
DISPENSATION ON 60 DAY RULE TO DISPATCH CIRCULAR, UPDATE ON DISPOSALS AND FURTHER CAUTIONARY ANNOUNCEMENT

Shareholders are referred to the announcement released on 1 February 2022, wherein shareholders were, *inter alia*, advised that Ascendis Health SA Holdings Proprietary Limited ("**AHSA**"), a wholly-owned subsidiary of Ascendis Health, had concluded agreements in terms of which it would dispose of its direct and indirect interest in the entities through which the businesses known as "Pharma", "Skin" and "Medical" operate (the "**1 February Announcement**"). Terms used in this announcement bear the same meaning as the 1 February Announcement.

The Ascendis board of directors ("**Board**") is working towards providing a stable and value accretive base for the future of the group. This entails the retention and capacitation of businesses that can provide scale, whilst ensuring that the group's debt is reduced to ensure sustainable gearing levels. To this end, the Board has successfully:

- Implemented the Skin Disposal as announced to shareholders on 1 June 2022, resulting in a reduction in the outstanding debt; and
- Terminated the disposal of the Medical business as announced to shareholders on 27 June 2022. Plans are progressing to ensure that the Medical business can be appropriately capitalised and optimised for growth.

Further, the Company is in the advanced stages of negotiating an agreement in respect of the disposal of the Pharma business to Austell Pharmaceuticals Proprietary Limited, which will be conditional on the failure of the disposal of the Pharma business to Pharma-Q and Imperial, having not receiving the requisite votes from shareholders.

The Board continues to explore all options to restore balance sheet stability to the Company. The Disposal of the Pharma business at full value materially reduces the outstanding debt and provides a platform to refinance the outstanding debt at commercial terms.

Shareholders are advised that the termination of the Medical Disposal has necessitated an update of the category 1 circular to Ascendis Health shareholders, that will now be issued in respect of only the disposal of the Pharma business to the joint venture between Pharma-Q and Imperial ("**Pharma Disposal**"). To this end, the Company has received a further dispensation from compliance with paragraph 9.20(b) of the JSE Limited Listings Requirements in respect of the Pharma Disposal, such that a circular containing details of the Pharma Disposal, as well as a notice of general meeting to obtain the approval of shareholders for the Pharma Disposal is now expected to be dispatched on or before 31 August 2022.

In addition, shareholders are referred to the cautionary announcement published on SENS on 16 May 2022 as well as the further cautionary announcements published on SENS on 17 May 2022 and 27 June 2022 respectively and are advised that, due to the ongoing negotiations in respect of the disposal of the Pharma business to Austell Pharmaceuticals Proprietary Limited, shareholders should continue to exercise caution when dealing in Ascendis securities until such time as a further announcement in this regard is made.

12 July 2022
Bryanston

Sponsor



Questco Corporate Advisory Proprietary Limited