

**Ascendis Health announces close to R400 million investment in
new healthcare acquisitions**

Ascendis Health acquires Surgical Innovations and Atka Pharma

24th January 2014 – Ascendis Health (Pty) Limited, completed the 100% acquisition of specialist medical company Surgical Innovations (Pty) Limited after receiving competition commission approval, and of Atka Pharma (Pty) Limited.

These 2 targeted acquisitions follow on the successful listing of Ascendis on the main board of the JSE in the pharmaceutical sector in November last year.

Commenting on the announcement, Group Chief Executive Dr Karsten Wellner confirmed: "These two exciting acquisitions, are aligned to our clearly stated growth strategy, and brings our total investment in the last 2 years to over R1.5 billion, delivering on our deliberate strategy of combining mature, well managed, resilient and complementary brands with exciting growth potential in South Africa, as well as globally."

"Surgical Innovations compliments the Pharma-Med division alongside Pharma-Chem, and is a fast growing medical device distributor, specialising in state of the art high-tech surgical device needs of South African surgeons. It employs more than 135 staff and has achieved compound annual growth in revenue of over 20% over the last three years." Dr. Wellner continued.

The company holds international key agencies for surgical and other medical equipment on an exclusive basis, which further enhances the Company's positioning to service hospitals and clinics.

Atka Pharma, which markets the fast growing brand BioBalance, will join well-known brands Nimue, Solal, Sportron, SSN and Evox in Ascendis's Consumer Brands division.

Atka's products are mainly marketed in retail pharmacy on recommendations from medical practitioners and include the Carbohydrate Derived Fulvic Acid (CHD-FA) – BioBalance a trademark owned by Atka.

Atka has been growing in excess of 50% per annum in the last three years. Dr Wellner continues: "Atka is a very attractive proposition as it is a proudly South African company, based on a locally produced API (active pharmaceutical ingredient) offering a sought after range of scientifically well documented products."

The new acquisitions provide multiple opportunities to develop cross product synergies within the Ascendis Group as well as benefiting from the economies of scale. Route to market for all products is well developed with experienced

personnel in place targeting hospitals, GP's and pharmacies, which provide efficient channels for most current and future products.

Ascendis consists of three core divisions catering for preventive as well as interventionist healthcare requirements. The three divisions are Consumer Brands (over-the-counter medicines, vitamins, sports nutrition and specialist skin care products), Pharma-Med (prescription drugs and medical devices) and Phyto-Vet (plant and animal health and care).

Dr Wellner concludes: "We are excited about the addition of Surgical Innovations and Atka Pharma to our group as they reflect the kind of well known, well managed brands with excellent growth potential. We also have a very strong deal pipeline and expect several deals to be announced soon, allowing us to develop a strong market position and become a leading player in the local and international health and care sector."