness treatment. This meets the needs of business executives as well as other affluent clients.

The first new centre is a 100m² facility at the Body Contours Kuala Lumpur branch which is expected to open on 15 July 2009. A second centre is planned to open in Merchant Square in Petaling Jaya in Malaysia by October this year.

“This finance facility provides ATOS with the necessary short term working capital to improve the performance of our overseas centres in Kuala Lumpur & Chennai in India. This would help us to add on turnover & profit to the Singapore group,” said ATOS Wellness CEO Ananda Rajah.

For further information: www.atoswellness.com , www.bodycontours.com.sg and www.medec.com.au

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About ATOS

ATOS is a well established business which has been operating in Singapore for 23 years. ATOS operates 12 exclusive wellness centres in Singapore, Malaysia and India and a wholesale and retail business for MEDEC and related products. 30% of the ATOS business is in retail product sales.

Mr Siva Ananda Rajah, the founder and director of ATOS, was also the founder of Body Contours and has been the driving force behind the reverse takeover and restructure of MEDEC Ltd by ATOS.

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