

MEDIA RELEASE

Tuesday 26th Nov 2013

Ascendis Health announces R 336 million specialist healthcare acquisition

Ascendis Health acquires Surgical Innovations

26 November 2013 – Ascendis Health (Pty) Limited, today announced the 100% acquisition of specialist medical device company Surgical Innovations.

This new acquisition follows hot on the heels of Ascendis Health's successful listing on the JSE Main Board in the pharmaceutical sector at the end of last week. The shares debuted at R11, closing up at R11.10 on a day that saw the JSE All Share down by 0.7 %.

Commenting on the announcement, Group Chief Executive Dr Karsten Wellner confirmed: "The acquisition of Surgical Innovations is the latest in our targeted growth strategy and brings our total investment in the last 2 years to over R 1.6 billion, delivering on our deliberate strategy of combining mature, well managed, resilient and health brands with exciting growth potential in South Africa, as well as globally."

"Surgical Innovations is a fast growing medical device distributor, specialising in the state of the art high-tech surgical device needs of South African surgeons. It employs more than 130 staff and has achieved compound annual growth in revenue of around 20% over the last three years. The purchase consideration includes three earn out payments with certain growth targets over the next three years" Wellner continued.

Surgical Innovations holds key agencies for surgical and other medical equipment on an exclusive basis, which further enhances the Company's positioning to service hospitals, clinics and government tenders. All of the top and middle management including the ongoing support from the key overseas principals have been secured going forward. By leveraging the Company's existing health and care platforms, Ascendis intends to assist Surgical Innovations in becoming a leading provider of medical devices throughout South Africa, to both private and government hospitals, through strengthening its current position, increased market penetration in current speciality areas, additional product lines as well as further carefully considered strategic acquisitions.

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). Ascendis completed this acquisition with the strategic intent of integrating it as an essential component

into its Pharma-Med Division and using it as platform for further acquisitive and organic growth for high value-add specialised medical devices.

Dr Wellner concludes: “We are excited about the addition of Surgical Innovations to our group as it reflects the kind of well known brands that we are currently evaluating via a strong deal pipeline which is allowing us to develop our market position and become a leading player in the local and international health and care sector.”

Issued by Luxury Brands
Contact: Jeremy Nel
Jeremy@luxurybrands.co.za
(O) 021 7023436
(C) 082 3311656

Notes to editors:

About Ascendis Health

Ascendis Health is a health and care company that acquires and develops strong brands in plant, animal and human health. It has a market value of approx R2.5 billion making it the third largest Pharma company on the Johannesburg bourse. Ascendis Health has a staff complement of over 1000 employees and is headed by Dr Karsten Wellner (CEO). Karsten and his executive team have extensive experience in pharmaceutical, consumer health and care products.

For more information, visit www.ascendis.co.za