

## **ASCENDIS HEALTH**

### **MEDIA RELEASE**

4 October 2021

#### **SHAREHOLDERS VOTE IN FAVOUR OF ASCENDIS HEALTH RECAPITALISATION**

Johannesburg – Ascendis Health shareholders today voted overwhelmingly in favour of the proposed group recapitalisation, paving the way for the implementation of the transaction to settle debt of approximately €444 million (R7.7 billion) owed to senior lenders.

A total of 98.5% of shareholders voted in favour of the recapitalisation, exceeding the required 75% threshold. Shareholders representing over 47% of the company's issued shares voted at the general meeting.

Shareholders also supported the transactions for the disposal of the Animal Health and Respiratory Care Africa (RCA) businesses.

If shareholders had not supported the group recapitalisation transaction, the senior lenders would have been entitled to enforce their security rights by taking control of the group's European assets and placing the South African assets in business rescue.

Chief executive Mark Sardi welcomed the strong vote of confidence from retail and institutional shareholders following months of negotiations with the senior lenders. "We now have the required mandate from our investors and will implement plans to unlock shareholder value in the 'new' Ascendis Health in the shortest time possible."

The 'new' post recapitalisation Ascendis Health will comprise of three local businesses, namely Medical Devices, Pharma and Consumer Health.

Following the approval of the transaction, certain of the group's assets will now be transferred to the lenders in exchange for existing debt obligations. The lenders will provide new debt facilities to the group.

The lenders will take 100% ownership of Remedica (Cyprus) and Sun Wave Pharma (Romania). They will also receive the net disposal proceeds from the sale of Animal Health and RCA.

The lenders will provide a two-year loan facility to Ascendis Health of €15 million and a new loan facility of €20 million to fund remaining transaction costs, head office restructuring costs and working capital requirements. The facility will provide liquidity to optimise the value of the 'new' Ascendis Health.

Ascendis Health has also shared in the upside on the disposal of Farmalider, together with exclusive access to Farmalider's product portfolio. "Our Pharma division will gain access to all Farmalider products, 40 of which have been identified for commercialisation. This licensing agreement grants the Pharma division indefinite and

exclusive access and rights to market Farmalider's portfolio of products for 14 Southern African Development Community countries (including South Africa) and 11 other African countries," he said.

Last week Ascendis Health reported that in the year to June 2021, normalised EBITDA from total operations increased by 18% to R1 446 million and from continuing operations, being the remaining South African assets, increased by 120% to R14 million from -R70 million last year.

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