

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



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## MARKET UPDATE

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Shareholders are referred to the Company's recent and ongoing announcements regarding its strategy of divesting from certain assets in order to reduce the highly-leveraged position of the Ascendis Health group (the "**Group**") and in particular the loans outstanding to a consortium of third-party financiers (the "**Consortium Lenders**"). This divestment strategy is a key term of the Group's Senior Facilities Agreement with the Consortium Lenders (the "**SFA**").

In terms of the SFA, more than 66<sup>2</sup>/<sub>3</sub>% lender consent is required to approve major corporate actions, including asset disposals.

Shareholders are advised that the board of directors of the Company (the "**Board**") has received a letter from Blantyre Capital Limited ("**Blantyre**") and L1 Health GP SARL ("**L1 Health**") informing the Company that they have, through funds managed and advised by Blantyre and L1 Health, increased their aggregated exposure as a Consortium Lender to more than one third of the aggregate exposure of all Consortium Lenders.

Blantyre and L1 Health have stated that, with the exception of the disposal of certain non-core assets already subject to advanced negotiations, they are of the view that the current divestment plan is not in the best long-term interests of the Company and its stakeholders. Instead, they believe that a recapitalisation of the Group should be pursued to reduce leverage to a sustainable level and provide the funding necessary to maximise the long-term strategic value of the business. Blantyre and L1 Health have invited the Board to negotiate, on an expedited basis, a reorganisation of the Group's capital structure with their support and have indicated a willingness to invest further into the Company to achieve this outcome.

Shareholders should note that the SFA currently remains in place and is binding on the Group. The Board will therefore, in consultation with Blantyre and L1 Health, assess the strategic direction of the Company and explore various options, including a refinancing and/or recapitalisation as a potential alternative to the current divestment plan. The Board's aim remains the achievement of long-term financial sustainability for the Group – this is in the best interests of the Group and all its stakeholders.

A further update will be provided to shareholders as soon as possible and when more certainty regarding the above is available.

### **Background to Blantyre and L1 Health**

*Blantyre is a London-based investment firm focused on partnering with companies in relaunching good businesses with temporary financial challenges. Blantyre has been a member of the Consortium Lenders for some time.*

*L1 Health is a long-term investor in the health care sector and an indirect wholly-owned subsidiary of LetterOne Investment Holdings S.A. ("**LetterOne**"). LetterOne is an international investment business with approximately US\$24 billion in net assets. LetterOne invests its capital in companies where it believes its industrial and strategic expertise can positively contribute to improved performance on a long-term basis.*

25 January 2021  
Bryanston

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