

ASCENDIS HEALTH LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2008/005856/06)
Share code: ASC ISIN: ZAE000185005
("Ascendis" or "the Company")

Coast2Coast Investments Proprietary Limited ("C2C") facilitates an additional R140 million Broad Based Black Economic Empowerment ("BBBEE") transaction for Ascendis to achieve strategic minimum BEE threshold for its Ascendis Pharma and Ascendis Medical Devices divisions

1. Highlights:

- The C2C directors' dealing (the "**Transaction**") concluded with WDB Investment Holdings Proprietary Limited ("WDBIH"), Senatla Capital Proprietary Limited ("Senatla Capital") and prior to that the announced transaction with the Mineworkers Investment Company Proprietary Limited ("**MIC**") will collectively increase Ascendis' BEE ownership from 6.6% to a potential 15% over a three year period;
- Accordingly, approximately R600 million of Ascendis ordinary shares will vest with BBBEE shareholders within 3 years;
- Ascendis achieving and maintaining a minimum 10% BEE shareholding threshold remains a strategic imperative for Ascendis Pharma and Ascendis Medical Devices to operate in the private and public healthcare sector. The Transaction positions Ascendis to meet this target;
- WDBIH and Senatla Capital are highly respected BEE partners and are committed to contributing meaningfully to the continued success and transformation of Ascendis; and
- The Transaction will have no earnings dilution or cost for Ascendis shareholders.

2. Introduction

Further to the directors' dealings SENS announcement released on 26 November 2014, Ascendis shareholders are hereby advised of the rationale for the two separate agreements entered into by the majority shareholder of Ascendis, C2C through its 100% held subsidiary, Gane Holdings Proprietary Limited ("Gane Holdings"), with WDBIH and Senatla Capital whereby C2C will facilitate an additional R140 million of BBBEE ownership into Ascendis.

Following the SENS announcement released on 26 June 2014 pertaining to a similar BBBEE transaction concluded with the MIC, C2C has now facilitated a further R140 million investment by partnering with WDBIH and Senatla Capital (jointly the "BEE Partners"). This investment is enabled by a convertible debenture between the BEE Partners and Gane Holdings which mandatorily converts into Ascendis ordinary shares over three years (the "Debenture Agreements").

Although the Debenture Agreements do not directly involve Ascendis, the rationale for disclosing additional detail regarding the conclusion of the Debenture Agreements is to provide shareholders with context regarding Ascendis' strategy towards increasing its BBBEE ownership over time.

3. Transaction overview

Gane Holdings (in which non-executive Ascendis directors, Gary Shayne and Crispian Dillon have an indirect beneficial controlling interest) has entered into two separate agreements whereby it will issue a R100 million fixed 13% coupon convertible debenture to WDBIH ("WDBIH Debenture")

and a R40 million fixed 11.5% coupon convertible debenture to Senatla Capital (“Senatla Capital Debenture”) (collectively, the “Debentures”).

The Debentures will convert into Ascendis shares in three annual tranches as follows:

- Tranche 1: Mandatory convertible debenture of R20 million and R10 million pertaining to WDBIH Debenture and Senatla Capital Debenture respectively;
- Tranche 2: Mandatory convertible debenture of R20 million and R10 million pertaining to WDBIH Debenture and Senatla Capital Debenture respectively; and
- Tranche 3: Mandatory convertible debenture of R60 million and R20 million pertaining to WDBIH Debenture and Senatla Capital Debenture.

The entire cost of the debentures is borne by C2C.

4. Background to WDBIH

WDBIH is a private enterprise which was formed in 1996 with its major beneficiary and shareholder being the WDB Trust, whose beneficiaries are a broad-base of rural women and communities. To date, over R150 million has been repatriated to the WDB Trust to fund various development programmes focussing on the social and economic upliftment of rural women and households. WDBIH’s investment mandate is to invest in high growth sectors in South Africa and Africa, where it can generate capital growth as well as access to dividends.

In addition to the initial R50 million direct equity transaction concluded with WDBIH as per the SENS announcement released on 15 September 2014, the conclusion of this WDBIH Debenture hereby serves as the completion of the subsequent investment requirement referred to within the said announcement.

5. Background to Senatla Capital

Senatla Capital is a private equity investment manager that is 100% Black owned. In its two funds, Senatla Capital focuses on investments in Growth Capital, Black Economic Empowerment (“BEE”) Secondaries and Equity Risk Capital. Since its founding in 2010, Senatla Capital has made investments in Energy, Financial Services, Media and Health Care. The firm combines investment and governance skills, together with BEE credentials, in adding value to its investments. Senatla Capital has over the past 4 years accumulated Assets Under Management (“AUM”) exceeding ZAR 350 million and is currently raising additional capital in its second fund.

6. Financial effects of the transaction

These transactions will have no earnings dilution or impact for Ascendis shareholders.

26 November 2014

Johannesburg

Arranger and Financial Advisor

Coast2Coast Investments Proprietary Limited

Sponsor

Investec Corporate Finance