



ATOS  
WELLNESS  
ACN 100 531 191

ASX Release

**CHAIRMAN'S ADDRESS TO ANNUAL GENERAL MEETING**  
**THURSDAY, 21 APRIL 2011 AT 10.00 AM**

Ladies and Gentleman, Dear Atos Wellness Ltd shareholders,

This is my first address to an Atos Wellness Ltd (ATW) Annual General Meeting since I retired as Chairman in 2005 and later also as a member of the board in 2007.

ATW has had a difficult time due to a painful restructure from a health care equipment manufacturer to a company operating spa and wellness centres. In 2008 ATW had been severely affected by the World Financial Crisis. Due to its luxury market segment, the Singapore spa business experienced such a severe downturn in revenue, profitability and subsequent cash flow that the previous board of your company saw no alternative other than to divest itself from this business. This allows the Singapore Spa business to survive by raising new capital in Singapore. Your new board accepted this decision and set about executing the board resolutions and divestment agreements that were initiated by the previous board.

In the last 3 months the Atos Wellness Ltd management team and your directors have worked hard to identify new business opportunities and sufficient revenue for your company and develop a new business plan. This is once again built on the basis of health care product manufacture and distribution.

ATW maintains a 49 % shareholding in Medec International Pty Ltd. Mr. Ananda Rajah personally holds an option to acquire an additional shareholding in Medec of up to 30 % from third parties and he has offered this option to ATW, which would enable ATW to increase its shareholding in Medec up to 79 % at a cost of up to \$150,000. Medec has been consolidated in the last 3 years and is forecasting profitable future growth by developing new products and has some promising projects with a business plan budgeting \$5.0 million revenue in the 2013 financial year.

ATW has signed a Heads of Agreement to acquire 100 % of the shareholding in Australian Health Care Enterprises Pty Ltd (AHE). The company, which is chaired by the former South Australian Premier Rob Kerin, is an Australian based business which has concepts and agreements to establish a national and international new multipurpose health care products trading entity through the acquisition of several well established wholesale and retail health care product companies and through an online health products retail operation.

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The successful execution of this business plan should enable ATW to achieve forecast revenue in excess of \$13 million per financial year. Consideration payable to the vendors is \$250,000 payable as to \$50,000 in cash on completion of a successful due diligence and the balance of \$200,000 payable in ATW fully paid shares at 4 cents per share, being 5.0 million shares.

ATW has also signed a Memorandum of Understanding to acquire 100% of the shareholding in Medicare Pte Ltd, a Singapore based business established for more than 30 years as a supplier of medical products and equipment to a wide base of doctors practising in Singapore.

Consideration payable to the vendors is \$600,000 cash payable in 3 tranches, the first on completion of a successful due diligence and the balance in two equal instalments over 12 months. The vendors are providing a profit guarantee for the financial year 2012/2013.

AHE and Medicare are ideally suited to sell Medec wellness and energy products to doctors and other health care professionals and institutions in Australia, NZ, Singapore and South East Asia.

In addition, ATW has signed a Heads of Agreement to acquire a 51% interest in V Pay Cash (S) Pte Ltd, a Singapore company owning the V Pay Cash Intellectual Property rights and establishing operations of an online trading and payment platform in south east Asia. Independent licensees of V Pay Cash are already well established in India and UK. Consideration payable to the vendors is \$2.0 million, payable in ATW fully paid shares at 4.0 cents per share subject to a successful due diligence. The vendors of V Pay Cash (S) Pte Ltd will provide a profit guarantee of \$1.0 million net profit before tax (EBIT) in the 2012/2013 financial year.

V Pay Cash is ideally suited to promote and distribute AHE, Medicare and Medec products.

The ATW corporate team supported by the board of directors will conduct due diligence on all agreements during May, June and July 2011 and develop a business plan for the implementation of the above projects. ATW plans a share issue in the 2012 financial year to raise up to \$6.0 million from investors.

The board of directors and management are confident that by the end of the 2012 financial year ATW will again be progressing towards a promising and prosperous future.

The board recognizes that Mr. Ananda Rajah and his corporate team have worked hard and tirelessly to establish the outlined concept and business plan in order to secure the future of your company.

Mr. Rajah and other shareholders have indicated that they will provide strong support for the future fundraising.

Josef Plattner  
Chairman  
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