



ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE **2017**

Section	Presenter
Overview	Dr. Karsten Wellner
Financial review	Kieron Futter
Operational performance	Dr. Karsten Wellner
Strategic focus	Dr. Karsten Wellner
Outlook	Dr. Karsten Wellner



OVERVIEW



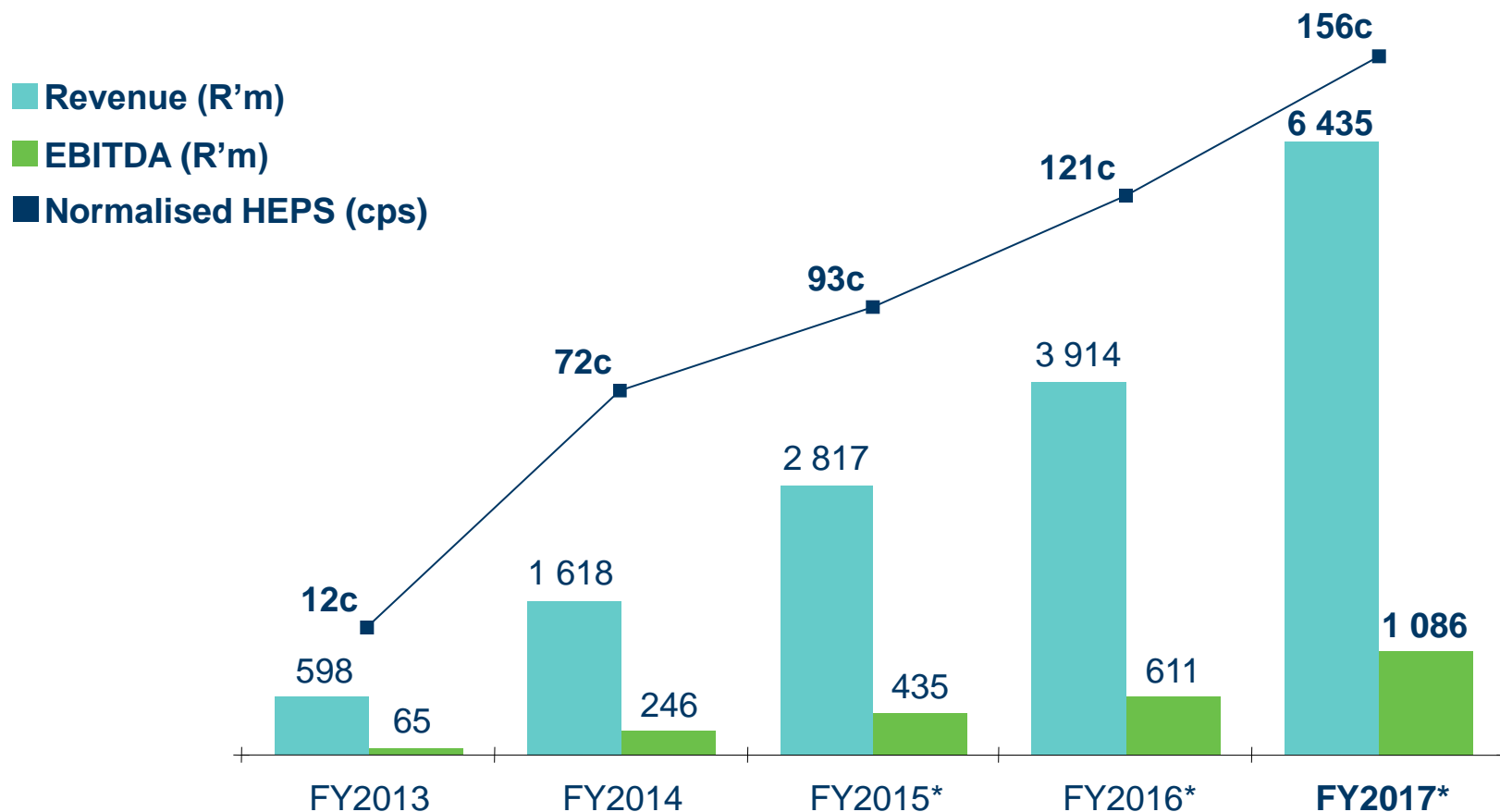
Revenue	R6.4bn €434m*
Market capitalisation	R9.4bn €605m**
EBITDA generated outside SA	50%
Employees	3 721

REVENUE AND EARNINGS GROWTH



4-year CAGR:

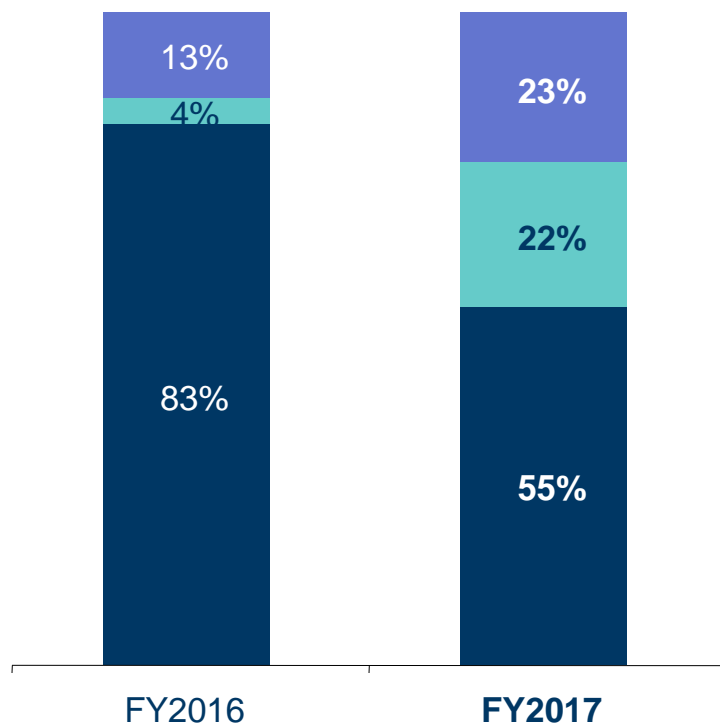
Revenue +81% p.a. EBITDA +102% p.a. Normalised HEPS +90% p.a.



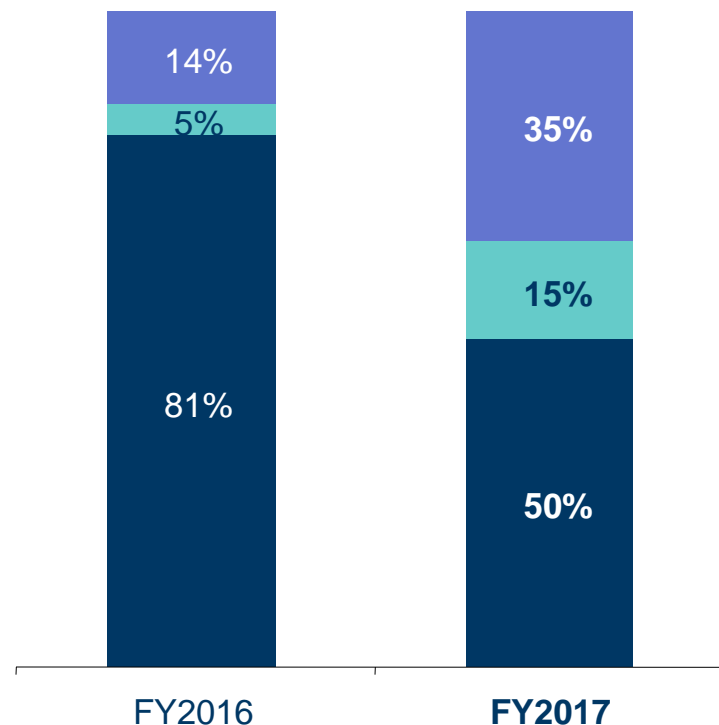
GEOGRAPHIC SPLIT



REVENUE



EBITDA*



■ Africa ■ Consumer Brands Europe ■ Pharma-Med Europe

STRONG RESULTS

- Revenue +64%
- EBITDA* +78% to R1.1bn
- EBITDA* margin up from 15.6% to 16.9%
- Normalised HEPS +29% to 156cps

FOCUS AREAS AND SYNERGIES

- Focus areas: new geographies, brand, channel development
- Plans to improve performance of Consumer Brands division
- A further R19-31m of EBITDA targeted in next 18 months through synergies

TRANSFORMATION INTO GLOBAL HEALTHCARE BUSINESS

- 50% of EBITDA* from outside SA (19% in FY2016)
- Strengthened by acquisition of Sun Wave Pharma in Romania and Cipla Animal Health (big export opportunities)
- Strong bolt-on acquisition pipeline

STRONG LEADERSHIP TEAM



PHARMA-MED

CEO – Remedica
Charalambos Pattihis

CEO – Farmalider
José Luis Berenguer

MD – Pharma
Jaco Smit

MD – Medical Devices
Tony Lowther



CONSUMER BRANDS

CEO – Sun Wave Pharma
Yogish Agarwal

CEO – Scitec
Andras Gyenes

MD – Wellness
Justin Korte

MD – Skin & Body
Lee-Ann Herbst

MD – Sports Nutrition
John Kettlewell

MD – Direct
Cornélie van Graan



PHYTO-VET

Divisional Head
Jayen Pather

Thomas Thomsen

COO, Head of Europe



- London-based
- Senior executive positions at Johnson & Johnson Consumer (MD CEE region), Reckitt Benckiser (head of global consumer healthcare) and Novartis Consumer Healthcare (head of global consumer health category)
- Recently board member of mostly pharma-related private and listed companies

Andras Gyenes

CEO – Scitec



- Extensive experience in FMCG industry – Unilever for 22 years, serving as MD of Unilever in the east European region
- Previously COO of Magyar Telekom (subsidiary of Deutsche Telekom)
- Has been on the management team of businesses in several eastern European markets

FINANCIAL REVIEW



FINANCIAL HIGHLIGHTS FOR THE YEAR



- Revenue **+64%** to R6.4bn
- Normalised EBITDA **+78%** to R1.1bn (margin up 130 bps to **16.9%**)
- Cash flow from operating activities of R787m; **73%** conversion rate
- Normalised headline earnings **+92%** to R645m
- Normalised HEPS **+29%** to 156.4 cps
- Discontinued operations
 - Consolidation of manufacturing operations in SA
- No final dividend declared – cash to be retained for acquisitions

Notes:

1. Results of continuing operations only
2. Normalised numbers are adjusted for once-off transaction-related costs

INCOME STATEMENT



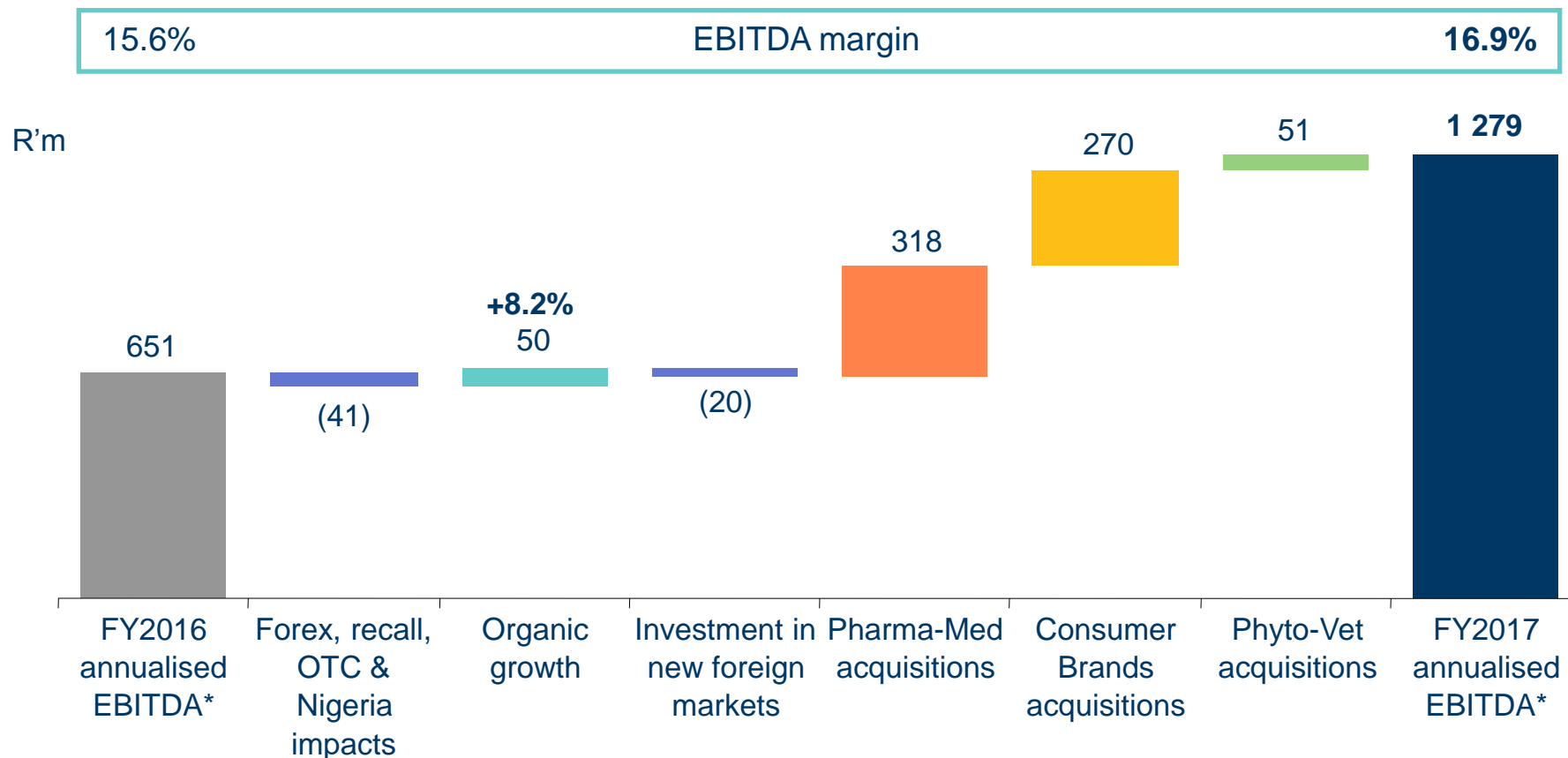
Continuing operations R'm	Jun 2017	Jun 2016	% change
Revenue	6 435	3 914	64.4
Cost of sales	3 622	2 351	54.0
Gross profit	2 813	1 563	80.0
Gross profit margin	43.7%	39.9%	
Other income	42	85	(51.0)
Operating expenses (excl D&A, impairments and once-off costs)	1 769	1 037	70.6
Normalised EBITDA	1 086	611	77.7
EBITDA margin	16.9%	15.6%	
Depreciation	95	31	210.3
Amortisation and impairments	134	44	140.4
Normalised operating profit	857	536	59.9
Operating profit margin (excl amort & imp)	15.4%	14.8%	

INCOME STATEMENT continued



Continuing operations R'm	Jun 2017	Jun 2016	% change
Normalised operating profit	857	536	59.9
Net finance costs	307	124	147.2
Normalised profit before tax	550	412	33.5
Taxation	69	75	(8.2)
Normalised profit after tax	481	337	42.8
Less: non-controlling interest	(25)	(28)	(13.3)
Attributable normalised profit after tax	455	309	47.9
Profit/loss on sale of PPE & investment and goodwill & intangible asset impairment	21	(8)	
Add back: once-off finance costs	75	-	
Add back: amortisation (net of tax)	93	35	
Normalised headline earnings	645	336	91.6
Normalised HEPS (c)	156.4	121.1	29.1

EBITDA GROWTH



- Organic revenue growth +3.0% – Consumer Brands impacted by weak consumer sentiment in SA, especially lower to middle income consumers – will counter in FY2018 with increased focus on international markets; marketing investments; white label products; NPD

Exchange rate sensitivity <ul style="list-style-type: none"> ▪ Annual impact of R1 weakening in R/€ exchange rate <ul style="list-style-type: none"> – Transaction effect (if not hedged) – Translation effect 	(R80m) R43m
Transaction effect in FY2017 <ul style="list-style-type: none"> ▪ EBITDA lower as hedging policy in place for full year, so couldn't take advantage of strengthening Rand as quickly as other players 	(R23m)
Translation effect in FY2017 <ul style="list-style-type: none"> ▪ EBITDA lower due to Rand strengthening vs Euro on average for FY2017 vs FY2016 	(R92m)

BALANCE SHEET – ASSETS



R'm	Group Jun 2017	Businesses acquired in FY2017 Jun 2017	Group excl businesses acquired Jun 2017	Jun 2016	% ch excl businesses acquired
Non-current assets	10 179	6 761	3 418	3 474	(1.6)
Property, plant & equipment	992	719	273	348	(21.7)
Intangible assets & goodwill	9 115	6 041	3 074	3 042	1.0
Other non-current assets	72	1	71	84	(15.4)
Current assets	4 308	1 619	2 689	2 252	19.4
Inventories	1 598	581	1 017	939	8.2
Trade and other receivables	1 882	739	1 143	1 054	8.4
Cash and cash equivalents	635	265	370	199	86.0
Other current assets	193	34	159	60	168.0
Total assets	14 487	8 380	6 107	5 726	6.6

BALANCE SHEET – EQUITY AND LIABILITIES

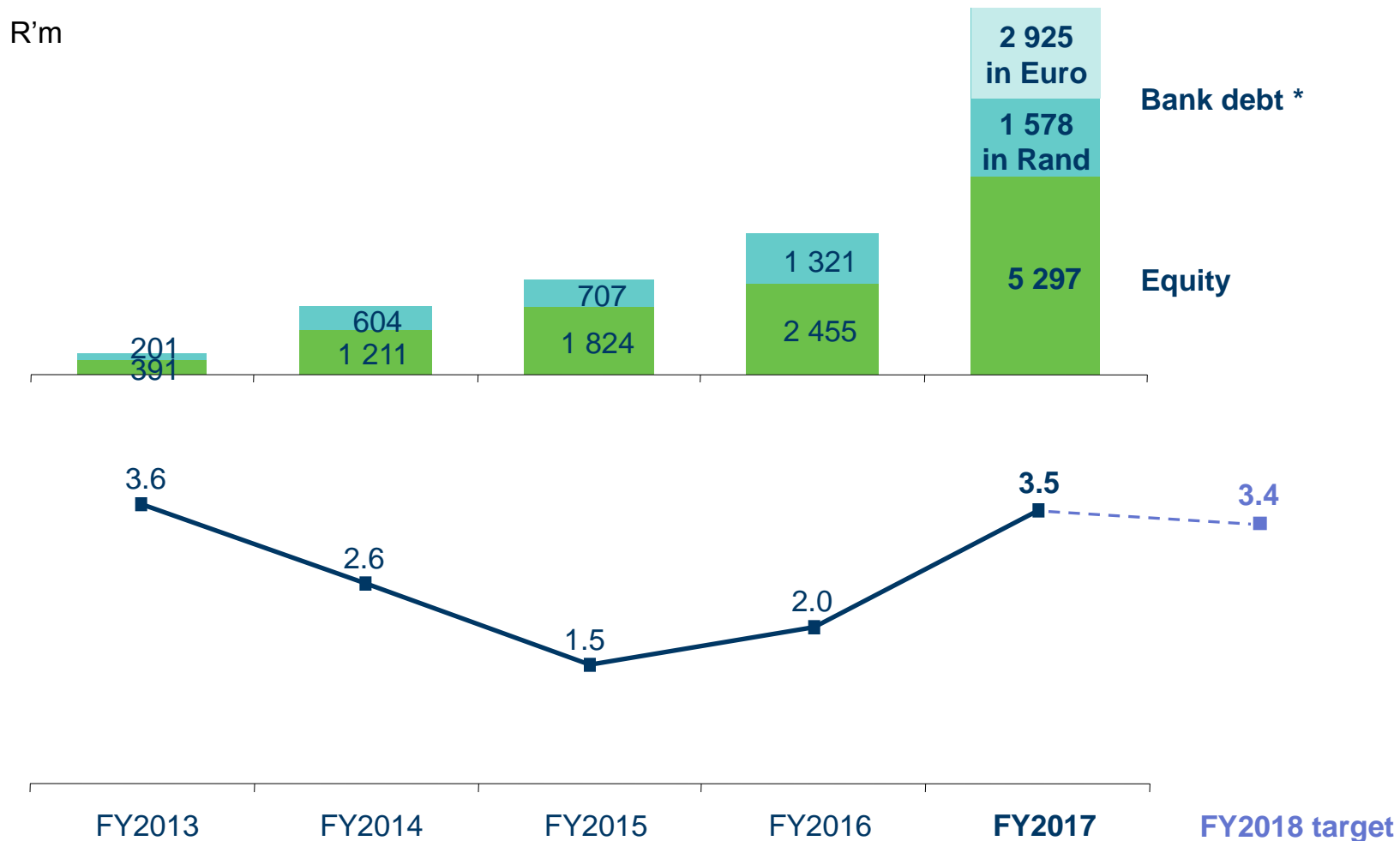


R'm	Group Jun 2017	Businesses acquired in FY2017 Jun 2017	Group excl businesses acquired Jun 2017	Jun 2016	% ch excl businesses acquired
Equity	5 297	2 327	2 970	2 455	21.0
Non-current liabilities	6 064	4 534	1 530	1 542	(0.8)
Borrowings	4 003	2 806	1 197	1 048	14.2
Deferred vendor liabilities	1 437	1 434	3	207	(98.7)
Other non-current liabilities	624	294	330	287	15.2
Current liabilities	3 126	1 519	1 607	1 729	(7.0)
Trade and other payables	1 250	342	908	849	6.9
Borrowings	1 027	659	368	377	(2.3)
Deferred vendor liabilities	645	505	140	223	(37.1)
Bank overdraft	108	-	108	221	(51.4)
Other current liabilities	96	13	83	59	41.1
Total liabilities	9 190	6 053	3 137	3 271	(4.1)
Total equity and liabilities	14 487	8 380	6 107	5 726	6.6

GEARING

DEBT* AND
EQUITY

DEBT* : EBITDA**
RATIO



CASH GENERATION



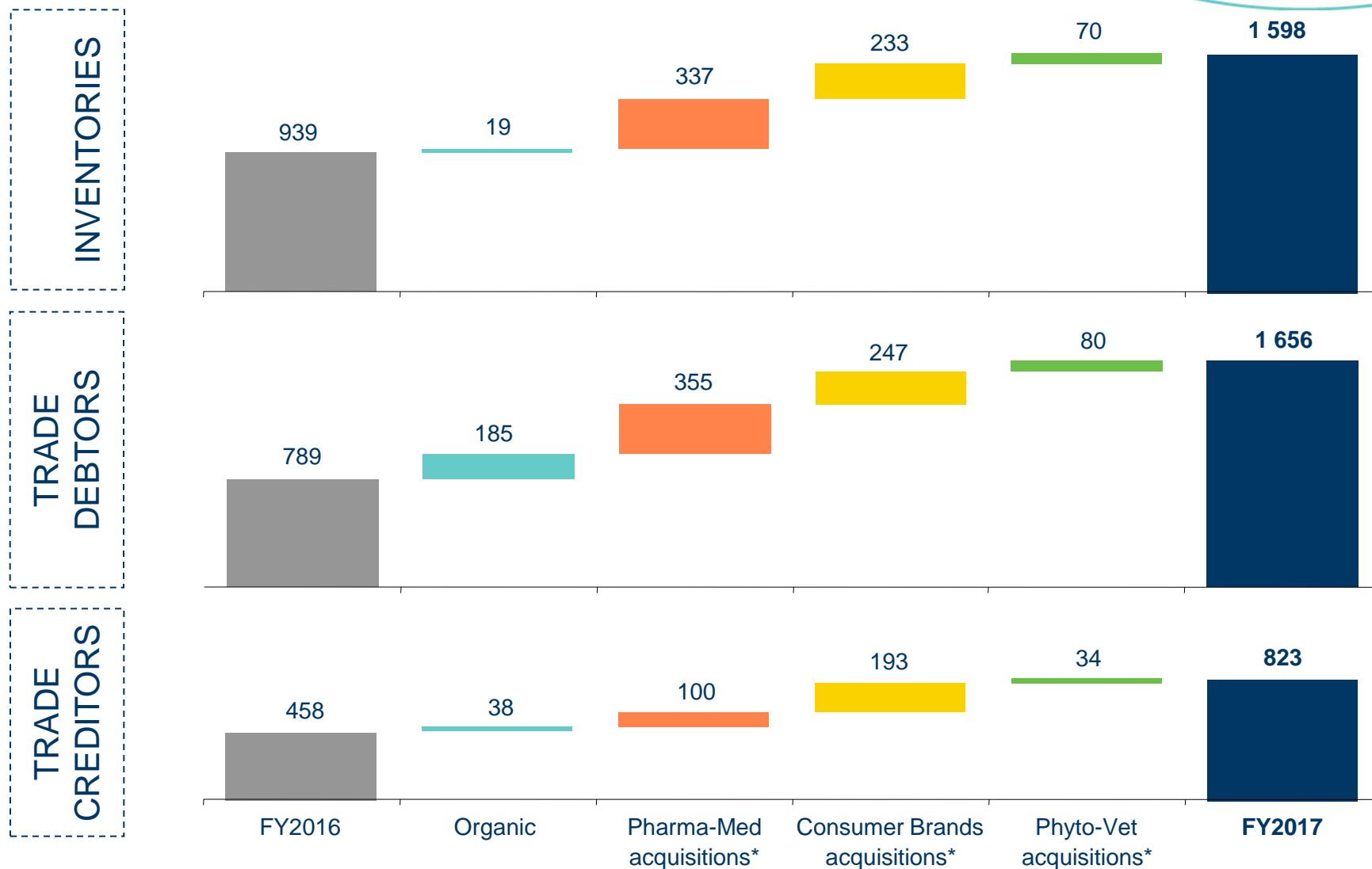
R'm	Jun 2017	Jun 2016
Normalised operating profit	857	536
Adjustment for depreciation, amortisation and other non-cash items	55	124
Working capital changes (inventory, trade debtors, trade creditors)	(166)	(257)
Other working capital changes	41	36
Cash flow from operating activities	787	439
Cash conversion ratio*	72.5%	71.8%
Net interest paid	(258)	(130)
Tax paid	(160)	(95)
Cash generated by operations	369	214

CASH UTILISATION



R'm	Jun 2017	Jun 2016
Cash generated by operations	369	214
Dividends paid	(113)	(57)
Acquisitions of tangible and intangible assets	(6 044)	(1 299)
Proceeds of share issues net of share repurchases	2 881	563
Net increase in borrowings	3 476	451
Net increase/(decrease) in cash	569	(128)

WORKING CAPITAL MOVEMENTS



KEY RATIOS

	Jun 2017	Jun 2016
Annualised sales* (R' m)	7 485	4 285
Annualised EBITDA* (R' m)	1 279	651
Interest cover (times)	3.6	4.4
Net debt to EBITDA (times)*	3.5	2.3
Net working capital days*	147	131
Inventory days	138	128
Debtor days	80	65
Creditor days	(71)	(62)
ROTNA** (%)	27.5%	35.1%
ROE*** (%)	14.3%	14.3%

* Income statement measures use a full twelve months of results for all companies in the group, irrespective of the actual date of consolidation. This provides more meaningful ratio analysis.

** Excludes goodwill and intangibles

*** Adjusted for average equity



OPERATIONAL PERFORMANCE



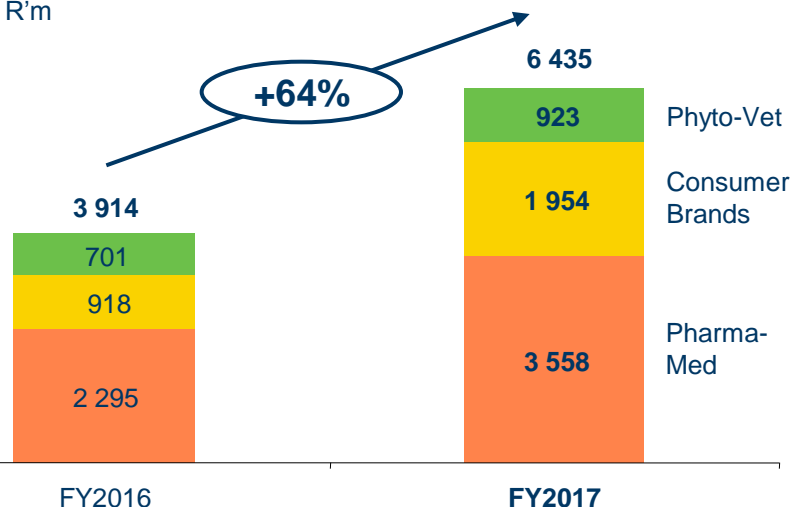
DIVISIONAL PERFORMANCE



A diversified healthcare business

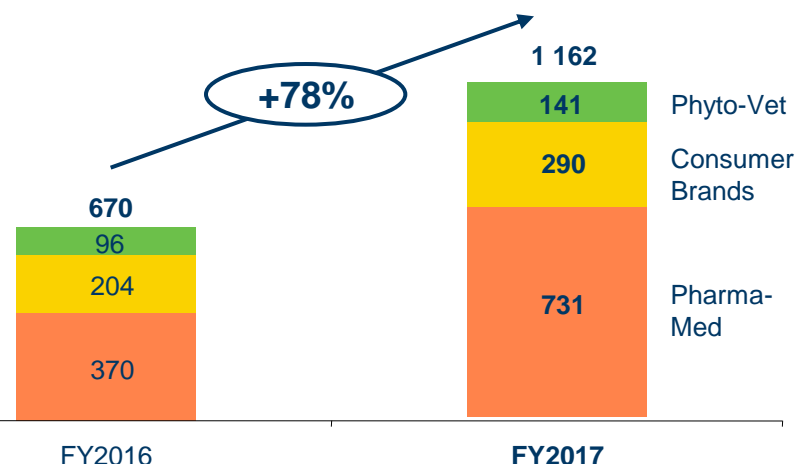
Revenue

R'm



EBITDA*

R'm



	Division	FY2016	FY2017
Share of revenue	Pharma-Med	59%	56%
	Consumer Brands	23%	30%
	Phyto-Vet	18%	14%

	Division	FY2016	FY2017
Share of EBITDA*	Pharma-Med	56%	63%
	Consumer Brands	30%	25%
	Phyto-Vet	14%	12%



R'm	% ch 2017 vs 2016	Jun 2017	Jun 2016	Jun 2015
Revenue	55.0%	3 558	2 295	1 248
EBITDA	97.7%	731	370	233
EBITDA margin		20.5%	16.1%	18.7%

Performance in FY2017

- Double-digit turnover and EBITDA growth in Remedica and Medical Devices
- Rand strength put pressure on margins in SA, given hedging policy – offset by:
 - Farmalider focus on high margin sales
 - R3.6m EBITDA impact (annualised) from key synergy projects (Medical Division integration and SA Pharma optimisation)

Priorities for FY2018

- Continuation of key synergy projects:
 - Medical Devices integration
 - SA Pharma optimisation
 R10-16m of EBITDA targeted in next 18 months through synergies
- NPD in Remedica and Farmalider
- SA registration of European pharma dossiers
- New agencies, own brand and geographies for Medical Devices



CONSUMER BRANDS



R'm	%ch 2017 vs 2016	Jun 2017	Jun 2016	Jun 2015
Revenue	112.8%	1 954	918	949
EBITDA*	41.9%	290	204	164
EBITDA* margin		14.8%	22.3%	17.3%

Performance in FY2017

- Turnover boosted by acquisitions of Scitec and Sun Wave Pharma (in for 1 month)
- Management initiatives drove double-digit growth in key Wellness brands
- Other sub-divisions impacted by external factors:
 - Direct : challenges in Nigeria
 - Sports Nutrition: impact from whey protein price increase (Scitec EBITDA margin down 4.0% to 12.3%)
- R3.9m EBITDA impact (annualised) from synergy projects (largely in Sports Nutrition)

Priorities for FY2018

- Scitec: new management team in place
- Investment in NPD, brands and new channels
- Entry into new geographic markets
- Key synergy projects:
 - Sports Nutrition
 - Product in-sourcing and optimisation (e.g. whey protein)
 R6-11m of EBITDA targeted in next 18 months through synergies
- Focus on organic growth



R'm	%ch 2017 vs 2016	Jun 2017	Jun 2016	Jun 2015
Revenue	31.7%	923	701	620
EBITDA	46.1%	141	96	82
EBITDA margin		15.2%	13.7%	13.2%

Performance in FY2017

- Double-digit organic growth in Biosciences supported by further expansion of Afrikelp brand into international markets
- Turnover boosted by Cipla Animal Health acquisitions (in for 1 month)

Priorities for FY2018

- Integration of Animal Health
- Capitalise on improved weather conditions (except for Western Cape)
- Further push on exports e.g. Afrikelp in California, Avima into east Africa
- Marketing investment
- Ongoing double-digit organic growth and margin improvements



STRATEGIC FOCUS





1 ACQUIRE AND BUILD STRONG HEALTH AND CARE BRANDS

- Acquire**
- ▶ Defensible
 - ▶ Brand / IP
 - ▶ Mature and profitable
 - ▶ Strong management

ACQUIRE
20% REVENUE
GROWTH*

- Build**
- ▶ Inject Ascendis best practice
 - Profitability
 - Innovation
 - Brand and product management
 - Process
 - Project teaming
 - Skills development

ORGANIC
10% REVENUE
GROWTH*

2 ADD VALUE BY DRIVING SYNERGIES

- ▶ Through value chain
- ▶ Within and across divisions

SYNERGISTIC
5% PROFIT
GROWTH*

3 PROVIDE HOLISTIC HEALTH SOLUTIONS FOR PEOPLE, ANIMALS AND PLANTS

* Average annual growth targets per medium-term strategy

ORGANIC GROWTH DRIVERS



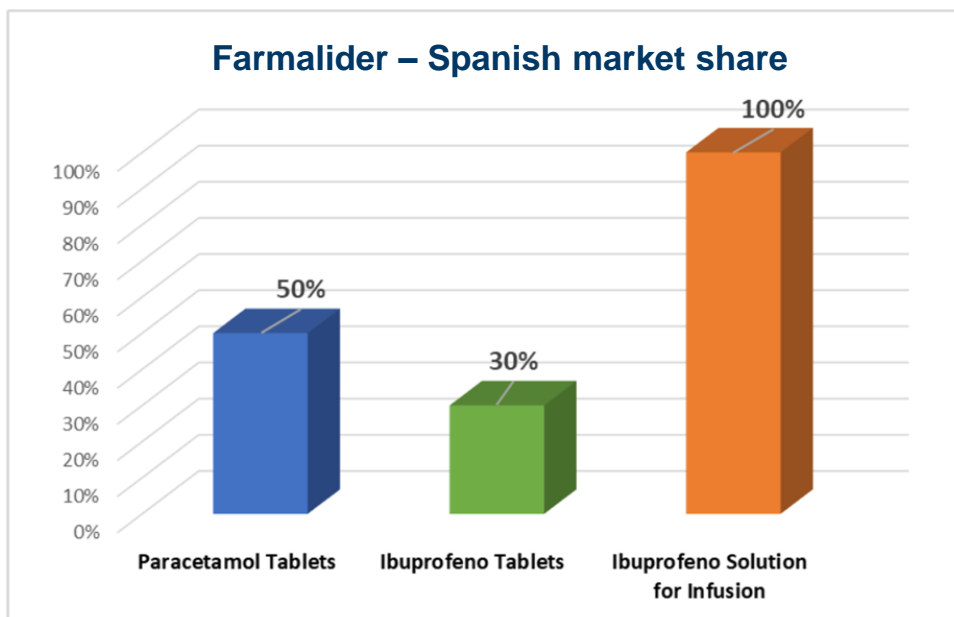
New geographies	<ul style="list-style-type: none">▪ New geographies via exports (e.g. UK, USA, Canada, Australia)▪ Expansion of Phyto-Vet and Medical Devices to rest of Africa▪ Cross-selling across the group e.g. Scitec sports nutrition products via Ascendis channels in SA
Product development	<ul style="list-style-type: none">▪ Increased investment in branded generics▪ New first-to-market generic drugs e.g. epilepsy▪ New agencies and branded range developed in Medical Devices▪ Solal Wellness range adapted for Australia (launches soon)▪ New Solal and Nimue products in Skincare▪ Brand and packaging development e.g. Junglevites▪ Strong NPD at Sun Wave Pharma and Sports Nutrition
Channel development	<ul style="list-style-type: none">▪ Sales force effectiveness e.g. key account management▪ Mass retail and online channel development▪ Improved in-fill rates▪ Increasing retailer penetration in Skincare

NEW PRODUCT LAUNCH – FARMALIDER

IBUPROFEN – ready-to-use IV drip product for critical care

- First authorisation of parenteral dosage form for Ibuprofen in European Union, obtained in 25 countries simultaneously
- R&D costs = €2m
- Marketed through German-based global B2B platform, B.Braun
- Scope: Europe (in 2018) and Latin America (in 2019)

Farmalider – Spanish market share



NEW PRODUCT LAUNCH – MEDICAL DEVICES



→ First-to-market launch in southern Africa

NovoSorb BTM - A unique synthetic biodegradable wound scaffold

NovoSorb BTM (Biodegradable Temporising Matrix) is an innovative wound dressing technology intended for treatment of wounds and burns where the dermal structure has been lost to trauma, or damaged requiring surgical removal, and requires a split-thickness skin graft for final closure.

Patient Outcomes:





REMEDICA - KIVALA

Abacavir/Lamivudine

- Generic fixed-dose combination drug for treatment of HIV
- Presence of food does not affect absorption of the tablets
- Lower likelihood for drug interactions with other medicinal products through protein binding displacement



SUN WAVE PHARMA

- URISAN®

- Innovative solution for prevention of repeated urinary tract infections in high margin market segment



SCITEC

- SHAKE & WAIT

- Convenient high quality protein source competing in the large weight management segment of the Sports Nutrition market in Europe

NEW PRODUCT LAUNCHES – WELLNESS



CHELA-PREG™ TRIMESTER 1, 2, 3 Range

South Africa's most compliant pre-natal supplement in terms of international practice recommendations.



SOLAL 5-HT¹

SOLAL 5-HT¹ is ranked 3rd for the Wellness portfolio within Dis-Chem.



SOLAL VITA PQQ

First to market launch



BETTAWAY MEGA C1000

First entry into large, growing effervescent market in South Africa



NEW CAMPAIGN – SKIN & BODY

NIMUE – 12 WEEK CHALLENGE

Groundbreaking international equity building campaign



KEY SYNERGY PROJECTS

Division	Key synergy projects	EBITDA benefit expected in next 18 months
Pharma-Med	<ul style="list-style-type: none"> Medical Devices Division integration 1 SA Pharma optimisation (product rationalisation, operational improvement) 	R10-16m
Consumer Brands	<ul style="list-style-type: none"> Sports Nutrition synergies 2 Production in-sourcing and optimisation SOLAL exports (Australia and Remedica) 	R6-11m
Head Office	<ul style="list-style-type: none"> Insurance consolidation HR centralisation (payroll, BBBEE, etc.) IT and Treasury efficiencies Expanded Legal and Marketing shared services 	R3-4m
Total EBITDA impact		R19-31m
Total after-tax synergy benefit to earnings		R15-24m

MEDICAL DEVICES DIVISION INTEGRATION

Objective

Create the **#1 medical devices business in Africa** by strategically integrating Surgical Innovations, Respiratory Care Africa, The Scientific Group and Ortho-Xact

FY2017 HIGHLIGHTS

FY2018 PRIORITIES

Value

- 5 new agencies secured
- Strong base business performance

- Deliver R6-11m EBITDA in next 18 months
- Build Ascendis Medical exports

People

- Divisional management team appointed
- Change continually managed

- Continue change management and talent retention efforts

Process

- Regional offices integrated
- Milestones delayed by successfully on-boarding new acquisition

- Consolidate three offices into one building
- Complete integration (Dec 2018)
- Warehouse integration finalised September 2017



MEDICAL DEVICES DIVISION WAREHOUSE INTEGRATION PROJECT



BETTER TOGETHER IN ACTION

We are truly proud to report the success of the
"Ascendis Medical Warehouse Integration Project"

The objective of the project is to integrate, synergize, simplify and increase efficiency of logistics and operations throughout our divisions.

The Scientific Group's warehouse was selected as the **centralized receiving warehouse** due to ample capacity in terms of size of warehouse, ability for large container receiving, height allowances and ability to implement newer technology.

The **receiving function is the first phase** of the project for which an incredible milestone was reached! As of **Monday, 4 September** we have **consolidated and activated the receiving of stock function at TSG Warehouse**. *Stock returns* remain unchanged within each legal entity's infrastructure and will be handled by respective warehouses at each entity.

Well done to the Operations teams including logistics, warehouse, finance and customer services.

[Click here](#) to view images of the big move

SPORTS NUTRITION – VALUE CHAIN SYNERGIES

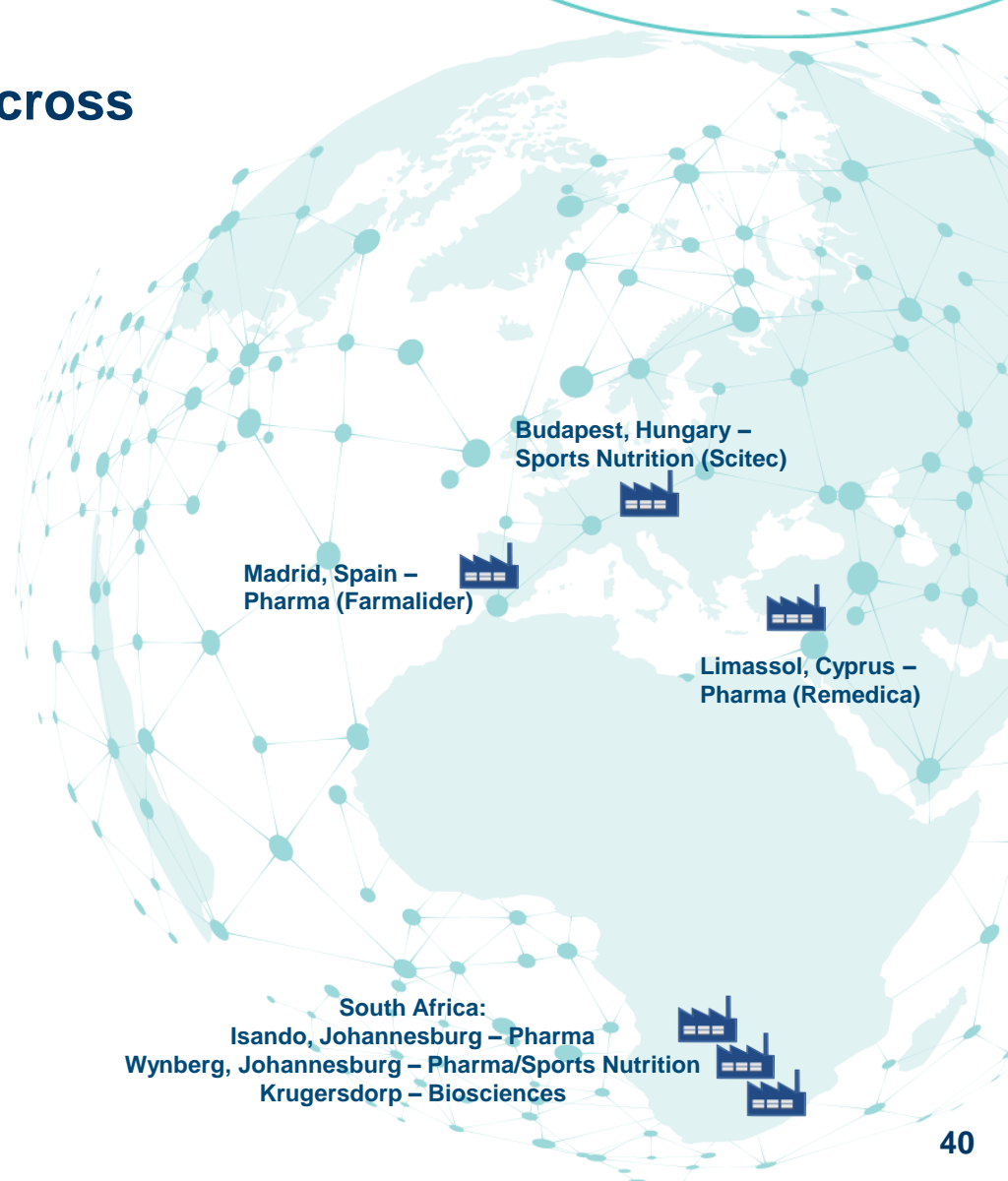
Deliver R5-10m EBITDA in next 18 months



GLOBAL PRODUCTION FACILITIES

- Our own production facilities across the world, all* GMP accredited
- Project to consolidate two Pharma/Wellness plants in SA after loss of third party manufacturing contract
- 44% of cost of goods produced in our own plants

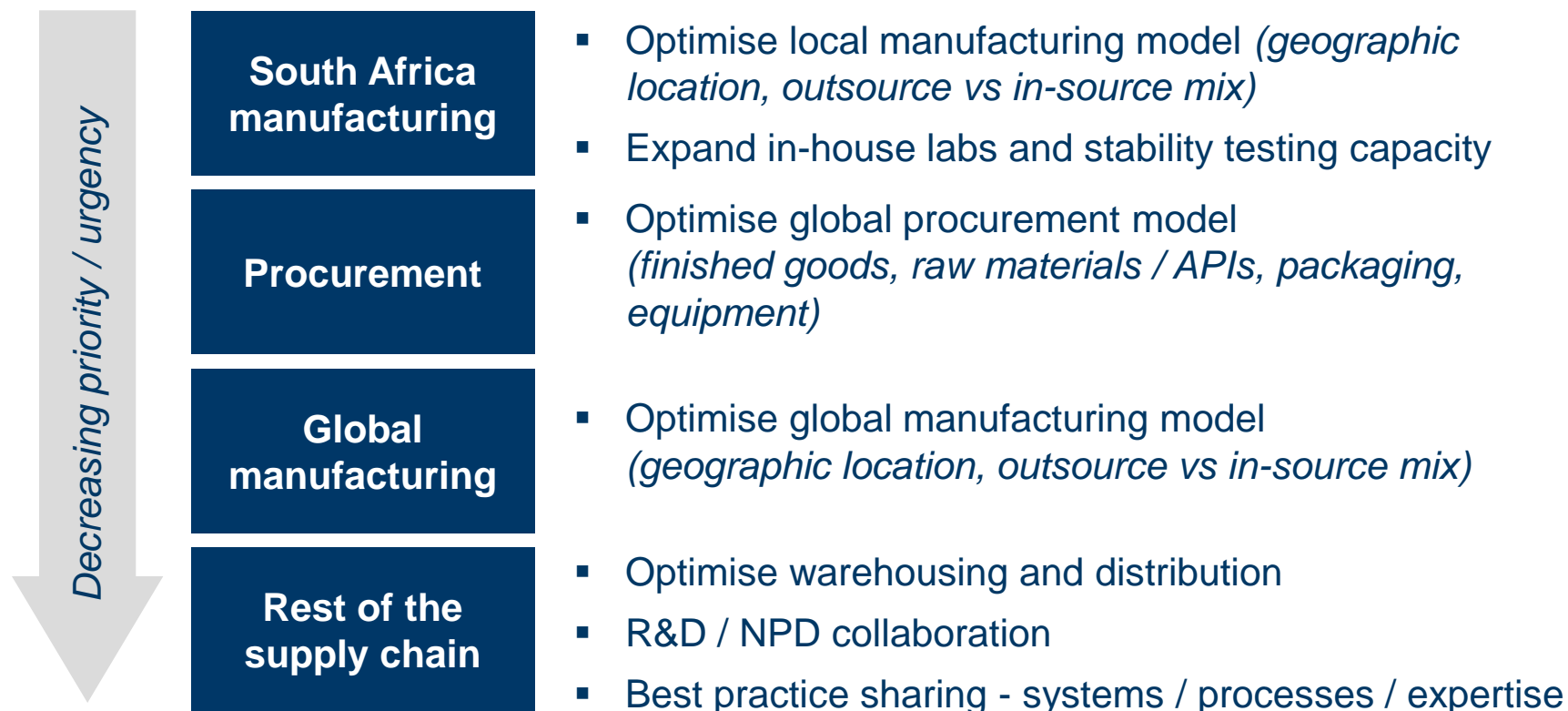
* excluding Bioscience facility, which has all relevant accreditations



SUPPLY CHAIN OPTIMISATION

Currently in “diagnostic” phase – not included in FY2018 targets

CURRENTLY UNDER INVESTIGATION



ACQUISITIONS IN FY2017



August 2016

April 2017

June 2017



PHARMA-MED



ORTHO-XACT



CONSUMER BRANDS



PHYTO-VET





European pharmaceutical company, with majority of sales in high growth emerging markets

PERFORMANCE

- Successful integration
- Implemented monthly reporting, changed auditors
- Management aligned
- Value creation projects started: cross-selling, regulatory, procurement, R&D, NPD, production
- Double digit profit growth
- Positive outlook for FY2018

RECENT ACQUISITIONS – CONSUMER BRANDS



Leading European sports nutrition brand
PERFORMANCE

- Unable to pass on increase in whey protein raw material price and sales impacted by drop in discounts as a result
- Sales impacted by lack of participation in mass and online channels in CEE
- Measures taken: new MD appointed, opex savings, new sales focus, new marketing dept, new geographies, strong NPD pipeline
- Improved outlook for FY2018 (esp H2)

Leading OTC and nutraceuticals high-growth business in Romania

STRATEGIC RATIONALE

- Entry into high-growth Romanian market
- Sourcing, production and R&D synergies
- Replicate model in E Europe
- Cross-selling opportunities

PERFORMANCE

- Strong double-digit sales and profit growth in first two months (June & July)



Animal medicines business in South Africa

STRATEGIC RATIONALE

- High margin products in strong growth segment
- Internationalisation potential
- Medium-term synergy potential with Ascendis SA pet and biosciences retail presence

PERFORMANCE

- Cipla Animal Health integration on track
- Sales and profits in line with expectations



OUTLOOK



1 Execute organic growth plans

- Organic growth of c10%
- International c60% of earnings

2 Deliver the synergies and value add

- Synergistic growth c5% of earnings

3 Focus on operations

- Build on good performance in Pharma-Med
- Drive cost savings in Consumer Brands, particularly input costs in Sports Nutrition
- Continued new product development and launches
- Ongoing double-digit organic growth in Phyto-Vet

4 Make complementary acquisitions

- Acquisitive growth from complementary, bolt-on acquisitions

5 Focus on free cash generation and reducing gearing levels

- Net working capital days of 125
- Cash conversion target of 75%
- Gearing of 3.4 net debt : EBITDA

6 Ensure improved profitability

- EBITDA margin target 17 – 18% over the next 12 to 18 months



Ascendis
HEALTH

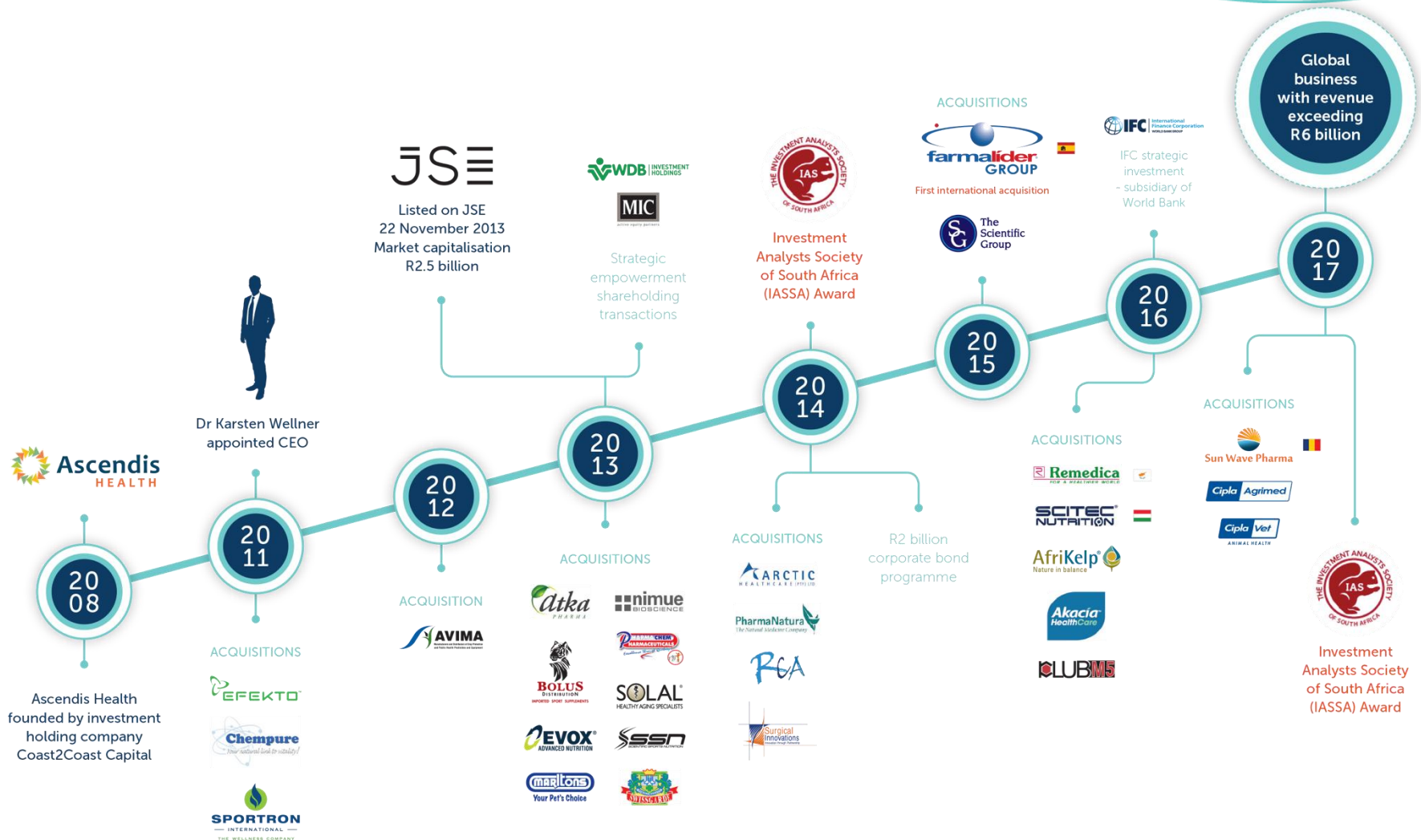
**Leading Health and Care
Brands Company**

*Healthy Home.
Healthy You.
Healthy Life.*

ADDITIONAL INFORMATION



ASCENDIS TIMELINE



MARKET-LEADING BRANDS



CONSUMER BRANDS

Wellness

- Number 1 high income brand – Solal (IRI - Vitamin, Mineral and Supplements Market In South Africa)
- 3rd biggest Multi Vitamins & Minerals supplier in South Africa (IMS SA - Total Private Market, Anatomical Therapeutic Class 3)
- Number 2 manufacturer of Iron Supplements in South Africa (IMS SA - Total Private Market, Anatomical Therapeutic Class 3)
- 2nd biggest supplier of Calcium supplements in South Africa (IMS SA - Total Private Market, Anatomical Therapeutic Class 3)
- Leading Nutraceutical company in Romania (Management Estimate)

Skin & Body

- Major player in Professional Skincare in South Africa and active in Europe (Mordor Intelligence)

Sports Nutrition

- 2nd biggest supplier in the Sports Nutrition category in South Africa (Euromonitor)
- Number 3 supplier of Sports Nutrition in Europe (Management Estimate)

Direct

- One of the top direct selling Nutraceutical companies in Africa (Management Estimate)



PHARMA-MED

Pharma

- Number 1 Probiotic Range in South Africa (IMS - Total Private Market Anatomical Therapeutic Class 3)
- Ranked 3rd in South African Colds and Flu market (IMS - Total Private Market Anatomical Therapeutic Class 3)
- Leading business to business supplier in pain management in Spain (Management Estimate)

Medical Devices

- Leading distributor of surgical consumables and equipment for hospitals in South Africa (Management Estimate)
- One of the top providers of respiratory care (infants and adults) in South Africa (Management Estimate)
- Active player in the orthopaedic market in South Africa (Management Estimate)
- Leading supplier in in-vitro diagnostic solutions in Africa (Management Estimate)



PHYTO-VET

Biosciences

- Efekto and Wonder: Number 1 brand in Garden & Home (IRI - Defined Supermarkets in SA)
- 2nd largest manufacturer in the Garden & Home category in South Africa (IRI - Defined Supermarkets in SA)
- One of the largest suppliers of Agricultural plant growth stimulants (Management Estimate)

Animal Health

- Number 2 supplier in the Pet Complementary category (IRI - Defined Supermarkets in SA)
- Large share of the Production Animal Health category in South Africa (SAAHA)



BRANDS		STRENGTHS
Pharma	Reuterina, Sinuend, Biocort, Biosolin 30/70, Spectrapain, Sinucon, Nozer, Canex, Phlexy Mist Alba	<ul style="list-style-type: none"> Trusted, long-established generic medicines Access to doctor and pharmacy network Strong position in self-dispensing doctors' market Ability to compete for government tenders Strong pipeline of new dossiers Leaders in cost effective generic and OTC brands in cold and flu (Sinucon & Sinuend) and anti-diarrhea probiotics (Reuterina, market-leader)
	<p>Surgical Intensive Care</p> <p>Intensive Care and Respiratory Care</p> <p>Clinical Diagnostic</p> <p>Ortho-Xact-Orthopedic</p>	





INTERNATIONAL



COMPANIES

STRENGTHS

Farmalider	<ul style="list-style-type: none"> Established Spanish pharmaceutical group, with mainly B2B business model Strong presence in Spain and opportunities in Europe Own GMP accredited manufacturing site Strong cross licensing opportunities within Ascendis Product offering includes generic drugs, OTC, ethical products, dermocosmeceuticals and dietary supplements
Remedica	<ul style="list-style-type: none"> European-based pharma company, operating > 50 years, c80% of business in emerging markets 300 generics (including HIV, tuberculosis and oncology drugs) Active in 100 countries via agents, distributors and international aid organisations State-of-the-art 40 000m2 manufacturing facilities
Scitec	<ul style="list-style-type: none"> No. 3 European sports nutrition company Selling in 90 countries worldwide with strong market positions all over Europe Focus on strength training, functional fitness and well-being Over 280 products produced in GMP and FDA-approved facility
Sun Wave Pharma	<ul style="list-style-type: none"> Leading OTC and nutraceuticals high growth business in Romania High growth market Sourcing, production and product development synergies





CONSUMER BRANDS – SOUTH AFRICA



	BRANDS	STRENGTHS
Wellness	SOLAL, VitaForce, Bettaway, Foodstate, Junglevites, Menaca17 and Chela-Preg	<ul style="list-style-type: none"> ▪ Solal - established healthy ageing brand (>10 years) ▪ IP in 200 products, premium brands ▪ Targeted at mid-high income consumers ▪ Market-leading vitamin and mineral brand dossiers ▪ Long-established brands with GMP manufacturing site for Vitaforce and Bettaway
Skin & Body	Nimue, SOLAL, Merz, PCA	<ul style="list-style-type: none"> ▪ Nimue - established dermo-cosmeceutical brand in salons ▪ Own IP ▪ Premium brand, high LSM ▪ Sold in 28 countries ▪ Merz, global leader in Aesthetics and Neurotoxins ▪ PCA, global leader in scientific skin care
Sports Nutrition	Scitec, Evox, SSN, Muscletech & Supashape, Muscle Junkie	<ul style="list-style-type: none"> ▪ Established sports nutrition brands (>15 years) ▪ IP in most products ▪ Presence across main market categories ▪ Number 2 in SA market
Direct	Sportron & Swissgarde	<ul style="list-style-type: none"> ▪ Established nutraceutical and personal care brands (>20 years) ▪ Direct selling networks in SA and Nigeria ▪ Strong brand loyalty ▪ Defensible ▪ Access to high growth emerging and international markets





	BRANDS	STRENGTHS
BIOSCIENCES	Efekto/Wonder	<ul style="list-style-type: none"> Established home and garden protection business (>45 years) IP in more than 800 products Premium brands Defensible 3-year registration process
	Avima	<ul style="list-style-type: none"> Number 1 brand in plant nutrition (>45 years) 1971 established seaweed processing business for production of natural growth stimulants for agriculture and horticulture; 80% exports to approx 70 countries; strong international growth
	Afrikelp	<ul style="list-style-type: none"> Agri-chemical business for crop protection and public health Defensible 3-year registration process (70 registered products) (>50 years) 55% of sales to 21 other African countries Vertical integration with Efekto
ANIMAL HEALTH	<p>Fiprotec, Petcam ,GCS Joint care advanced, CalmEze</p> <p>Diomec, Triworm, Clavet, Efazol, Omepracote</p>	<ul style="list-style-type: none"> Established in 2004, focusing on production animals (cattle, sheep, goats, poultry, pigs and wild life) offering a comprehensive range of scientifically advanced and affordable veterinary medicines High quality products coupled with evidence-based research Products are distributed via co-ops, vet wholesalers and large scale intergrators.



HEPS AND NORMALISED HEPS



R'm	Jun 2017	Jun 2016	% change
<i>Continuing operations</i>			
Headline earnings	374	154	142.3
Once-off costs (net of tax)	178	147	
Amortisation (net of tax)	93	35	
Normalised headline earnings	645	336	91.6
Closing no. of shares in issue	435.9	270.0	161.4
Weighted average no. of shares	412.3	277.9	48.4
HEPS (c)	90.8	55.6	63.3
Normalised HEPS (c)	156.4	121.1	29.1
<i>Discontinued operations</i>			
Loss from consolidation of manufacturing operations in SA	(71)	-	
Operating loss	(44)		
Impairment loss	(27)		
HEPS and normalised HEPS (c)	(10.7)	-	

Attractive market positioning	<ul style="list-style-type: none">▪ Health and care markets are growth sectors locally and internationally▪ Resilient and defensive markets▪ Significant barriers to entry into highly regulated markets
Market-leading brands	<ul style="list-style-type: none">▪ Long-established and defensible brands, with a focus on owned brands▪ Top three brands in relevant category
Diversification	<ul style="list-style-type: none">▪ Revenue diversified across geographic regions, multiple health and care market segments and extensive brand portfolio▪ No single client dependency across customer base
Acquisitions supporting organic growth	<ul style="list-style-type: none">▪ Acquisition model: strong three-year profit growth; cash conversion rate of 60% - 100%; return on tangible net assets of 30% - 40%

Creating efficiencies through synergistic growth	<ul style="list-style-type: none">▪ Proven ability to integrate acquisitions and extract efficiencies▪ Vertical integration within the value chain creates opportunities for margin expansion
Expanding international presence	<ul style="list-style-type: none">▪ Offshore hard currency earnings provide natural hedge against Rand volatility▪ Growth opportunities in Africa: currently export to 15 countries in Africa
Strong management team	<ul style="list-style-type: none">▪ Strong and stable leadership team▪ Blend of company and industry experience locally and internationally▪ Innovative and entrepreneurial culture
Sustained value creation	<ul style="list-style-type: none">▪ 81% compound growth in revenue since listing in 2013▪ 102% compound growth in EBITDA since 2013▪ Created R5.7 billion in shareholder wealth since listing

Strong pipeline, with focus on complementary bolt-on acquisitions

Acquisition criteria

- Targeting average of 20% of revenue growth from acquisitions per year
- Market-leading brands
- High cash generation
- Earn-out model
- More complementary acquisitions in FY2018

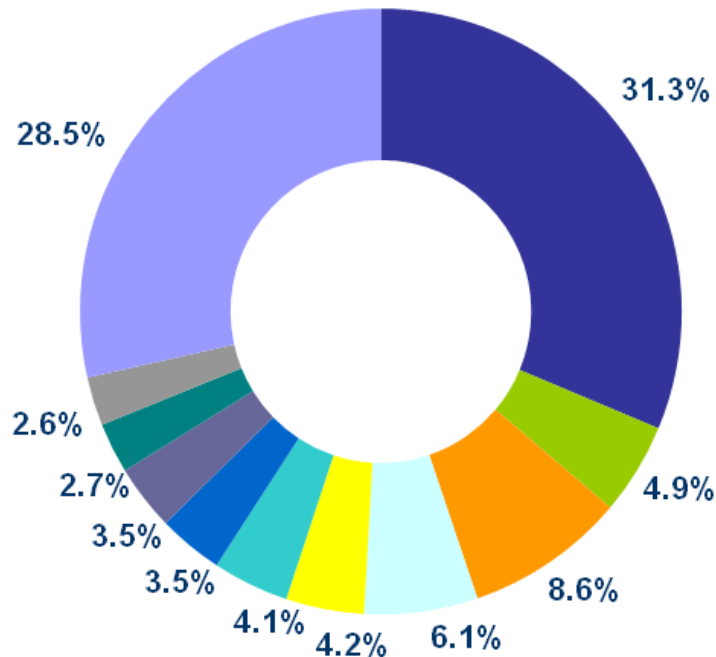
Focus is on

- Central and eastern Europe
 - Higher growth economies
 - Fragmented market
- Europe
 - High growth segments e.g. OTC
- Australia
 - High growth segments e.g. sports nutrition, wellness
- Looking for further platforms (medium-term)

SHAREHOLDING STRUCTURE



Holdings at 30 June 2017



Coast2Coast and staff	31.3%
Ascendis management	4.9%
Government Employees Pension Fund	8.6%
Kefolile Health Investments	6.1%
International Finance Corporation	4.2%
WBD Investment Holdings	4.1%
Mineworkers Investment Company	3.5%
Blakeney	3.5%
GIC Private Limited	2.7%
Old Mutual	2.6%
Other shareholders	28.5%

- 20.7% international holding (16.3% at June 2016)
- 28.2% BEE holding (26.7% at June 2016), including 11.2% black female ownership

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