



**Ascendis**  
HEALTH

NOTICE OF ANNUAL  
GENERAL MEETING

# NOTICE OF ANNUAL GENERAL MEETING

## ASCENDIS HEALTH LIMITED

(Registration number 2008/005856/06)  
(Incorporated in the Republic of South Africa)  
ISIN: ZAE000185005  
JSE share code: ASC  
("Ascendis Health" or "Company")

Notice is hereby given that the seventh annual general meeting of the shareholders of the company ("AGM") will be held at 09:00 on Wednesday, 5 February 2020, at Ground Floor, Ascendis Building, 31 Georgian Crescent East, Bryanston, Gauteng, 2191, to consider and, if deemed fit, to pass, with or without modification, the ordinary and special resolutions set out below, in the manner required by the Companies Act, No. 71 of 2008, as amended ("the Act") and subject to the applicable Listings Requirements of the JSE Limited ("Listings Requirements") on which the company's ordinary shares are listed.

## Record date

The board of directors of the company has determined that the record date for the purpose of determining which shareholders of the company are entitled to receive notice of this AGM is Friday, 25 October 2019, and the record date for purposes of determining which shareholders of the company are entitled to participate in and vote at the AGM is Friday, 31 January 2020 with the last date to trade in order to be reflected in the securities register of the company ("Register") being Tuesday, 28 January 2020. Accordingly, only shareholders who are registered in the Register on Friday, 31 January 2020 will be entitled to participate in and vote at the AGM.

When reading the resolutions below, please refer to the explanatory notes for these resolutions which are set out on page 5 of this notice of AGM ("Notice").

## Presentation of annual financial statements

The consolidated audited financial statements of the company and its subsidiaries ("the Group"), as approved by the board of directors of the company, incorporating the external auditors, the Audit and Risk Committee's and directors' reports for the year ended 30 June 2019, are available on the company's website ([www.ascendishealth.com](http://www.ascendishealth.com)).

## Social, Ethics and Transformation Committee report

In accordance with Regulation 43(5)(c) of the Act, the Chairman of the Social, Ethics and Transformation Committee will report to the shareholders at the AGM.

### 1. ADOPTION OF THE ANNUAL FINANCIAL STATEMENTS

#### ORDINARY RESOLUTION NUMBER 1

"Resolved that the audited annual financial statements of the company and its subsidiaries for the year ended 30 June 2019, as approved by the board of directors be and are hereby received and adopted."

The annual financial statements are available on the company's website: [www.ascendishealth.com](http://www.ascendishealth.com) in the Financial Results section of Investor Relations.

The percentage voting rights required for ordinary resolution number 1 to be adopted: more than 50% (fifty percent) of votes cast by shareholders present or represented by proxy at the AGM.

### 2. RE-APPOINTMENT OF AUDITORS

#### ORDINARY RESOLUTION NUMBER 2

"Resolved that PricewaterhouseCoopers Inc., practice number 901121, with registered office at 4 Lisbon Lane, Waterfall City, Jukskei View, Johannesburg, Gauteng, 2090, be and is hereby re-appointed as the company's auditor and that the individual registered auditor who will perform the function of auditor is Tanya Rae, SAICA practice number 731633, provided that PricewaterhouseCoopers Inc. is acceptable to the company's Audit and Risk Committee as being independent of the company, having regard to the matters enumerated in section 94(8) of the Act."

The percentage voting rights required for ordinary resolution number 2 to be adopted: more than 50% (fifty percent) of the votes cast by shareholders present or represented by proxy at the AGM.

### 3. RE-ELECTION OF DIRECTORS OF THE COMPANY

#### ORDINARY RESOLUTION NUMBERS 3.1 AND 3.2

"Resolved that the following directors of the company, who, being eligible, have offered themselves for re-election, are re-elected by separate resolutions, and each by way of a series of votes, each

of which is on the candidacy of a single individual to fill a single vacancy, in terms of article 26.3.2 of the company's Memorandum of Incorporation:

- 3.1 Dr Kinesh Sachidanandan Pather (independent non-executive director); and
- 3.2 Dr Noluyolo Yoza Jekwa (independent non-executive director)."

The board has evaluated the performances of each of the directors who are retiring by rotation and recommends and supports the re-election of each of them.

Brief biographies of each director offering themselves for election are included in Annexure A, and are on the company's website at [www.ascendishealth.com](http://www.ascendishealth.com).

The percentage voting rights required for each of ordinary resolution numbers 3.1 and 3.2 to be adopted: more than 50% (fifty percent) of the votes cast by shareholders present or represented by proxy at the AGM.

### 4. APPOINTMENT OF DIRECTORS

#### ORDINARY RESOLUTION NUMBER 4.1

"Resolved that Andrew Brian Marshall, an independent non-executive director of the company, who was appointed after the last AGM and whose appointment is required to be ratified by the shareholders, is elected by separate resolution, and by way of a series of votes, to fill a single vacancy, in terms of article 26.2 of the company's MOI."

#### ORDINARY RESOLUTION NUMBER 4.2

"Resolved that Mark James van Lill Sadie, an executive director of the company, who was appointed after the last AGM and whose appointment is required to be ratified by the shareholders, is elected by separate resolution, and by way of a series of votes, to fill a single vacancy, in terms of article 26.2 of the company's MOI."

The board supports the candidates' election.

Brief biographies in respect of each director offering themselves for election are included in Annexure A, and are on the company's website at [www.ascendishealth.com](http://www.ascendishealth.com).

The percentage voting rights required for each of ordinary resolution numbers 4.1 and 4.2 to be adopted: more than 50% (fifty percent) of the votes cast by shareholders present or represented by proxy at the AGM.

### 5. APPOINTMENT OF AUDIT AND RISK COMMITTEE

The board recommends the appointment of the following four independent non-executive directors to the Audit and Risk Committee of the Company.

- Bharti Harie;
- Mary Sina Bomela;
- Dr Kinesh Sachidanandan Pather; and
- Dr Noluyolo Yoza Jekwa.

The board is satisfied that they have the necessary qualifications and/or experience in the areas required to fulfil their responsibilities as members of the Audit and Risk Committee.

#### ORDINARY RESOLUTION NUMBERS 5.1 TO 5.4

"Resolved that the company appoints the following independent non-executive directors as members of the company's Audit and Risk Committee with effect from the date of passing of this resolution:

- 5.1 Bharti Harie (chairman);
- 5.2 Mary Sina Bomela;
- 5.3 Dr Kinesh Sachidanandan Pather, subject to the passing of ordinary resolution number 3.1; and
- 5.4 Dr Noluyolo Yoza Jekwa, subject to the passing of ordinary resolution number 3.2."

The percentage voting rights required for each of ordinary resolution numbers 5.1 to 5.4 to be adopted: more than 50% (fifty percent) of the votes cast by shareholders present or represented by proxy at the AGM.

### 6. GENERAL AUTHORITY TO ISSUE SHARES FOR CASH

#### ORDINARY RESOLUTION NUMBER 6

"Resolved that the directors of the company be and are hereby authorised, by way of a general authority, to allot and issue all or any of the authorised but unissued shares in the capital of the



company for cash as they in their discretion deem fit, subject to the limitations as set out in the Act, the MOI of the company and the Listings Requirements from time to time, being, as at the date of this resolution:

- o the shares which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such shares or rights that are convertible into a class of shares already in issue;
- o any such issue will only be made to public shareholders (as defined by the Listings Requirements) and not to related parties (as defined by the Listings Requirements);
- o that issues of shares (or any options/convertible securities that are convertible into an existing class of equity securities) in the aggregate may not exceed 15% (fifteen percent) of the number the company's issued shares of that class (i.e. 489 469 959 ordinary shares less 4 642 635 treasury shares), representing 72 724 098 of the shares in issue at the date of this notice, and in the event of a sub-division or consolidation of the equity securities, this authority must be adjusted accordingly to represent the same allocation ratio;
- o the maximum discount at which the shares may be issued is 10% (ten percent) of the weighted average traded price of those shares over the 30 (thirty) business days prior to the date that the price of the issue is agreed by between the company and the party/ies subscribing for the shares. The JSE should be consulted for a ruling if the company's securities have not traded in such 30 (thirty) business day period;
- o this general authority shall be valid until the next AGM, provided that such authority may be varied or revoked by any general meeting of the shareholders prior to such AGM of the company, provided that it shall not extend beyond 15 (fifteen) months from the date that this general authority is given; and
- o upon any issue of ordinary shares which, together with prior issues of ordinary shares during the same period, will constitute 5% (five percent) or more of the total number of ordinary shares in issue prior to that issue, the company shall, publish an announcement in terms of paragraph 11.22 of the Listings Requirements."

The percentage voting rights required for ordinary resolution number 6 to be adopted: In terms of the Listings Requirements, a 75% (seventy-five percent) majority of the votes cast by shareholders present or represented by proxy at the AGM.

## 7. ADOPTION OF THE ASCENDIS HEALTH EMPLOYEE SHARE OPTION SCHEME

### ORDINARY RESOLUTION NUMBER 7

"Resolved that the adoption by the company of the Ascendis Health Employee Share Option Scheme, the salient features of which are included as Annexure B which forms part of the Notice of AGM and the complete document recording the terms of the Ascendis Health Employee Share Option Scheme, as approved by the JSE, having been made available for inspection by shareholders for at least 14 days prior to the date of the AGM and having been initialled by the Chairman of AGM for identification purposes, and tabled at this meeting, be and is hereby approved."

The percentage voting rights required for ordinary resolution number 7 to be adopted: In terms of Schedule 14 of the Listings Requirements, at least a 75% (seventy-five percent) majority of the votes cast by shareholders present or represented by proxy at the AGM.

## 8. APPROVAL OF NON-EXECUTIVE DIRECTORS' REMUNERATION

### SPECIAL RESOLUTION NUMBER 1

"Resolved that the remuneration of non-executive directors of the company for their services as directors of the company for the year ended 30 June 2020 which is disclosed in detail on page 40 of the Company's IAR for 2019, be and is hereby approved, in terms of the provisions of section 66(9) of the Act."

The percentage voting rights required for special resolution number 1 to be adopted: at least 75% (seventy-five percent) of the votes cast by shareholders present or represented by proxy at the AGM.

## 9. GENERAL AUTHORITY TO REPURCHASE SHARES IN THE COMPANY

### SPECIAL RESOLUTION NUMBER 2

"Resolved that the company and/or any subsidiary of the company be and is hereby authorised, by way of a general authority, to repurchase ordinary shares in the capital of the company upon such

terms and conditions and in such amounts as the directors may from time to time determine in terms of and subject to:

- o sections 4, 46 and 48 (read with sections 114 and 115) of the Act; and
- o the Listings Requirements, being, as at the date of this resolution, that:
  - the repurchase of ordinary shares shall be effected through the order book operated by the JSE trading system, and done without any prior understanding or arrangement between the company and/or the relevant subsidiary and the counterparty;
  - the general repurchase by the company, and/or by its subsidiaries, of the company's ordinary shares is authorised by its MOI;
  - this general authority shall be valid until the company's next AGM provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution number 2;
  - repurchases must not be made at a price greater than 10% (ten percent) above the weighted average of the market value of the ordinary shares for the 5 (five) business days immediately preceding the date on which the transaction is effected and the JSE should be consulted for a ruling if the applicant's securities have not traded in such 5 (five) business day period;
  - repurchases by the company of its shares shall not, in the aggregate in any one financial year, exceed 20% of the company's issued share capital of that class;
  - at any point in time the company may only appoint one agent to effect any repurchase on the company's behalf or on behalf of any subsidiary of the company;
  - the passing of a resolution by the board of directors authorising the repurchase, that the company and its subsidiary/ies have passed the solvency and liquidity test and that since the test was performed, there have been no material changes to the financial position of the Group;
  - the company and its subsidiaries will not repurchase ordinary shares during a prohibited period (as defined in the Listings Requirements) unless they have in place a repurchase programme where the dates and quantities of ordinary shares to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been submitted to the JSE in writing prior to the commencement of the prohibited period. The company must instruct an independent third party which makes its investment decisions in relation to the company's securities (including ordinary shares) independently of, and uninfluenced by, the company, prior to the commencement of the prohibited period, to execute the repurchase programme submitted to the JSE; and
  - an announcement complying with paragraph 11.27 of the Listings Requirements will be published by the company (i) when the company and/or its subsidiaries have cumulatively repurchased 3% (three percent) of the ordinary shares in issue as at the time that the general authority from shareholders is granted ("**the initial number**") and (ii) for each 3% (three percent) in the aggregate of the initial number of the ordinary shares acquired thereafter by the company and/or its subsidiaries."

The directors of the company have no specific intention at present to effect the general repurchase but will continually review this position having regard to prevailing circumstances.

This special resolution number 2 requires the approval of at least 75% (seventy-five percent) of the voting rights of shareholders exercised on the resolution, in accordance with section 65(11) of the Act and paragraph 5.72(c) of the Listings Requirements.

## STATEMENT OF THE DIRECTORS OF THE COMPANY IN RESPECT OF SPECIAL RESOLUTION NUMBER 2

The directors of the company undertake, after considering the maximum effect of any general repurchase under special resolution number 2, that they will not give effect to any such repurchase unless:

- o the company and its subsidiaries ("**the Group**") will be able in the ordinary course of business to pay its debts for a period of 12 months after the date of the Notice;
- o the assets of the company and the Group will be in excess of the liabilities of the company and the Group for a period

# NOTICE OF ANNUAL GENERAL MEETING (continued)

of 12 months after the date of the Notice, such assets and liabilities to be recognised and measured in accordance with the accounting policies used in the latest audited annual group financial statements;

- o the share capital and reserves of the company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the Notice; and
- o the company's and the Group's working capital will be adequate for ordinary business purposes for a period of 12 months after the date of the Notice.

## ADDITIONAL INFORMATION IN RESPECT OF SPECIAL RESOLUTION NUMBER 2

In terms of paragraph 11.26 of the Listings Requirements, the disclosures regarding major shareholders and share capital of the Company appear in the Shareholders' analysis report in the company's Integrated Annual Report 2019, which has been distributed to shareholders in the required format and which is available on the company's website: [www.ascendhealth.com/investor-relations/integrated-reports/](http://www.ascendhealth.com/investor-relations/integrated-reports/).

## DIRECTORS' RESPONSIBILITY STATEMENT

The directors collectively and individually accept full responsibility for the accuracy of the information given herein and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statements false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this special resolution contains all information required by law and the Listings Requirements.

## MATERIAL CHANGES

There have been no material changes in the financial or trading position of the company and its subsidiaries since the date of signature of the audit report for the financial year ended 30 June 2019 and up to the date of the Notice of the AGM.

## 10. APPROVAL OF FINANCIAL ASSISTANCE IN TERMS OF SECTION 44 OF THE ACT

### SPECIAL RESOLUTION NUMBER 3

"Resolved that in terms of section 44(3) of the Act the company be and is hereby authorised, at any time and from time to time during the period of 2 (two) years commencing on the date of this special resolution, to provide any person with financial assistance for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company, provided that:

- o the recipient or recipients of such financial assistance, and the form, nature and extent of such financial assistance, and the terms and conditions under which such financial assistance is provided, are determined by the board of directors of the company from time to time;
- o the board of directors of the company may not authorise the company to provide any financial assistance pursuant to this special resolution unless the board of directors meets all those requirements of section 44 of the Act which it is required to meet in order to authorise the company to provide such financial assistance; and
- o in terms of section 44(3)(a)(ii) of the Act the board of directors of the company may not authorise any financial assistance unless pursuant to a special resolution of the shareholders adopted within the previous two years, either as a general or specific authority, the shareholders of the company have approved such financial assistance.

The effect of this resolution is to grant the board of directors of the company the general authority to provide direct or indirect financial assistance to the persons mentioned above. This authority will be in place for a period of two years from the date of adoption of this resolution."

The percentage voting rights required for special resolution number 3 to be adopted: at least 75% (seventy-five percent) of the votes cast by shareholders present or represented by proxy at the AGM.

## 11. APPROVAL OF FINANCIAL ASSISTANCE IN TERMS OF SECTION 45 OF THE ACT

### SPECIAL RESOLUTION NUMBER 4

"Resolved that, in terms of section 45(3) of the Act the company be and is hereby authorised, at any time and from time to time during the period of 2 (two) years commencing on the date of this special resolution, to provide any direct or indirect financial assistance as contemplated in such section of the Act to any director or prescribed officer of the company or of a related or inter-related company, or to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, or to a person related to any such company, corporation, director, prescribed officer or member, provided that:

- o the recipient or recipients of such financial assistance, and the form, nature and extent of such financial assistance, and the terms and conditions under which such financial assistance is provided, are determined by the board of directors of the company from time to time; and
- o the board of directors of the company may not authorise the company to provide any financial assistance pursuant to this special resolution unless the board meets all those requirements of section 45 of the Act which it is required to meet in order to authorise the company to provide such financial assistance."

In terms of section 45(3)(a)(ii) of the Act the board of directors of a company may not authorise any financial assistance unless pursuant to a special resolution of the shareholders adopted within the previous two years, either as general or specific authority, the shareholders of the company have approved such financial assistance. The effect of this resolution is to grant the board of directors of the company the general authority to provide direct or indirect financial assistance to the persons mentioned above, including in the form of loans or the guaranteeing of their debts. This authority will be in place for a period of two years from the date of adoption of this resolution.

The percentage voting rights required for special resolution number 4 to be adopted: at least 75% (seventy-five percent) of the votes cast by shareholders present or represented by proxy at the AGM.

## 12. ENDORSEMENT OF THE ASCENDIS HEALTH REMUNERATION POLICY

### ORDINARY RESOLUTION NUMBER 8

"Resolved, by way of a non-binding vote, that the company's Remuneration Policy, excluding the remuneration of the independent non-executive directors for their services as directors, is endorsed." This policy is available in the Governance section on the company's website at [www.ascendishealth.com](http://www.ascendishealth.com)."

## 13. ENDORSEMENT OF THE ASCENDIS HEALTH REMUNERATION IMPLEMENTATION REPORT

### ORDINARY RESOLUTION NUMBER 9

"Resolved, by way of a non-binding vote, that the company's Remuneration Implementation Report is endorsed." This policy is available in the Corporate Governance section on the company's website at [www.ascendishealth.com](http://www.ascendishealth.com).

The board of directors commits that in the event that either the Remuneration Policy or the Remuneration Implementation Report, or both, are voted against by 25% or more of the votes exercised, that in this instance, it must provide for the following in the SENS announcement on voting results:

- an invitation to dissenting shareholders to engage with the company; and
- the manner and timing of such engagement."

## 14. GENERAL AUTHORITY TO SIGN ALL DOCUMENTS

### ORDINARY RESOLUTION NUMBER 10

"Resolved that any director or secretary of the company or any other person to whom a director has delegated authority to do so, be and is hereby authorised to sign all documents and any amendments thereto, take all such steps and do all such other things as may be necessary in order to give effect to and/or implement the resolutions contained herein."

The percentage voting rights required for ordinary resolution number 10 to be adopted: more than 50% (fifty percent) of the votes cast by shareholders present or represented by proxy at the AGM.

## 15. OTHER BUSINESS

Further to transact any other business that may be transacted at the AGM.

## VOTING AND PROXIES

### PARTICIPATION BY ELECTRONIC COMMUNICATION

The AGM will be available live on webcasting, by following the link provided on the website: [www.ascendishealth.com](http://www.ascendishealth.com).

Please note that shareholders or their proxies will not be able to vote via the webcasting.

### CERTIFICATED SHARES

If you hold certificated shares (i.e. have not dematerialised your shares in the company) or are registered as an own name dematerialised shareholder (i.e. have specifically instructed your Central Security Depository Participant ("CSDP") to hold your shares in your own name on the company's sub-register), then:

- you may attend and vote at the AGM; alternatively
- you may appoint a proxy (who need not also be a shareholder of the company) to represent you at the AGM by completing the attached form of proxy and, for administrative reasons, returning it to the office of the company's transfer secretaries not less than 48 hours before the time appointed for the holding of the meeting (excluding Saturdays, Sundays and public holidays). However, should the proxy form not be returned to the transfer secretaries by the aforesaid date and time, shareholders will nevertheless be entitled to lodge the proxy form immediately prior to the proxy exercising such shareholder's rights as a shareholder at the AGM, in accordance with the instructions therein, with the Chairman of the AGM. Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy as stipulated in section 58(3)(b) of the Act. Please also note that the attached form of proxy may be delivered to the company at the time stipulated in the proxy form below, before the AGM and must be so delivered before your proxy may exercise any of your rights as a shareholder at the AGM.

### DEMATERIALIZED SHARES

Please note that if you are the owner of dematerialised shares with electronic records of ownership under the JSE's electronic settlement system, Strate Proprietary Limited ("**Strate**"), held through a CSDP or broker and are not registered as an "own name" dematerialised shareholder you are not a registered shareholder of the company, but appear on the sub-register of the company held by your CSDP. Accordingly, in these circumstances subject to the mandate between yourself and your CSDP or broker, as the case may be:

- if you wish to attend the AGM you must contact your CSDP or broker, as the case may be, and obtain the relevant letter of representation from them; alternatively
- if you are unable to attend the AGM but wish to be represented at the meeting, you must contact your CSDP or broker, as the case may be, and furnish them with your voting instructions in respect of the AGM and/or request them to appoint a proxy. You must not complete the attached form of proxy. The instructions must be provided in accordance with the mandate between yourself and your CSDP or broker, as the case may be, within the time period required by them.

CSDPs, brokers or their nominees, as the case may be, recorded in the company's sub-register as holders of dematerialised shares held on behalf of an investor/beneficial owner in terms of Strate should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares in the company, vote by either appointing a duly authorised representative to attend and vote at the AGM or by completing the attached form of proxy in accordance with the instructions thereon and returning it to the company's transfer secretaries to be received by not less than 48 hours before the time appointed for the holding of the meeting (excluding Saturdays, Sundays and public holidays). Shareholders will nevertheless be entitled to lodge the proxy form immediately prior to the proxy exercising such shareholder's rights as a shareholder at the AGM, in accordance with the instructions therein, with the Chairman of the AGM.

### IDENTIFICATION

**Section 63(1) of the Companies Act requires that a person wishing to participate in the AGM (including any representative or proxy) must provide satisfactory identification (such as identity documents, driver's licences or passports) before they may attend or participate at such meeting.**

## VOTING

Each shareholder whether present in person or represented by proxy, is entitled to attend and vote at the annual general meeting.

**Votes at the annual general meeting will be taken by a show of hands, or alternatively by way of a poll in accordance with article 22 of the company's Memorandum of Incorporation.**

### QUORUM

A quorum for the purposes of considering the resolutions shall comprise 25% of all the voting rights that are entitled to be exercised by shareholders in respect of each matter to be decided at the annual general meeting. In addition, a quorum shall consist of three shareholders of the company personally present or represented by proxy (and if the shareholder is a body corporate, it must be represented) and entitled to vote at the annual general meeting.

### PROXIES

Each shareholder is entitled to appoint one or more proxies (who need not be shareholders of Ascendis Health) to attend, speak and vote in his/her stead. On a poll, every shareholder present in person or by proxy shall have one vote for each share held by him/her. Shareholders who are unable to attend the annual general meeting but who wish to be represented thereat, are required to complete and return the attached form of proxy.

It is requested that this form of proxy be lodged or posted or faxed to the transfer secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 1st Floor, 15 Biermann Avenue, Rosebank, 2196, or at PO Box 61051, Marshalltown, 2107, South Africa or by proxy email at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) or by fax on +27 11 688 6238, to be received by them no later than 09:00 on Monday, 3 February 2020. However, should the proxy form not be returned to the transfer secretaries by the aforesaid date and time, shareholders will nevertheless be entitled to lodge the proxy form immediately prior to the proxy exercising such shareholder's rights as a shareholder at the AGM, in accordance with the instructions therein, with the Chairman of the AGM.

In compliance with the provisions of section 58(8)(b)(i) of the Act, a summary of the rights of a shareholder to be represented by proxy, as set out in section 58 of the Act, is set out below:

- An ordinary shareholder entitled to attend and vote at the annual general meeting may appoint any individual (or two or more individuals) as a proxy or as proxies to attend, participate in and vote at the annual general meeting in the place of the shareholder. A proxy need not be a shareholder of the company.
- A proxy appointment must be in writing, dated and signed by the shareholder appointing a proxy, and, subject to the rights of a shareholder to revoke such appointment (as set out below), remains valid only until the end of the annual general meeting.
- A proxy may delegate the proxy's authority to act on behalf of a shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
- The appointment of a proxy is suspended at any time and to the extent that the shareholder who appointed such proxy chooses to act directly and in person in the exercise of any rights as a shareholder.
- The appointment of a proxy is revocable by the shareholder in question cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of (a) the date stated in the revocation instrument, if any; and (b) the date on which the revocation instrument is delivered to the company as required in the first sentence of this paragraph.
- If the instrument appointing the proxy or proxies has been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Act or the company's Memorandum of Incorporation to be delivered by the company to the shareholder, must be delivered by the company to (a) the shareholder, or (b) the proxy or proxies, if the shareholder has (i) directed the company to do so in writing; and (ii) paid any reasonable fee charged by the company for doing so.

Attention is also drawn to the "Notes to the form of proxy".

### REPRESENTATION

Shareholders of the company that are companies, that wish to participate in the annual general meeting, may authorise any person to act as its representative at the annual general meeting.

By order of the board

**Andy Sims**  
Company Secretary  
30 October 2019

# EXPLANATORY NOTES

## ORDINARY RESOLUTION NUMBER 1 ADOPTION OF ANNUAL FINANCIAL STATEMENTS

In terms of article 33.5 of the company's Memorandum of Incorporation, the shareholders must consider the annual financial statements.

## ORDINARY RESOLUTION NUMBER 2 RE-APPOINTMENT OF AUDITORS

In terms of section 90(1) of the Act, each year at its annual general meeting, the company must appoint an auditor who complies with the requirements of section 90(2) of the Act. Following a detailed review, which included an assessment of its independence, the current Audit and Risk Committee of the company has recommended that PricewaterhouseCoopers be re-appointed as the auditors of the company. Section 94(9) of the Companies Act entitles a company to appoint an auditor at its annual general meeting, other than one nominated by the Audit and Risk Committee, but if such an auditor is appointed, the appointment is valid only if the Audit and Risk Committee is satisfied that the proposed auditor is independent of the company.

## ORDINARY RESOLUTION NUMBERS 3.1 AND 3.2 RE-ELECTION OF DIRECTORS

In terms of the company's Memorandum of Incorporation, 1/3 (one-third) of the non-executive directors shall retire from office at each annual general meeting of the company. The non-executive directors so to retire at each annual general meeting shall be those who have been longest in office since their last election. For avoidance of doubt, in determining the number of non-executive directors to retire, no account shall be taken of any executive directors. Retiring non-executive directors shall be eligible for re-election.

The board of directors has evaluated the past performance and contribution of the retiring non-executive directors and recommends that they be re-elected.

## ORDINARY RESOLUTION NUMBERS 5.1 TO 5.4 RE-ELECTION OF MEMBERS OF THE AUDIT AND RISK COMMITTEE

The members of the Audit and Risk Committee have been nominated by the board of directors of the company for election as members of the company's Audit and Risk Committee in terms of section 94(2) of the Act.

The board of directors has reviewed the proposed composition of the Audit and Risk Committee against the requirements of the Act and the Listings Requirements and has confirmed that if all the individuals referred to above are re-elected, the committee will comply with the relevant requirements and have the necessary knowledge, skills and experience to enable it to perform its duties in terms of the Act.

## ORDINARY RESOLUTION NUMBER 6 APPROVAL FOR THE ISSUING OF EQUITY SECURITIES FOR CASH

In terms of ordinary resolution number 6, the shareholders are requested to authorise the directors to allot and issue a portion of the authorised but unissued shares, as the directors in their discretion think fit.

In terms of the Listings Requirements, when shares are issued, or considered to be issued, for cash (including the extinction of liability, obligation or commitment, restraint, or settlement of expenses), the shareholders are required to authorise such issue by a 75% (seventy-five percent) majority.

The existing general authority to issue shares for cash granted by the shareholders at the previous annual general meeting will expire at this annual general meeting, unless renewed. The authority will be subject to the provisions of the Act and the JSE Listings Requirements. The aggregate number of ordinary shares capable of being allotted and issued for cash are limited as set out in the resolution.

The directors consider it advantageous to renew this authority to enable the company to take advantage of any business opportunity that may arise in future.

## ORDINARY RESOLUTION NUMBER 7 ADOPTION OF THE ASCENDIS HEALTH EMPLOYEE SHARE OPTION SCHEME

The reason for and the effect of this resolution is and will be to adopt the Ascendis Health Employee Share Option Scheme in order to enable the company to provide an incentive to Eligible Employees to promote the continued growth of the Group by granting Share Options to Eligible Employees; enable Eligible Employees who exercise Share Options granted to them to obtain equity interests in the company; and enable the Group to attract and retain suitably skilled and competent personnel.

## SPECIAL RESOLUTION NUMBER 1 APPROVAL FOR THE REMUNERATION OF NON-EXECUTIVE DIRECTORS

Special resolution number 1 is proposed to enable the company to comply with the provisions of sections 65(11)(h), 66(8) and 66(9) of the Act, which stipulate that remuneration to directors for their service

as directors may be paid only in accordance with a special resolution approved by shareholders.

## SPECIAL RESOLUTION NUMBER 2 ACQUISITION OF THE COMPANY'S OWN SHARES

Special resolution number 2 is sought to allow the company and/or its subsidiaries ("the Group") by way of a general authority to acquire its own issued shares (reducing the total number of ordinary shares of the Company in issue in the case of an acquisition by the company of its own shares).

At the present time, the directors have no specific intention with regard to the utilisation of this authority which will only be used if the circumstances are appropriate. Any decision by the directors to use the general authority to acquire shares of the company will be taken with regard to the prevailing market conditions and other factors and provided that, after such acquisition, the directors are of the opinion that:

- (i) the company and the Group will be able to pay its debts in the ordinary course of business for a period of 12 (twelve) months after the date of this notice;
- (ii) the assets of the company and the Group will exceed the liabilities of the company and the Group for a period of 12 (twelve) months after the date of this notice, recognised and measured in accordance with the accounting policies used in the latest audited annual group financial statements;
- (iii) the ordinary share capital and reserves of the company and the Group will be adequate for the purposes of the business of the company and its subsidiaries for the period of 12 (twelve) months after the date of this notice; and
- (iv) the working capital of the company and the Group will be adequate for the purposes of the business of the company and its subsidiaries for the period of 12 (twelve) months after the date of this notice.

## SPECIAL RESOLUTIONS NUMBER 3 AND 4 APPROVAL FOR THE COMPANY TO GRANT FINANCIAL ASSISTANCE IN TERMS OF SECTIONS 44 AND 45 OF THE ACT

Notwithstanding the title of section 45 of the Act, being "Loans or other financial assistance to directors", on a proper interpretation thereof, the body of the section also applies to any financial assistance provided by a company to any related or inter-related company or corporation, a member of a related or inter-related corporation, and to a person related to any such company, corporation or member.

Further section 44 of the Act may also apply to any financial assistance so provided by a company to any related and inter-related company or corporation, a member, in the event that the financial assistance is provided for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or a purchase of any securities of the company or a related or inter-related company.

Both sections 44 and 45 of the Act provide, that the particular financial assistance must be provided only pursuant to a special resolution of shareholders, adopted within the previous 2 (two) years, which approved such assistance either for a specific recipient or generally for a category of potential recipients, and the specific recipient falls within the general recipients and the board is satisfied that: (i) immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test (as contemplated in the Act); and (ii) the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

As part of the normal conduct of the business of the Group, the company, and its subsidiaries are periodically required to (i) provide financial assistance (as understood in terms of section 45 of the Act) to any of their directors or prescribed officers, their present or future subsidiaries, and/or to any related or inter-related company or corporation, and/or to a member of a related or inter-related corporation, and furthermore (ii) to provide financial assistance (as understood in terms of section 44 of the Act) to any person for the purpose of or in connection with the subscription of any option or any securities issued or to be issued by the company or another company related or inter-related to it. Under the Act, the company will require the special resolution referred to above to be adopted.

It is therefore imperative that the company obtains the approval of shareholders in terms of special resolution numbers 3 and 4 so that it is able to effectively organise its internal financial administration.

## ORDINARY RESOLUTION NUMBERS 8 AND 9 ENDORSEMENT OF ASCENDIS REMUNERATION POLICY AND REMUNERATION IMPLEMENTATION REPORT

In terms of King IV and the Listings Requirements, every year, the company's Remuneration Policy and Implementation Report must be tabled for non-binding advisory votes at the annual general meeting. The essence of these votes is to enable the shareholders to express their views on the remuneration policies adopted and on their implementation.

Accordingly, the shareholders are requested to endorse the company's Remuneration Policy and Implementation Report.

# FORM OF PROXY

## ASCENDIS HEALTH LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2008/005856/06)

ISIN: ZAE000185005

JSE share code: ASC

("Ascendis Health" or "Company")

## PROXY FORM

**FOR USE BY CERTIFICATED SHAREHOLDERS AND OWN-NAME DEMATERIALIZED SHAREHOLDERS AT THE ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD AT 09:00 ON WEDNESDAY, 5 FEBRUARY 2020 AT GROUND FLOOR, ASCENDIS BUILDING, 31 GEORGIAN CRESCENT EAST, BRYANSTON, GAUTENG, 2191.**

Certificated shareholders or dematerialised shareholders with "own name" registration who are entitled to attend and vote at the annual general meeting (**AGM**), are entitled to appoint one or more proxies to attend, speak and vote in their stead. A proxy need not be a shareholder and shall be entitled to vote on a show of hands or poll.

Dematerialised shareholders, other than dematerialised shareholders with "own-name" registrations, must not return this form of proxy to the transfer secretaries or deliver it to the Chairman of the AGM. Dematerialised shareholders, other than dematerialised shareholders with "own-name" registration, should instruct their Central Securities Depository Participant (CSDP) or broker as to what action they wish to take. This must be done in the manner and time stipulated in the agreement entered into between them and their CSDP or broker.

I/We (Full names in capital letters)

of (Address)

Telephone number

Cellphone number

email address

being a member/s of Ascendis Health Limited and entitled to  votes

hereby appoint \_\_\_\_\_ of

or, failing him/her \_\_\_\_\_ of

or, failing him/her, the Chairman of the meeting, as my/our proxy to vote for me/us and on my/our behalf at the annual general meeting of the company to be held at Ground Floor, Ascendis Building, 31 Georgian Crescent East, Bryanston, Gauteng, 2191, at 09:00 on 5 February 2020 and at any adjournment thereof, as follows:

Proposed resolutions	In favour	Against	Abstain
<b>Ordinary resolution number 1:</b> Adoption of annual financial statements			
<b>Ordinary resolution number 2:</b> Re-appointment of auditors			
<b>Ordinary resolution number 3.1:</b> Re-election of Dr Kinesh Sachidanandan Pather as an independent non-executive director			
<b>Ordinary resolution number 3.2:</b> Re-election of Dr Noluyolo Yoza Jekwa as an independent non-executive director			
<b>Ordinary resolution number 4.1:</b> Appointment of Andrew Brian Marshall as an independent non-executive director			
<b>Ordinary resolution number 4.2:</b> Appointment of Mark James van Lill Sadie as an executive director			
<b>Ordinary resolution number 5.1:</b> Appointment of Bharti Harie as a member of the Audit and Risk Committee			
<b>Ordinary resolution number 5.2:</b> Appointment of Mary Sina Bomela as a member of the Audit and Risk Committee			
<b>Ordinary resolution number 5.3:</b> Appointment of Dr Kinesh Sachidanandan Pather as a member of the Audit and Risk Committee			

# FORM OF PROXY (continued)

Proposed resolutions	In favour	Against	Abstain
<b>Ordinary resolution number 5.4:</b> Appointment of Dr Noluyolo Yoza Jekwa as a member of the Audit and Risk Committee			
<b>Ordinary resolution number 6:</b> General authority to issue shares of the company for cash			
<b>Ordinary resolution number 7:</b> Adoption of the Ascendis Health Employee Share Option Scheme			
<b>Special resolution number 1:</b> Approval of non-executive directors' remuneration			
<b>Special resolution number 2:</b> General authority to repurchase shares in the company			
<b>Special resolution number 3:</b> Approval of financial assistance in terms of section 44 of the Act			
<b>Special resolution number 4:</b> Approval of financial assistance in terms of section 45 of the Act			
<b>Ordinary resolution number 8:</b> Endorsement of the Ascendis Health Remuneration Policy			
<b>Ordinary resolution number 9:</b> Endorsement of the Ascendis Health Remuneration Implementation Report			
<b>Ordinary resolution number 10:</b> General authority to sign all documents			

(Indicate instructions to proxy by way of a cross in the spaces provided above, failing which the proxy may vote as he/she thinks fit).

Signed by me/us this \_\_\_\_\_ day of \_\_\_\_\_ 2020

Name of shareholder: \_\_\_\_\_

(Please print)

Signature: \_\_\_\_\_

## NOTES TO THE PROXY FORM

- 1 A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the spaces provided, with or without deleting "the Chairman of the annual general meeting," but any such deletion must be initialled by the shareholder. The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow. In the event that no names are filled in the proxy shall be exercised by the Chairman of the annual general meeting.
- 2 A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of votes exercised by that shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the annual general meeting as he deems fit in respect of all the shareholder's votes exercised thereat. A shareholder or his proxy is not obliged to use all the votes exercisable by the shareholder or by his proxy, but the total of the votes cast in respect of which abstentions recorded may not exceed the total votes exercisable by the shareholder or his proxy.
- 3 It is requested that this form of proxy be lodged or posted or faxed to the transfer secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 1st Floor, 15 Biermann Avenue, Rosebank, 2196, or at PO Box 61051, Marshalltown, 2107, South Africa or by proxy email at proxy@computershare.co.za, or by fax on +27 11 688 6238, to be received by them no later than 09:00 on Monday, 3 February, 2020. Shareholders will nevertheless be entitled to lodge the proxy form immediately prior to the proxy exercising such shareholder's rights as a shareholder at the AGM, in accordance with the instructions therein, with the Chairman of the AGM.
- 4 The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the annual general meeting, speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
- 5 Documentary proof establishing the authority of the person signing this form of proxy in a representative or other legal capacity must be attached to this form of proxy unless previously recorded by the transfer secretaries of the company or waived by the Chairman of the third annual general meeting.
- 6 Any alterations to the form of proxy must be initialled by the signatories.



# ANNEXURE A

## BOARD OF DIRECTORS

### **Andrew Marshall (64)**

*BCom (Hons)*

*Independent non-executive chairman*

**Member of Human Capital, Social, Ethics and Transformation, and Investment Committees**

**Appointed to the board in May 2019**

Andrew is a highly experienced corporate executive and former CEO of JSE-listed companies, having spent 10 years with the Oceana Group and then five years with Nampak. He currently serves as the non-executive chairman of Ster-Kinekor Theatres.

### **Mark Sadie (50)**

*BBus Sc (Hons), CA(SA)*

*Executive director and chief executive officer*

**Appointed to the board in October 2019**

Mark has a strong track record in senior strategic, operational and financial management roles in large listed and unlisted companies. He was joint head and managing director of investment banking at Nedbank Capital, CFO of Truworths International and deputy CEO at Cipla SA. Mark was most recently the CEO of the House of Busby before joining Ascendis Health in October 2019.

### **Mary Sina Bomela (46)**

*BCom (Hons), CA(SA), MBA*

*Independent non-executive director*

**Chairman of Social, Ethics and Transformation Committee, and member of Audit and Risk Committee**

**Appointed to the board in 2016**

Mary is the CEO of the Mineworkers Investment Company and has held senior executive positions across the resources, media, utilities and financial services sectors. Her directorships include FirstRand Group, Primedia, Metrofile Holdings, Peermont Global Holdings and Kumba Iron Ore.

### **Kieron Futter (42)**

*BCom (Hons), HDip (Auditing), CA(SA)*

*Executive director and chief financial officer*

**Appointed to the board in 2015**

Kieron has over 20 years' experience in financial management across a range of industries, including five years at GlaxoSmithKline Consumer Healthcare in the UK and Dubai, five years as CFO at TransUnion Group Africa and two years as CEO of Nando's Company-owned Restaurants Division. He joined Ascendis Health in 2015.

### **Bharti Harie (49)**

*BA, LLB, LLM*

*Lead independent non-executive director*

**Chairman of Audit and Risk Committee, and member of Investment Committee**

**Appointed to the board in 2013**

Bharti spent 14 years at the Industrial Development Corporation of South Africa where she headed the corporate funding and international finance departments. She is a director of Bell Equipment Sales SA, Mineworkers Investment Company, Lenmed Investments and Stefanutti Stocks.

### **Dr Yoza Jekwa (44)**

*MB BCh (Wits), MBA*

*Independent non-executive director*

**Chairman of Investment Committee, and member of Audit and Risk Committee**

**Appointed to the board in June 2018**

Yoza has 13 years' experience in the financial services industry where she has held senior positions at Rand Merchant Bank and Nedbank Capital. Before entering corporate finance, she worked in the medical field in South Africa and in the UK. Yoza is a non-executive director of Northam Platinum.

### **Dr Kinesh Pather (54)**

*BDS (Wits), MBA*

*Independent non-executive director*

**Chairman of Human Capital Committee and member of Audit and Risk, and Social, Ethics and Transformation Committees**

**Appointed to the board in 2016**

Kinesh is the chairman of Kilimanjaro Capital and a director of Kefolile Health Investments, Bataung Energy Holdings, Tsiko Group, Tosaco Group and numerous other companies. He has extensive experience in the trade union investment arena and has been instrumental in several significant B-BBEE transactions in the healthcare and pharmaceutical sectors.

### **George Sebutela (49)**

*BA (Com)*

*Independent non-executive director*

**Appointed to the board in October 2018**

George has many years of experience in business strategy and execution and investment banking in South Africa and internationally. He is a director of numerous companies, including Aerosud Holdings, Avuke Energy Group, Sanlam Private Wealth and Caprivi Capital.

# ANNEXURE B

## SALIENT FEATURES OF THE ASCENDIS SHARE OPTION SCHEME

The salient features of the Scheme detailed herein do not purport to be exhaustive. For a full appreciation of the terms of the Schemes, Shareholders should refer to the full text of the Scheme Rules which are available for inspection as detailed in paragraph 13 below.

*Capitalised terms used in this Annexure have the same meanings ascribed to them as set out in the Scheme Rules.*

### 1. SHARES AVAILABLE FOR THE SCHEME

- 1.1 The maximum number of Share Options which may be utilised as Scheme Shares in terms of this Scheme shall be 24 400 000 (twenty-four million four hundred thousand) Shares. Such amount does not exceed Shares representing 5% (five percent) of the total issued share capital of the company as at 14 October 2019, being 489 469 959 Shares; and
- 1.2 The maximum number of Share Options which may, in aggregate, be allocated to any one Participant pursuant to the Scheme shall be 3 000 000 (three million) Shares. Such amount does not exceed Shares representing 1% (one percent) of the total issued share capital of the company as at 14 October 2019, being 489 469 959 Shares.

### 2. PARTICIPANT OF THE SCHEME

- 2.1 Participants under the Scheme are Eligible Employees to whom an Option Award has been made in terms of this Scheme and who has accepted the terms of an Option Award Letter, and who has complied with the other terms as set out in the Scheme Rules, and where required by the context, the executor or administrator of the Participant's deceased estate, his heirs, trustees, his Family Trusts and Family Companies.

### 3. OPTION PRICE AND FINANCIAL ASSISTANCE

- 3.1 The price at which the Participants will be entitled to acquire the Share Options, which will be the 30 (thirty) trading day volume weighted average price at which Shares traded on the JSE at the close of the last trading day prior to the day on which the Option Award was made by the company, plus related transaction costs (if any).
- 3.2 Unless specifically authorised by the board and subject to the JSE Listings Requirements, the company will not offer Participants any financial assistance with regards to the exercise of the Options.

### 4. GRANT AND EXERCISE OF THE SHARE OPTIONS

- 4.1 Option Awards shall be made in each financial year of the company, at such time as the HCC, after consulting with the board, may determine, provided that the board may propose to make one or more additional Option Awards to Participants or Eligible Employees in a financial year of the company if it deems such additional award/s necessary for the purposes of attracting and/or retaining suitably skilled and competent personnel, subject to approval of the HCC.
- 4.2 The issue, vesting and exercising of the Share Options are forfeitable and subject to the Scheme Rules and the overall discretion of the HCC. The HCC is responsible for the governance of the Scheme and therefore has the authority to decide on all matters relating to the identification and participation of Eligible Employees and the governance of the Scheme.
- 4.3 The exercise of the Share Options shall be subject to the Participant being employed with the company and in good standing at the date of vesting, as well as Company performance conditions being met, being NHEPS 3 Year CAGR growth measured on a sliding scale of SA inflation rate ("**Performance Conditions**"):  $+4\% = 100\% / +3\% = 90\% / +2\% = 80\% / +1\% = 70\% / 0\% = 60\%$
- 4.3.1  $+4\% = 100\% / +3\% = 90\% / +2\% = 80\% / +1\% = 70\% / 0\% = 60\%$
- 4.4 The Options are capable of being exercised by Participants, in writing, by delivery to the company of an Exercise Notice, as follows, either:
  - 4.4.1 100% of the Share Options in one tranche (the "**Full Tranche**"); or
  - 4.4.2 over three tranches as follows:
    - 4.4.2.1 up to a 1/3 (one third) of the Share Options (the "**First Tranche**");
    - 4.4.2.2 up to a further 1/3 (one third) of the Share Options (the "**Second Tranche**"); and
    - 4.4.2.3 up to the remaining 1/3 (one third) of the Share Options (the "**Third Tranche**"),exercisable by a Participant on the dates stipulated in the Scheme Rules.

- 4.5 An Exercise Notice can be delivered to the company (or Investec):
  - 4.5.1 in respect of the Full Tranche, for a period of 90 days from the 2nd (second) anniversary of the Offer Date, following which the Full Tranche will lapse;
  - 4.5.2 in respect of the First Tranche, for a period of 90 days from the 3rd (third) anniversary of the Offer Date, following which the First Tranche will lapse;
  - 4.5.3 in respect of the Second Tranche, for a period of 90 days from the 4th (fourth) anniversary of the Offer Date, following which the Second Tranche will lapse; and
  - 4.5.4 in respect of the Third Tranche, for a period of 90 days from the 5th (fifth) anniversary of the Offer Date, following which the Third Tranche will lapse.

### 5. VESTING, PAYMENT AND DELIVERY

- 5.1 Share Options will vest in a Participant upon the applicable Exercise Date, in accordance with the provisions of the Scheme Rules.
- 5.2 If prior to vesting it is found that there has been material misrepresentation of information influencing value of Option Awards by a Participant, the Option Award can be forfeited as determined by the board and HCC. If material misrepresentation of information is influencing the value pay out, then the Participant may be asked to refund amounts received to the Group via the appropriate payroll channels.
- 5.3 Participants must, in the Exercise Notice, mandate Investec to sell so many of the Scheme Shares as is required to enable the Participant to exercise their Share Options in accordance with the provisions of the Scheme Rules. In the Exercise Notice, the Participant shall provide/confirm his central securities depository participant or broker account details for Investec to transfer the net equity settlement, less any applicable taxes and fees.
- 5.4 Investec will deliver the net equity settlement of the Scheme Shares, less any applicable taxes and fees, as soon as is reasonably possible after the Exercise Date of the relevant tranche of Share Options in electronic format.

### 6. VOTING AND CATEGORISATIONS

- 6.1 Voting rights in respect of any Share Options (if any) will be exercised by the company in their sole discretion, provided that the voting rights of such Share Options will not be taken into account for resolutions proposed in terms of the JSE Listings Requirements at general or annual general meetings of the company, and such Scheme Shares will not be taken into account for purposes of determining categorisations as detailed in section 9 of the JSE Listings Requirements.

### 7. DISTRIBUTIONS

- 7.1 Until such time as a Share Option has been exercised and the relevant Scheme Shares have vested in the Participant, any Distributions applicable to the Share Options (if any) shall accrue to the company, and the company shall be entitled to utilise the proceeds of such Distributions for any purposes that they deem in accordance with the powers vested upon them.

### 8. LIQUIDATION

If the company is placed in provisional or final liquidation; or the board resolves, in terms of section 129(1) of the Companies Act, to voluntarily begin business rescue proceedings in relation to the company and place the company under supervision; and complies with the provisions of sections 129(3) and 129(4) of the Companies Act in connection therewith; or an affected person (as defined in section 128(1)(a) of the Companies Act) applies to court in terms of section 131(1) of the Companies Act for an order placing the company under supervision and commencing business rescue proceedings and the court makes such an order in terms of section 13(4) of the Companies Act, all Options which have not yet been exercised by Eligible Employee shall lapse; and all Share Options allocated to Participants which have not yet vested shall be forfeited by those Participants.

### 9. TERMINATION OF EMPLOYMENT

Notwithstanding any contrary provision of the Scheme Rules, if before the Exercise Date in relation to any Share Options, a Participant ceases to be employed by any member company of the Group by reason of a:

- 9.1 Good Leaver Termination, then as regards the Share Options allocated to him pursuant an Option Award which have not

vested, that number of those Share Options which bears the same proportion to the total number of Share Options so allocated to him as the period between the relevant Option Award Date and the Termination Date bears to the period between the relevant Option Award Date and the Exercise Date in respect of those Share Options, as stipulated in the relevant Option Award Letter of the Participant shall vest in the Participant on the applicable Exercise Date, or such other date as may be determined by the board with the approval of the HCC, and the remaining Share Options so allocated to him shall be forfeited by him; or

- 9.2 Bad Leaver Termination, then the Participant shall forfeit all his rights to all Share Options which have not vested in him prior to the Termination Date.

## 10. FORFEITURE OF SHARES OPTIONS

- 10.1 The HCC may exercise its discretion to determine that any Share Options are subject to reduction or forfeiture (in whole or in part) if:

10.1.1 the Performance Conditions set out in the Scheme Rules are not met;

10.1.2 a Participant has failed to exercise a Share Option in accordance with the Scheme Rules; or

10.1.3 there is reasonable evidence on the part of the Participant of:

10.1.3.1 fraud;

10.1.3.2 gross negligence; or

10.1.3.3 wilful misconduct.

- 10.2 If a Participant forfeits all or any portion of the Share Options allocated to him (the "Forfeited Share Options"), then, at the election of the HCC, in consultation with the board, and subject to any applicable requirements of the Companies Act, the JSE Listings Requirements, the MOI and the relevant Employer MOI at the relevant time, the Forfeited Share Options shall:

10.2.1 be allocated to another Participant entitled thereto; or

10.2.2 revert to the Scheme.

## 11. AMENDMENTS TO THE SCHEME

- 11.1 The Scheme Rules may be amended from time to time by the board on the written recommendation of the HCC, provided that:

11.1.1 no amendment shall be made to the Scheme or the Scheme Rules without the prior approval of the JSE, if so required by the JSE Listings Requirements; and

11.1.2 no amendment in respect of the matters set out in Schedule 14 (or its successor provisions) of the JSE Listings Requirements shall be effective unless such amendment has first been approved by the JSE, sanctioned by an Extra-ordinary Resolution to the extent required in terms of the JSE Listings Requirements (subject to the provisions of the Scheme Rules).

## 12. CORPORATE ACTIONS

- 12.1 If the company:

12.1.1 implements a sub-division or consolidation of its Shares, commences liquidation for the purpose of reorganisation, is a party to a scheme of arrangement affecting the structure of its share capital, reduces its capital, or is party to a reorganisation the number of Share Options allocated to each Participant shall, without charge to the Participants, be adjusted proportionately to such sub-division or consolidation, to ensure that, after such sub-division or consolidation, each Participant enjoys the same entitlement to Shares in proportion to all of the issued Shares as he enjoyed prior to such sub-division or consolidation; or

12.1.2 makes a Rights Issue, a Capitalisation Issue, a special dividend, distribution *in specie* or reduction of capital by the company, the maximum number of Scheme Shares that can be offered in terms of the Scheme to an individual will be adjusted in order to ensure that the Participant is entitled to the same proportion of the company's equity share capital as that to which

he or she was entitled prior to such change in capital structure of the company. Such adjustment shall, however, not be made in respect of the issue of shares in the company as consideration for an acquisition, the issue of shares for cash or the issue of shares for a vendor consideration placing as per Schedule 14 of the JSE Listings Requirements.

- 12.2 The Auditors, or other independent advisers acceptable to the JSE must confirm to the JSE, in writing, that any adjustments made are in accordance with the provisions of the Scheme. Such written confirmation must be provided to the JSE at the time that the adjustment is finalised. Any adjustment made in accordance with this Rule must be reported on in the company's annual financial statements in the year during which the adjustment is made.

12.3 If a Change of Control is proposed to the board, the board may, subject to JSE and Shareholder approval, consider any proposal ("**offeror proposal**") which may be made by the relevant offeror/s in relation to this Scheme, including any proposal in relation to the acceleration of the vesting of Option Shares, amendments to this Scheme or the creation of a new scheme.

12.4 If, after taking the advice of the HCC, the board resolves that an offeror proposal, as such proposal may have been amended pursuant to discussions and negotiations between the relevant offeror/s and the board, is in the interest of the company and the Participants and is fair to them, the board may accept such proposal, in which event such proposal shall be implemented on or as soon as reasonably possible after the date of the Change of Control, and such proposal may include obliging Investec to dispose of the Scheme Shares on the same terms and conditions as those offer under the offeror proposal.

12.5 If the board does not accept any offeror proposal, or if no such proposal is made by the relevant offeror/s, then, from a date determined by the board to be a date which enables the Participants to participate in the offer giving rise to the Change of Control in a manner which is fair to the Participants, the employment of all Participants who have been allocated Options which have not vested shall be deemed, solely for the purposes of this Scheme, to have terminated on a no fault basis and the provisions of Rule 9.1 shall apply to their Share Options, *mutatis mutandis*.

12.6 On the date of a Subsidiary Change of Control, the employment of Participants then employed by the subsidiary concerned who have been allocated Share Options which have not vested on the date of such Subsidiary Change of Control shall likewise be deemed, solely for the purposes of this Scheme, to have terminated on a no fault basis and the provisions of Rule 9.1 shall apply to their Share Options, *mutatis mutandis*.

12.7 Nothing in the Scheme Rules shall be construed as preventing the company or any of its subsidiaries from issuing any new shares to any party, on such terms and conditions as the board may determine. None of the Participants (nor their representatives nor their successors in title) shall have any action of whatsoever nature (including an action based on an alleged oppression or fraud on minority shareholders) arising from any such issue of shares to any party.

## 13. FULL SCHEME DOCUMENT AVAILABLE FOR INSPECTION

The full Scheme document will be available for inspection by Shareholders at the company's Registered Office, 31 Georgian Crescent East, Bryanston, 2191, for at least 14 days prior to the date of the Annual General Meeting.



**ASCENDIS HEALTH LIMITED**

31 Georgian Crescent East  
Bryanston  
Gauteng  
South Africa

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