

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular, including to this front cover.

ACTION REQUIRED

1. This Circular is important and should be read in its entirety, with particular attention to the section entitled “*Action required by Shareholders*”, which commences on page 6.
2. If you are in any doubt as to what action you should take, please consult your Broker, CSDP, banker, attorney, accountant or other professional adviser immediately.
3. If you have disposed of all your Shares, this Circular should be handed to the purchaser of such Shares or to the Broker, CSDP or other agent through whom the disposal was effected.

Ascendis and the Consortium do not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or Broker, including, without limitation, any failure on the part of the CSDP or Broker of any beneficial owner of Shares to notify such beneficial owner of the details set out in this Circular.



ASCENDIS HEALTH LIMITED

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



ACN CAPITAL IHC PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa)
(Registration number: 2009/017511/07)
A consortium led by ACN Capital IHC
(the "Consortium")

COMBINED CIRCULAR TO SHAREHOLDERS

Relating to:

- the Delisting of all Shares from the Main Board of the JSE following the passing of the Delisting Resolution by Shareholders and the implementation of the Exit Offer;
- the voluntary Exit Offer by the Consortium to acquire all the Shares in the Company (excluding the Excluded Shares), from Shareholders wishing to disinvest of their interests in the Company, for the Exit Offer Consideration;
- the approval of the Management Agreement; and
- the response by the Independent Board containing its view in respect of the Exit Offer;

and incorporating:

- a notice convening the General Meeting;
- a Form of Proxy (*blue*) in respect of the General Meeting (for use by Certificated Shareholders and Dematerialised Shareholders with Own-name Registration only);
- a Form of Acceptance, Surrender and Transfer (*grey*) (to be completed by Certificated Shareholders only).

Corporate Advisor and Sponsor to Ascendis



Legal Advisor to Ascendis



Independent Expert



Date of issue: Monday, 18 December 2023

This Circular is available in English only. Copies of this Circular may be obtained at the Company's registered office and at the office of Valeo Capital, at the addresses set out under the "Corporate Information and Advisors" section of this Circular during normal business hours, from the date of issue of this Circular until the date of the General Meeting and is also available on the Company's website <https://ascendishealth.com>.

TRP APPROVALS

This Circular was submitted to the TRP and the contents of this Circular were accordingly approved by the TRP in terms of regulation 117 of the Takeover Regulations. Shareholders should take note that the TRP does not consider commercial advantages or disadvantages of affected transactions when it approves such transactions.

CORPORATE INFORMATION AND ADVISORS

The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular, including to this corporate information and advisors section.

CORPORATE INFORMATION AND ADVISORS OF ASCENDIS

DIRECTORS OF ASCENDIS

Executive Directors

AC Neethling (*Chief Executive Officer and acting Chief Financial Officer*)

Non-executive

B Harie[#] (*Chairman*)

Dr. K Wellner[#]

A Chetty[#]

T De Bruyn

[#] Independent

COMPANY INFORMATION AND REGISTERED OFFICE OF ASCENDIS

Ascendis Health Limited
(Registration number: 2008/005856/06)
1 Carey Street
Wynberg
Sandton
South Africa
2090

(PostNet Suite #252, Private Bag X21,
Bryanston, 2021)

Place and date of Incorporation:

South Africa on 5 March 2008.

Website:

www.ascendishealth.com

COMPANY SECRETARY OF ASCENDIS

Mr. Joseph Fine

Email: joe.fine@ascendishealth.com

Tel: +27 011 036 9400

CORPORATE ADVISOR AND SPONSOR TO ASCENDIS

Valeo Capital Proprietary Limited
(Registration number 2021/834806/07)
Unit 12 Paardevlei Specialist Medical Centre
Paardevlei
Somerset West
Western Cape
South Africa
7130

(Postnet Suite 272, Private Bag X29,
Somerset West, Western Cape, 7129)

CORPORATE INFORMATION OF THE CONSORTIUM

DIRECTORS AND REGISTERED OFFICE OF ACN CAPITAL IHC

Andre Carl Neethling
Gerhard Pieter Jacobs

ACN Capital IHC Proprietary Limited
(Registration number: 2009/017511/07)
B4 Cinsaut House
The Vineyard Office Estate
99 Jip de Jager Drive
De Bron, Bellville
7530

DIRECTORS AND REGISTERED OFFICE OF CARL ANDRE CAPITAL

Andre Carl Neethling
Carl Andre Neethling

Carl Andre Capital Proprietary Limited
(Registration number: 2014/156243/07)
B4 Cinsaut House
The Vineyard Office Estate
99 Jip de Jager Drive
De Bron, Bellville
7530

(PO Box 4267
Durbanville
7551)

DIRECTORS AND REGISTERED OFFICE OF DENDROBIUM

Andre Carl Neethling
Jonathan Ian Bloch

Dendrobium Capital Proprietary Limited
(Registration number: 2014/233767/07)
B4 Cinsaut House
The Vineyard Office Estate
99 Jip de Jager Drive
De Bron, Bellville
7530

(PO Box 4267
Durbanville
7551)

LEGAL ADVISOR

Solaris Law Proprietary Limited
(Registration number 2019/334232/07)
3rd Floor The Hudson
30 Hudson Street
De Waterkant
Cape Town
8001

INDEPENDENT EXPERT

BDO Corporate Finance Proprietary Limited
(Registration number 1983/002903/07)
Wanderers Office Park, 52 Corlett Drive, Illovo
Johannesburg, 2196
South Africa

(Private Bag X60500 Private Bag X60500, Houghton,
2041, Johannesburg, South Africa)

TRANSFER SECRETARIES

Computershare Investor Services
Proprietary Limited
(Registration number 2004/003647/07)
Ground Floor Rosebank Towers
15 Biermann Avenue
Rosebank
South Africa
2196

(Private Bag X9000, Saxonwold, 2132)

**DIRECTORS AND REGISTERED OFFICE
OF EMFAM BELEGGINGS**

Erna De La Harpe Meaker
Paul Oliver Sauer Meaker

Emfam Beleggings Proprietary Limited
(Registration number: 1999/012040/07)
Anglo African Building
4 Pleinstraat
Stellenbosch
7600

**DIRECTORS AND REGISTERED OFFICE
OF KINGSTON KAPITAAL**

Andre Carl Neethling
Pieter Steyn Neethling (Sr)
Pieter Steyn Neethling (Jr)

Kingston Kapitaal Proprietary Limited
(Registration number: 2014/174999/07)
B4 Cinsaut House
The Vineyard Office Estate
99 Jip de Jager Drive
De Bron, Bellville
7530

(PO Box 4267
Durbanville
7551)

**TRUSTEES AND REGISTERED OFFICE
OF THE JVDM TRUST**

Johannes Hendrik Petrus van der Merwe
Hugo Meyer van den Berg

The JVDM Trust
(established in Namibia)
Trust certificate number: T404/2016

FORWARD-LOOKING STATEMENTS

The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular, including to this forward-looking statements section.

CERTAIN FORWARD-LOOKING STATEMENTS

This Circular contains statements about Ascendis or the Consortium that are, or may be, forward-looking statements. All statements, other than statements of historical fact, are, or may be deemed to be, forward-looking statements. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential” or similar words and phrases.

Examples of forward-looking statements include statements regarding future liquidity, future benefit, future financial position or future profits, expected profit or growth margins, cash flows, corporate strategy, estimates of capital expenditures, acquisition strategy, or future capital expenditure levels, and other economic, fiscal and political factors.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Ascendis and the Consortium caution that forward-looking statements do not constitute any kind of guarantee of future performance. Actual results, financial and operating conditions, liquidity, capital maintenance and developments within the relevant sectors in which Ascendis and the Consortium operate may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

Each of these forward-looking statements are based on estimates and assumptions as regards Ascendis, made by Ascendis, or, as regards the Consortium, made by the Consortium, all of which, although Ascendis or the Consortium may believe them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Many factors (including factors not yet known to Ascendis or the Consortium, or not currently considered material) could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those estimates, statements or assumptions.

Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere, is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Ascendis or the Consortium, or other matters to which such forward-looking statements relate, not to develop as expected may emerge from time to time and it is not possible to predict all of them.

Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement is not known. Ascendis and the Consortium have no duty to, and do not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law.

Any forward-looking statements have not been reviewed nor reported on by the external auditors of Ascendis.

FOREIGN SHAREHOLDERS

This Circular has been prepared for the purposes of complying with (i) the laws of South Africa, and is subject to applicable laws and regulations, including to the Companies Act, the Companies Regulations and the Exchange Control Regulations, and (ii) the JSE Listings Requirements. The information disclosed in this Circular may not be the same as that which would have been disclosed if this Circular had been prepared in accordance with the laws or regulations of any jurisdiction outside of South Africa, or the requirements of any exchange other than the JSE.

The release, publication or distribution of this Circular in jurisdictions other than South Africa may be restricted by law and therefore any persons who are subject to the laws or regulations of any jurisdiction other than South Africa should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities or other laws or regulations of any such jurisdiction.

This Circular does not constitute a prospectus as contemplated in the Companies Act or Companies Regulations or a prospectus equivalent document, nor does this Circular constitute the solicitation of an offer to purchase Shares or a solicitation of any vote or approval in any jurisdiction in which such solicitation would be unlawful. Shareholders are advised to read this Circular, which contains the full terms and conditions of the Exit Offer, with care. Any decision to accept the Exit Offer and/or approve the Delisting Resolution or any other response to the proposals contained in this Circular should be made only on the basis of the information in this Circular.

This Circular and any accompanying documentation are not intended to, and do not constitute, or form part of, an offer to sell or a solicitation of any vote or approval in any jurisdiction in which it is unlawful to make such an offer or solicitation, or in which such offer or solicitation would require Ascendis, or the Consortium to comply with filing and/or other regulatory obligations. In those circumstances, or otherwise if the distribution of this Circular and any accompanying documentation in jurisdictions outside of South Africa is restricted or prohibited by the laws or regulations of such jurisdiction, this Circular and any accompanying documentation are deemed to have been sent for information purposes only and should not be copied or redistributed.

Shareholders who are not resident in South Africa as contemplated in the Exchange Control Regulations must satisfy themselves as to the full observance of the laws or regulations of any applicable jurisdiction concerning the receipt of, or their election to receive the Exit Offer Consideration or, if applicable, the Exit Offer Consideration including any requisite governmental or other consents, observing any other requisite formalities and paying any transfer or other taxes due in such other jurisdictions, and are required to advise Ascendis of all such filing or regulatory obligations with which Ascendis or the Consortium may be required to comply in such jurisdictions in relation to the Exit Offer. Ascendis, the Consortium and their respective directors and advisors accept no responsibility for the failure by a Shareholder to inform itself about, or to observe, any applicable legal requirements in any relevant jurisdiction, nor for any failure by Ascendis or the Consortium to observe the requirements of any jurisdiction.

The Exit Offer is proposed solely on the terms set out in this Circular, which includes details of the Exit Offer and how the Delisting may be approved. The Exit Offer is not being proposed in any jurisdiction in which it is unlawful to propose such Exit Offer.

It may be difficult for Shareholders situated outside of South Africa to enforce their rights against Ascendis and/or the Consortium and any claim that a Shareholder may have arising under United States ("US") or any other foreign securities laws or regulations, since Ascendis and the Consortium are located in South Africa. Such Shareholders may not be able to sue Ascendis, the Consortium, their officers or directors in a foreign court, including South African courts, for violations of US, or any other jurisdictions', securities laws or regulations. It may be difficult to compel Ascendis, the Consortium or a member of the respective groups of Ascendis or the Consortium to subject themselves to a US court's judgment.

Any Shareholder who is in doubt as to their position, including without limitation their tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

DATE OF INFORMATION PROVIDED

Unless the context clearly indicates otherwise, all information provided in this Circular is provided as at the Last Practicable Date.

TABLE OF CONTENTS

The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular, including this table of contents section.

	Page
Corporate Information and advisors	Inside front cover
Forward-looking statements	2
Action required by Shareholders	6
Salient dates and times	10
Definitions and interpretations	12
Circular to Shareholders	
Section 1: General information	17
1. Introduction and purpose of this Circular	17
2. Background information about the Consortium and the Company	18
Section 2: Exit Offer to Exit Offeree Shareholders	23
3. The Exit Offer	23
4. Procedure for acceptance of the Exit Offer	26
5. South African Exchange Control Regulations	27
6. Interests of the Consortium in Ascendis	28
7. Arrangements in relation to the Exit Offer	29
8. Related and concert parties and agreements	29
9. Irrevocable Undertakings	29
10. Consortium responsibility statement	30
Section 3: Ascendis' response circular	31
11. Introduction	31
12. Rationale for the Exit Offer and Delisting	31
13. The Delisting	31
14. The General Meeting	32
15. Composition and fee of the Independent Board	32
16. Appointment of the Independent Expert	32
17. Opinion of the Independent Expert	32
18. Views of the Independent Board and Board intentions	32
19. Major and controlling Shareholders	33
20. Interests of Ascendis and its Directors in the Consortium and Ascendis	34
21. Historical financial information	35
22. Trading information	35
23. Expenses	35
24. Material Changes	35
25. Litigation Statement	35

	Page
26. Independent Board responsibility statement	35
27. Consents	36
28. Documents Available for Inspection	36
Annexure 1 Salient terms of the Management Agreement	37
Annexure 2 Independent Expert Report	39
Annexure 3 Extracts of the consolidated audited historical financial information of the Company for the years ended 30 June 2023, 30 June 2022 and 30 June 2021	46
Annexure 4 Details of Irrevocable Undertakings received from Exit Offeree Shareholders	52
Annexure 5 Trading information of the Company	56

Enclosures

Notice of General Meeting

Form of Proxy in respect of the General Meeting (for use by Certificated Shareholders and Dematerialised Shareholders who have selected Own-Name Registration only)

Form of Acceptance, Surrender and Transfer (for use by Certificated Shareholders only)

ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular, including to this action required by shareholders section.

This Circular is important and requires your immediate attention. Please take careful note of the following provisions regarding the action required by Shareholders. If you are in any doubt as to what actions to take, please consult your CSDP, Broker, banker, attorney, accountant or other professional advisor immediately.

If you have disposed of all of your Shares, please forward this Circular to the purchaser of such Shares or to the CSDP, Broker, banker, attorney or other agent through whom the disposal was effected.

The General Meeting will be held entirely by electronic participation as contemplated in section 63(2)(a) of the Act, on Thursday, 18 January 2024 at 11:00, at which General Meeting, Shareholders will be requested to consider and, if deemed fit, to pass, with or without modification, the Resolutions set out in the Notice of General Meeting attached to this Circular.

Shareholders should note that the General Meeting is to consider the Delisting Resolution, the Management Agreement Resolution and other resolutions as set out in the Notice of General Meeting. While the Exit Offer is conditional on, *inter alia*, the approval of the Delisting Resolution and the Management Agreement Resolution, the attendance or voting at the General Meeting is not a condition for the acceptance or rejection of the Exit Offer by a Shareholder.

1. GENERAL MEETING

1.1 DEMATERIALIZED SHAREHOLDERS WHO ARE NOT OWN-NAME REGISTRATION DEMATERIALIZED SHAREHOLDERS

1.1.1 Voting at the General Meeting

1.1.1.1 Your Broker or CSDP should contact you to ascertain how you wish to cast your vote at the General Meeting and should thereafter cast your vote in accordance with your instructions.

1.1.1.2 If your Broker or CSDP has not contacted you, it is advisable for you to contact your Broker or CSDP and furnish it with your voting instructions.

1.1.1.3 If your Broker or CSDP does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the Custody Agreement concluded between you and your Broker or CSDP.

1.1.1.4 **You must not complete the attached Form of Proxy (blue).**

1.1.2 Electronic attendance and representation at the General Meeting

1.1.2.1 In accordance with the Custody Agreement between you and your Broker or CSDP, you must advise your Broker or CSDP if you wish to:

1.1.2.1.1 electronically participate and vote at the General Meeting; or

1.1.2.1.2 send a proxy to represent you at the General Meeting.

1.1.2.2 Your Broker or CSDP should then issue the necessary letter of representation to you for you or your proxy to electronically attend, speak and vote at the General Meeting.

1.2 CERTIFICATED SHAREHOLDERS AND DEMATERIALIZED SHAREHOLDERS WHO ARE OWN-NAME REGISTERED DEMATERIALIZED SHAREHOLDERS

1.2.1 Voting and electronic attendance at the General Meeting

1.2.1.1 You may electronically attend the General Meeting in person and may participate and vote at the General Meeting.

- 1.2.1.2 Alternatively, you may appoint a proxy to electronically represent you at the General Meeting by completing the attached Form of Proxy (*blue*) in accordance with the instructions contained therein and lodging it, posting it or sending it via e-mail to the Transfer Secretaries at the details below, to be received by them, for administrative purposes only, by no later than 11:00 (South African time) on Tuesday, 16 January 2024 or thereafter by emailing such Form of Proxy (*blue*) to the chairman of the General Meeting or the Transfer Secretaries at the General Meeting at proxy@computershare.co.za, at any time before the appointed proxy exercises any relevant Shareholder's rights at the General Meeting (or any adjournment of the General Meeting).

Transfer Securities

Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank
2196
(Private Bag X9000, Saxonwold, 2132)
proxy@computershare.co.za

1.3 IDENTIFICATION OF SHAREHOLDERS AND PROXIES

In terms of section 63(1) of the Companies Act, before any person may electronically attend or participate in the General Meeting, that person must present reasonably satisfactory identification and the person presiding at the General Meeting must be reasonably satisfied that the right of the person to participate in and vote at the General Meeting, either as a Shareholder, or as a proxy for a Shareholder, has been reasonably verified. Acceptable forms of identification include a valid green bar-coded or smart card identification document issued by the South African Department of Home Affairs, South African driver's licence or a valid passport.

1.4 ELECTRONIC PARTICIPATION

- 1.4.1 Shareholders or their duly appointed proxy(ies) that wish to participate in the General Meeting via electronic communication (Participant(s)), are required to either:
- 1.4.1.1 register online using the online registration portal at <https://meetnow.global/za>; or
 - 1.4.1.2 apply to Computershare, by sending an email to proxy@computershare.co.za so as to be received by Computershare by no later than 11:00 on Tuesday, 16 January 2024.
- 1.4.2 Computershare will first validate such requests and confirm the identity of the Shareholder in terms of section 63(1) of the Act, and, if the request is validated, further details on using the electronic communication facility will be provided.
- 1.4.3 The Company or Computershare will inform Participants who notified Computershare of their intended participation as set out above, by no later than 16:00 on Wednesday, 17 January 2024 by email of the relevant details through which Participants can participate electronically. Participants who notified Computershare of their intended participation after 11:00 on Tuesday, 16 January 2024 but before the General Meeting will be provided the relevant details through which Participants can participate electronically once their requests have been validated and the identity of the Shareholder has been confirmed in terms of section 63(1) of the Act.

2. THE EXIT OFFER

- 2.1 For the avoidance of doubt, Exit Offeree Shareholders will be entitled to accept the Exit Offer from 09:00 on the Opening Date. However, any Exit Offer Shares Tendered will not be acquired by the Consortium until such time as the Exit Offer is implemented, which is conditional, *inter alia*, on the Exit Offer becoming unconditional.

- 2.2 Exit Offeree Shareholders shall be entitled to either:
- 2.2.1 accept the Exit Offer in respect of all or part of their Exit Offer Shares; or
 - 2.2.2 retain their Shares by not accepting the Exit Offer.
- 2.3 Exit Offeree Shareholders who do not wish to accept the Exit Offer do not need to take any further action and will continue to hold their Exit Offer Shares and will be deemed to be Remaining Shareholders. Remaining Shareholders are advised that in the event that the Exit Offer is implemented, they will remain Shareholders in the unlisted company, with the tradability of their Shares being limited and will be issued statements of allocation in respect of those Shares they have retained.
- 2.4 If you wish to accept the Exit Offer, you must do so in the manner described below, depending on whether you are a Certificated Shareholder or a Dematerialised Shareholder.

2.5 **Certificated Shareholders**

- 2.5.1 Certificated Shareholders who wish to accept the Exit Offer are required to complete the attached Form of Acceptance, Surrender and Transfer (*grey*) and return it to the Transfer Secretaries together with their Documents of Title in respect of their Exit Offer Shares, at their own risk, to be received by no later than 12:00 pm on the Closing Date. If a Form of Acceptance, Surrender and Transfer (*grey*) is not received by 12:00 pm on the Closing Date, such Certificated Shareholder will be deemed to have declined the Exit Offer. No late acceptances will be considered if received by the Transfer Secretaries after 12:00 pm on the Closing Date.
- 2.5.2 If the Documents of Title relating to the Shares held by a Certificated Shareholder have been lost or destroyed, Certificated Shareholders who wish to accept the Exit Offer in respect of all or some of their Shares should nevertheless return a duly completed Form of Acceptance, Surrender and Transfer (*grey*) together with a duly completed indemnity form obtainable from the Transfer Secretaries upon request. Only indemnity forms obtained from the Transfer Secretaries will be regarded as suitable. The Consortium shall be entitled to, in its absolute discretion, by way of written agreement in the instance in which satisfactory evidence has been provided that the Documents of Title have been lost or destroyed, waive the requirement that the Certificated Shareholder provides an indemnity.
- 2.5.3 No receipt will be issued by the Transfer Secretaries or the Consortium for Forms of Acceptance, Surrender and Transfer (*grey*) or Documents of Title surrendered to the Transfer Secretaries in full or partial acceptance of the Exit Offer unless specifically requested to do so by the Exit Offeree Shareholder in question. Lodging agents who require special transaction receipts are requested to prepare such receipts and to submit them for stamping by the Transfer Secretaries together with the Form of Acceptance, Surrender and Transfer (*grey*).

2.6 **Dematerialised Shareholders**

- 2.6.1 Dematerialised Shareholders who wish to accept the Exit Offer are required to notify their CSDP's or Brokers of their acceptance in the manner and by the deadline stipulated in the Custody Agreement. If no instruction is given to their Brokers or CSDP's, or if there is any doubt or dispute in respect of their acceptance, such Dematerialised Shareholders will be deemed to not have accepted the Exit Offer. Dematerialised Shareholders must not complete the attached Form of Acceptance, Surrender and Transfer (*grey*). The Broker or CSDP of a Dematerialised Shareholder who wishes to accept the Exit Offer must notify the Transfer Secretaries of such acceptance of the Exit Offer.

2.6.2 **Reservation of rights**

- 2.6.2.1 The Consortium reserves the right, in its sole and absolute discretion, to:
- 2.6.2.1.1 in respect of Certificated Shares, treat as invalid Forms of Acceptance, Surrender and Transfer (*grey*) not accompanied by valid Documents of Title;
 - 2.6.2.1.2 treat as invalid Forms of Acceptance, Surrender and Transfer (*grey*) not properly completed;

- 2.6.2.1.3 require proof of the authority of the person signing the Form of Acceptance, Surrender and Transfer (*grey*) where such proof has not been lodged with or recorded by the Transfer Secretaries; and
- 2.6.2.1.4 without prejudice to any of its rights, the Consortium reserves the right to condone, in its sole discretion, the non-performance by any Exit Offeree Shareholder of any of the terms of the Exit Offer.

2.7 Settlement of the Exit Offer Consideration

- 2.7.1 Certificated Shareholders who accept the Exit Offer will have the Exit Offer Consideration transferred to them by way of EFT into the bank account nominated by them in the Form of Acceptance, Surrender and Transfer (*grey*) by no later than the Payment Date, being within six Business Days after the later of the Exit Offer being declared unconditional and the date on which such Shareholders deliver Forms of Acceptance, Surrender and Transfer (*grey*) and Documents of Title to the Transfer Secretaries, with the last Payment Date being the first Business Day after the Closing Date.
- 2.7.2 Dematerialised Shareholders who accept the Exit Offer will have their accounts at their Broker or CSDP updated with the Exit Offer Consideration by no later than the Payment Date, being within six Business Days after the later of the Exit Offer being declared unconditional and the date on which the Brokers or CSDP's of such Exit Offeree Shareholders notify the Transfer Secretaries of their acceptance of the Exit Offer, with the last Payment Date being the first Business Day after the Closing Date.
- 2.7.3 If the Exit Offer Consideration is not paid to Exit Offeree Shareholders entitled thereto because the relevant Documents of Title and Forms of Acceptance, Surrender and Transfer (*grey*) have not been surrendered, or if the Exit Offer Consideration is returned undelivered to the Transfer Secretaries, the Exit Offer Consideration will be held by the Consortium or the Transfer Secretaries, on behalf of and for the benefit of such Certificated Shareholders, until claimed and no interest will accrue thereon. This paragraph does not apply to Dematerialised Shares held by Exit Offeree Shareholders.
- 2.7.4 The settlement of the Exit Offer Consideration to which any Exit Offeree Shareholder becomes entitled in terms of the Exit Offer will be implemented in full in accordance with the terms of the Exit Offer without regard to any lien, right of set-off, counterclaim or any other analogous right to which the Consortium may be entitled.
- 2.7.5 The settlement of the Exit Offer Consideration for both Dematerialised Shareholders and Certificated Shareholders will be made subject to any applicable Exchange Control Regulations.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular, including to this salient dates and times section.

2023

Record date to receive this Circular and Notice of the General Meeting forming part thereof	Friday, 8 December
Publication of distribution of Circular and Notice of General Meeting announcement on SENS on	Monday, 18 December
Circular, incorporating Notice of General Meeting, Form of Proxy (<i>blue</i>) and Form of Acceptance, Surrender and Transfer (<i>grey</i>) posted to Shareholders on	Monday, 18 December
Exit Offer opens at 09:00 am on (refer to notes 3 and 4 below)	Monday, 18 December

2024

Last day to trade Shares in order to be recorded in the Register on the Record Date to Vote on	Tuesday, 9 January
Record Date to Vote (being the record date for a Shareholder to be registered in the Register in order to be eligible to attend, participate and vote at the General Meeting), by close of trade on	Friday, 12 January
For administrative reasons, Forms of Proxy (<i>blue</i>) in respect of the General Meeting to be lodged at the Transfer Secretaries by 11:00 on	Tuesday, 16 January
Forms of Proxy (<i>blue</i>) not lodged with the Transfer Secretaries to be emailed to the Transfer Secretaries at proxy@computershare.co.za (who will provide same to the chairman of the General Meeting) at any time before the appointed proxy exercises any Shareholder rights at the General Meeting on	Thursday, 18 January
General Meeting held at 11:00 on	Thursday, 18 January
Results of the General Meeting announced on SENS on	Thursday, 18 January
Expected date to receive TRP compliance certificate on	Thursday, 25 January
Expected date that the Exit Offer becomes unconditional and expected date of publication of finalisation announcement relating to the Exit Offer on SENS on	Thursday, 25 January
Expected publication of finalisation announcement relating to the Exit Offer published in the South African press on	Friday, 26 January
Expected last day to trade in Shares in order to participate in the Exit Offer on (refer to note 9 below)	Tuesday, 6 February
Expected suspension of the listing of the Shares on the JSE with effect from the commencement of trade on	Wednesday, 7 February
Expected date on which the Exit Offer closes at 12:00 pm on	Friday, 9 February
Expected record date on which Exit Offeree Shareholders must hold Shares in order to accept the Exit Offer on (refer to note 9 below)	Friday, 9 February
Expected results of the Exit Offer announced on SENS on	Monday, 12 February
Expected payment of Exit Offer Consideration to Exit Offer Participants (refer to notes 10 and 11 below), with the last payment on	Monday, 12 February
Expected results of the Exit Offer published in the South African press on	Tuesday, 13 February
Expected termination of the listing of the Shares at the commencement of trade on the JSE on	Tuesday, 13 February

Notes:

1. All times referred to in this Circular are local times in South Africa and are subject to change.
2. Any variation of the above dates and times will be approved by the JSE and released on SENS.
3. The Exit Offer must remain open for at least 30 Business Days after the Opening Date.
4. Exit Offeree Shareholders should note that acceptance of the Exit Offer will, subject to paragraph 3.6 of this Circular, be irrevocable.
5. Shareholders should note that, as transactions in Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three Business Days after such trade. Therefore, persons who acquire Shares after the last day to trade in order to be recorded in the Register on the Record Date to Vote, namely, Tuesday, 9 January 2024, will not be able to vote at the General Meeting.
6. Dematerialised Shareholders, other than those with Own-name Registration, must provide their CSDP or Broker with their instructions for voting at the General Meeting by the cut-off time and date stipulated by their CSDP or Broker in terms of their respective Custody Agreements between them and their CSDP or Broker.
7. Forms of Proxy (*blue*) are to be lodged with Transfer Secretaries, for administrative purposes only, by no later than 11:00 on, Tuesday, 16 January 2024. Alternatively, Forms of Proxy (*blue*) may be emailed to the Transfer Secretaries at proxy@computershare.co.za (who will provide same to the chairman of the General Meeting) at any time before the appointed proxy exercises any Shareholder rights at the General Meeting.
8. If the General Meeting is adjourned or postponed, Forms of Proxy (*blue*) submitted for the initial General Meeting will remain valid in respect of any such adjournment or postponement.
9. For purposes of being eligible to participate in the Exit Offer, no Dematerialisation and rematerialisation of the Shares may take place after the last day to trade in the Shares for participation in the Exit Offer being Tuesday, 6 February 2024. For the avoidance of doubt, Exit Offer Participants cannot dematerialise or rematerialise once they have validly accepted the Exit Offer.
10. Certificated Shareholders who accept the Exit Offer will have the Exit Offer Consideration transferred to them by EFT into the bank account nominated by them in the Form of Acceptance, Surrender and Transfer by no later than the Payment Date, being within six Business Days after the later of the Exit Offer being declared unconditional and the date on which such Shareholders deliver Forms of Acceptance, Surrender and Transfer and Documents of Title to the Transfer Secretaries, with the last Payment Date being the first Business Day after the Closing Date.
11. Dematerialised Shareholders who accept the Exit Offer will have their accounts at their CSDP or Broker updated by no later than the Payment Date, being within six Business Days after the later of the Exit Offer being declared unconditional and the date on which the CSDP's or Brokers of such Exit Offeree Shareholders notify the Transfer Secretaries of their acceptance of the Exit Offer, with the last Payment Date being the first Business Day after the Closing Date.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless otherwise stated or the context indicates otherwise, the words and expressions in the first column shall have the meanings stated opposite them in the second column, and words and expressions in the singular shall include the plural and *vice versa*, words importing natural persons shall include juristic persons and unincorporated associations of persons and *vice versa*, and any reference to one gender shall include the other genders.

“Act” or “Companies Act”	the Companies Act, No. 71 of 2008, as amended;
“ACN Capital”	ACN Capital IHC Proprietary Limited (registration number 2009/017511/07), a limited liability private company duly incorporated in South Africa and leader of the Consortium (Carl Neethling is the beneficial shareholder of Jacton Proprietary Limited, an entity that holds a 92% interest in ACN Capital);
“Annual Results Announcement”	the annual results announcement published on SENS on Friday, 29 September 2023;
“Ascendis” or “Company”	Ascendis Health Limited (registration number 2008/005856/06), a limited liability public company duly incorporated in South Africa, with its Shares listed on the Main Board of the JSE;
“Ascendis Group” or “Group”	Ascendis and its Subsidiaries;
“Ascendis Pharma”	the pharmaceutical division of Ascendis disposed of in October 2022;
“Ascendis Shares” or “Shares”	ordinary shares of no par value in the share capital of the Company;
“Ascendis Shareholders” or “Shareholders”	registered holders of Shares recorded in the Register as at the relevant record date;
“Authorised Dealer”	an authorised dealer of the South African Reserve Bank, established in terms of section 9 of the Currency and Banking Act, 31 of 1920, as amended and currently governed by the South African Reserve Bank Act, 90 of 1989, as amended designated as such in the Exchange Control Regulations;
“Board” or “Directors”	the board of directors of the Company, whose names appear in the corporate information and advisors section of this Circular;
“Broker”	any person registered as a broking member (equities) in terms of the rules of the JSE made in accordance with the provisions of the Financial Markets Act;
“Business Day”	any day other than a Saturday, Sunday or any other public holiday in South Africa;
“Carl Andre Capital”	Carl Andre Capital Proprietary Limited (registration number 2014/156243/07), a limited liability private company duly incorporated in South Africa (Carl Andre Capital is an entity that is owned by the Carl Andre Neethling Trust for the benefit of the Neethling family (including Carl Neethling) and certain NGOs. Carl Neethling is one of two directors of Carl Andre Capital);
“Carl Neethling”	Andre Carl Neethling (identity number 790830 5093 087), the Company’s chief executive officer and acting chief financial officer;
“Cautionary Announcement”	the cautionary announcement published on SENS on Wednesday, 27 September 2023;
“Certificated Shareholders”	all registered holders of Certificated Shares;

“Certificated Shares”	Shares represented by share certificates or other written instruments, which have not been surrendered for dematerialisation in terms of the requirements of Strate;
“Circular”	this circular to Shareholders, dated Monday, 18 December 2023, including the Notice of General Meeting, the Form of Proxy (<i>blue</i>), the Form of Acceptance, Surrender and Transfer (<i>grey</i>) and the annexures hereto;
“Closing Date”	the closing date of the Exit Offer at 12:00 pm on a date to be announced on SENS, at least 10 Business Days prior thereto, and which closing date shall be (i) a Friday (ii) not be earlier than 30 Business Days after the Opening Date and (iii) at least 10 Business Days after the Exit Offer becomes unconditional. The Closing Date is anticipated to be by no later than 12:00 pm on Friday, 9 February 2023;
“Common Monetary Area”	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and eSwatini;
“Companies Regulations”	the Companies Regulations, 2011, as amended;
“Company Secretary”	the company secretary of the Company as appointed from time to time;
“Competition Authorities”	the Competition Commission and/or the Competition Tribunal, as the case may be, and all other competition authorities whose approvals are required in order to implement the Exit Offer;
“Consortium”	a group of offerors comprising ACN Capital, Carl Andre Capital, Dendrobium Capital, Emfam, Kingston Kapitaal and JVDM;
“Consortium Shares”	all of the Shares directly held by the Consortium members as at the date of the General Meeting, being a total of 54 363 012 Shares as at the Last Practicable Date;
“Corporate Advisor” or “Sponsor” or “Valeo Capital”	Valeo Capital Proprietary Limited (registration number 2021/834806/07), a limited liability private company duly incorporated in South Africa and the corporate advisor and sponsor to Ascendis;
“CSDP”	a “participant” as defined in the Financial Markets Act, being a person that holds in custody and administers securities or an interest in securities and that has been accepted by a central securities depository as a participant in terms of section 31 of the Financial Markets Act;
“Custody Agreement”	a custody mandate agreement between a Shareholder and a CSDP or Broker, regulating their relationship in respect of Dematerialised Shares held on the sub-register of Dematerialised Shareholders maintained by a CSDP or Broker on behalf of that person;
“Delisting”	the proposed termination of the listing of the Company’s Shares on the Main Board of the JSE, pursuant to the Delisting Resolution being adopted;
“Delisting Resolution”	the ordinary resolution to be proposed at the General Meeting to approve the Delisting of the Shares of the Company from the Main Board of the JSE in terms of paragraphs 1.15 and 1.16 of the JSE Listings Requirements, pursuant to the Exit Offer, and which ordinary resolution must be approved by at least 75% of the votes exercised on the resolution, excluding the votes of the Excluded Shares;
“Dematerialised Shareholders”	all registered holders of Dematerialised Shares;
“Dematerialised Shares”	Shares that have been dematerialised through a Broker or CSDP in terms of the requirements of Strate and which are recorded in the sub-register of Dematerialised Shareholders maintained by the relevant CSDP’s

“Dendrobium Capital”	Dendrobium Capital Proprietary Limited (registration number 2014/233767/07), a limited liability private company duly incorporated in South Africa (Dendrobium Capital is an entity that is owned by the P&M Neethling Trust, a trust for the benefit of the Neethling family (including Carl Neethling) and certain NGOs. Carl Neethling is one of two directors of Dendrobium);
“Documents of Title”	share certificates, certified transfer deeds, balance receipts or any other documents of title to shares acceptable to the Board;
“EFT”	electronic funds transfer;
“Emfam”	Emfam Beleggings Proprietary Limited (registration number 1999/012040/07), a limited liability private company duly incorporated in South Africa (Emfam is company that is beneficially owned and controlled by Paul Meaker, Erna Meaker and their family);
“Exchange Control Regulations”	the Exchange Control Regulations, promulgated in terms of section 9 of the Currency and Exchanges Act, 9 of 1933, as amended;
“Excluded Shares”	the Treasury Shares and the Consortium Shares, collectively representing 61 083 101 of the Shares and constituting 9.76% of the issued share capital of the Company as at the Last Practicable Date;
“Excluded Shareholders”	the holders of the Excluded Shares;
“Exit Offer”	the general offer to Exit Offeree Shareholders made by the Consortium, as contemplated by section 117(1)(c)(v) (read together with section 121(1)) of the Companies Act and paragraph 1.15 of the JSE Listings Requirements, to acquire all the Shares in the Company from Exit Offeree Shareholders wishing to disinvest of their interests in the Company, excluding the Excluded Shares, on the terms set out in this Circular;
“Exit Offer Consideration”	80 cents per Share;
“Exit Offer Participants”	the Shareholders who validly and lawfully accept the Exit Offer by the Closing Date and who are thus entitled, subject to the Exit Offer becoming unconditional, to receive the Exit Offer Consideration;
“Exit Offer Period”	the period from 09:00 am on the Opening Date to 12:00 pm on the Closing Date;
“Exit Offeree Shareholders”	the Shareholders to which the Exit Offer is made, being all Ascendis Shareholders other than the Excluded Shareholders;
“Exit Offer Shares”	all of the Shares, other than the Excluded Shares, being 571 386 858 Shares;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012, as amended;
“Firm Intention Announcement”	the announcement released on SENS on Monday, 27 November 2023, advising Shareholders of the Exit Offer and proposed Delisting;
“Firm Intention Offer Letter”	the letter dated 24 November 2023 issued by the Consortium regarding the Exit Offer and proposed Delisting and containing, <i>inter alia</i> , the terms and conditions thereof, and in terms of which the Consortium and Ascendis, <i>inter alia</i> , agreed to release a joint Firm Intention Announcement and Circular, and to propose the Resolutions to Shareholders;
“Foreign Shareholder”	a Shareholder who is a non-resident of South Africa as contemplated in the Exchange Control Regulations;
“Form of Acceptance, Surrender and Transfer”	the form of acceptance, surrender and transfer (<i>grey</i>) for use by Exit Offer Participants holding Certificated Shares only, for purposes of accepting the Exit Offer;

“Form of Proxy”	the form of proxy (<i>blue</i>) for use by Certificated Shareholders and Own-Name Dematerialised Shareholders only, for purposes of appointing a proxy to represent such Shareholder at the General Meeting;
“General Meeting”	the general meeting of Shareholders that will be held entirely by electronic communication, at 11:00 on Thursday, 18 January 2024, convened in terms of the Notice of General Meeting enclosed and forming part of this Circular, together with any reconvened general meeting held as a result of any adjournment or postponement of that general meeting, for purposes of considering and, if deemed fit, passing, with or without modification, the Resolutions set out in the Notice of General Meeting and forming part of this Circular;
“Independent Board”	those Directors who are independent non-executive directors appointed in terms of the Takeover Regulations as the independent board of Ascendis, being Bharti Harie, Dr. Karsten Wellner and Amaresh Chetty, all of whom are independent as contemplated in regulation 108(8) of the Takeover Regulations;
“Independent Expert” or “BDO”	BDO Corporate Finance Proprietary Limited (registration number 1983/002903/07), a limited liability private company incorporated in South Africa and which has been appointed to prepare the Independent Expert Report;
“Independent Expert Report”	the report prepared by the Independent Expert in relation to the Exit Offer, in accordance with section 114(3) of the Companies Act, regulation 90(6) and 110 of the Takeover Regulations and, in accordance with paragraph 1.15(d) read with Schedule 5 of the JSE Listings Requirements, which is set out in Annexure 2 to this Circular;
“IRR”	Internal rate of return;
“Irrevocable Undertaking”	collectively the irrevocable undertakings received by the Company from Shareholders, in terms of which such Shareholders undertake to vote in favour of all Resolutions and the irrevocable undertakings received by the Company from Shareholders, in terms of which such Shareholders undertake to not accept the Exit Offer, details of which are set out in Annexure 4 to this Circular;
“JVDM”	the JVDM Trust, formed under the trust laws of Namibia, with trust certificate number: T 404/2016 (JVDM is a trust for the benefit of Johannes van der Merwe and his family);
“JSE”	the exchange, licensed under the Financial Markets Act, operated by JSE Limited (registration number 2005/022939/06), a public company duly incorporated in South Africa;
“JSE Listings Requirements”	the listings requirements of the JSE as at the Last Practicable Date;
“Kingston Kapitaal”	Kingston Kapitaal Proprietary Limited (registration number 2014/174999/07), a limited liability private company duly incorporated in South Africa (Kingston Kapitaal is an entity that is owned by The Pieter Steyn Neethling Trust, a trust for the benefit of the Neethling family (excluding Carl Neethling) and certain NGOs. Carl Neethling is one of three directors of Kingston Kapitaal);
“Last Practicable Date”	Wednesday, 6 December 2023 being the last practicable date prior to the finalisation of this Circular;
“Management Agreement”	the management agreement entered into between the Consortium, Ascendis and ACN Capital, subject to the approval of the TRP and Ascendis Shareholders as set out in paragraph 2.5.2, the salient terms of the which are set out in Annexure 1 to this Circular;
“Management Agreement Resolution”	the ordinary resolution to be proposed at the General Meeting to approve the Management Agreement in terms of section 126(1) of the Companies Act;

“MOI”	the Memorandum of Incorporation of Ascendis;
“NAV”	net asset value;
“NGO”	a non-governmental organisation;
“Notice of General Meeting”	the notice convening the General Meeting, which is attached to and forms part of this Circular;
“Opening Date”	the opening date of the Exit Offer, being 09:00 am on Monday, 18 December 2023;
“Own-name Registration”	Dematerialised Shareholders who have instructed their CSDP to hold their Shares in such Shareholders’ own name on the sub-register of Dematerialised Shareholders maintained by the CSDP;
“Payment Date”	in relation to an Exit Offer Participant, a period of six Business Days after the later of the Exit Offer being declared unconditional in all respects as contemplated by regulation 102(12)(a) of the Takeover Regulations and acceptance of the Exit Offer by such Exit Offer Participant, with the last Payment Date being the first Business Day after the Closing Date;
“R” or “Rand”	South African Rand;
“Record Date to Vote”	the date on which a Shareholder must be registered in the Register in order to be eligible to electronically attend, participate and vote at the General Meeting, which date is Friday, 12 January 2024;
“Register”	the securities register of the Company, including the register of Certificated Shareholders maintained by the Transfer Secretaries and the sub-register of Dematerialised Shareholders maintained by the relevant CSDP’s;
“Remaining Shareholders”	in the event that the Exit Offer and Delisting are implemented, those Shareholders who do not accept the Exit Offer in respect of all of the Exit Offer Shares held by them and continue to hold Shares following the implementation of the Exit Offer;
“Resolutions”	the Delisting Resolution, the Management Agreement Resolution and other resolutions as set out in the Notice of General Meeting;
“SENS”	the Stock Exchange News Service of the JSE;
“South Africa”	the Republic of South Africa;
“Strate”	Strate Proprietary Limited, registration number 1998/022242/07, a private company duly incorporated in South Africa, and a central securities depository licensed in terms of the Financial Markets Act responsible for the electronic clearing and settlement system provided to the JSE;
“Subsidiary”	a subsidiary as defined in the Companies Act;
“Takeover Regulations”	Chapter 5 of the Companies Regulations;
“Tender” or “Tendered”	the tender by Shareholders of all the Exit Offer Shares held by them, for disposal in terms of the Exit Offer;
“Transaction”	the Exit Offer and the Delisting;
“Transfer Secretaries” or “Computershare”	Computershare Investor Services Proprietary Limited (registration number 2004/003647/07), a private company duly incorporated in South Africa;
“Treasury Shares”	6 720 089 Shares held by one or more subsidiaries of Ascendis, which constitute treasury shares in terms of the Companies Act;
“TRP”	the Takeover Regulation Panel, established pursuant to section 196 of the Companies Act;
“VAT”	Value Added Taxation, levied in terms of the Value Added Tax Act (No. 89 of 1991), as amended; and
“VWAP”	volume weighted average price of a Share.



ASCENDIS HEALTH LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2008/005856/06)

Share Code: ASC

ISIN: ZAE000185005

("Ascendis" or "the Company")



ACN CAPITAL IHC PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2009/017511/07)

A consortium led by ACN Capital IHC
(the "Consortium")

CIRCULAR TO SHAREHOLDERS

SECTION 1: GENERAL INFORMATION

1. INTRODUCTION AND PURPOSE OF THIS CIRCULAR

- 1.1 Shareholders are referred to the Annual Results Announcement and to the Company's 2023 Annual Results Presentation released on Friday, 29 September 2023, wherein it was communicated that the Company would be actively pursuing initiatives to unlock value for Shareholders, *inter alia*, through a delisting from the JSE.
- 1.2 In terms of paragraph 1.15 of the JSE Listing Requirements, a delisting must be accompanied by an offer to all shareholders, which offer must be fair to all shareholders in order to afford them an opportunity to disinvest of their shares at a fair price.
- 1.3 Shareholders are further referred to the Firm Intention Announcement released by the Company on SENS on Monday, 27 November 2023, wherein the Company advised Shareholders that it had successfully concluded negotiations with a Consortium led by ACN Capital to facilitate and enable the Company -driven Delisting process. The Consortium has consequently delivered the Firm Intention Offer Letter to the Board to acquire all of the Exit Offer Shares, from Shareholders not looking to remain invested post-Delisting, for the Exit Offer Consideration.
- 1.4 Shareholders were further advised that the Board has agreed to propose the Delisting Resolution, which, if approved by the Shareholders at the General Meeting, will satisfy the JSE Listings Requirements and support the application to the JSE for the Delisting, which will take place immediately following implementation of the Exit Offer.
- 1.5 The Transaction provides Exit Offeree Shareholders with the opportunity to either monetise their investment in Ascendis at a fair price or to continue to hold their Shares in an unlisted environment. All Ascendis Shareholders will be entitled to remain invested in Ascendis post the Delisting. The consequence of remaining invested is that they will hold their Shares in an unlisted environment.
- 1.6 Accordingly, the purpose of this Circular is to provide Exit Offeree Shareholders with relevant information regarding the Transaction and the manner in which it will be implemented, and to provide the Independent Expert Report, the recommendation of the Independent Board and the accompanying Notice of General Meeting, so as to enable Shareholders to make an informed decision as to whether or not they should vote in favour of the Resolutions to be proposed at the General Meeting.

2. BACKGROUND INFORMATION ABOUT THE CONSORTIUM AND ASCENDIS

2.1 Information about the Consortium

- 2.1.1 The Consortium is led by ACN Capital, an entity owned and controlled by Carl Neethling. The Consortium includes Carl Andre Capital, Kingston Kapitaal and Dendrobium who are associated with Carl Neethling, as well as JVDM and Emfam who are independent and unrelated to Carl Neethling. An overview of the Consortium members is set out below.
- 2.1.2 In addition to the Consortium members, Carl Neethling, ACN Capital Proprietary Limited (a subsidiary of ACN Capital) and Blee Beleggings Proprietary Limited (an entity in which Carl Neethling is one of two directors) are concert parties of the Consortium.
- 2.1.3 ACN Capital, previously Acorn Private Equity, is a South African based private equity fund manager with a 15-year investment track record. The ACN Capital investment team has run several successful investment platforms across a number of sectors including Acorn General Fund 1 (46.2% gross IRR); Acorn Agri (23.3% gross IRR); Acorn Agri & Food (R3 billion NAV investment holding company – still active) and FutureFun(d) (education focussed investment entity – still active). The team has twice been awarded the coveted private equity deal of the year award (2019 & 2021) in respect of both acquisition and divestment transactions exceeding R700 million in value.
- 2.1.4 Carl Neethling is the chief executive officer and acting chief financial officer of Ascendis as well as the founder of ACN Capital.
- 2.1.5 Dendrobium Capital, Kingston Kapitaal and Carl Andre Capital are South African based private investment companies and are associated with Carl Neethling.
- 2.1.6 JVDM is a private trust established in Namibia.
- 2.1.7 Emfam is a South African based private investment company.

2.2 Information about Ascendis

- 2.2.1 Ascendis is a health and wellness investment holding company, marketing and distributing a portfolio of leading brands and products.
- 2.2.2 Founded in 2008 and listed in the healthcare sector (pharmaceuticals and biotechnology) on the main board of the JSE in 2013, the Group has endured and successfully overcome a challenging period of divestments, restructuring and repayment of debt over the past five years.
- 2.2.3 Notably, since the latter stages of the 2022 financial year, the Group has benefited significantly from a stabilised shareholder base and the appointment of a dedicated transition team under the guidance of the chief executive officer (“**CEO**”), Carl Neethling, in order to execute and implement the first phase of the Group’s strategy to stabilise and optimise its remaining operations.
- 2.2.4 This strategy has included various initiatives to manage cash flow and liquidity; aggressively reduce costs; mitigate tax and transactional risks; repay external debt and restructure operating entities for enhanced profitability.
- 2.2.5 With the divestment of Ascendis Pharma in October 2022, the Group’s operations now consist of its “Medical Devices” and “Consumer Health” segments which comprise of diverse healthcare businesses, strong brands and leading agencies in South Africa and internationally.
- 2.2.6 Medical Devices, which incorporates five operating businesses (The Scientific Group, Surgical Innovations, InterV-Med, Cardio-Tech, and Ortho-Xact) is a distributor of imported medical devices and in vitro diagnostic instruments and consumables. The businesses have long-standing relationships and exclusive agency agreements with major multinational suppliers, and a network of blue-chip private health group and government customers.
 - 2.2.6.1 Ortho-Xact (“**OX**”) is one of the leading distributors of orthopaedic trauma and limb reconstruction equipment and consumables. OX represents agencies such as Orthofix, Rejoin and AAP amongst others and has more than 60% of the South African external fixation market share. OX offers a complete product portfolio in trauma and limb reconstruction, as well as sports medicine and its portfolio has demonstrated growth of 18%-30% over the past few years;

- 2.2.6.2 InterV-Med (“**IVM**”) and Cardio-Tech (“**CT**”) both distribute instruments and consumables to largely private hospital groups focused on interventional cardiology, radiology and fluid management. IVM represents the Bayer and Argon agencies amongst others, whilst CT represents both the Phillips and Microport agencies. Management is actively driving and investing behind growth opportunities in these businesses;
 - 2.2.6.3 Surgical Innovations (“**SI**”) distributes products and instruments that are used in surgery and acute care therapy – representing primarily the Olympus agency. Surgical Innovations was placed into voluntary business rescue in May 2023 and this process was successfully concluded at the end of September 2023. Management is investigating initiatives in order to grow the profitability of SI or alternatively to realise value for shareholders; and
 - 2.2.6.4 The Scientific Group (“**TSG**”) is an in vitro diagnostic business that distributes instruments and consumable products and offers services to public and private pathology laboratories and research institutions that enable improved patient outcomes to pathology laboratories and for use in scientific research. The TSG business is largely tender driven and operates in a very competitive environment. Management is continuously evaluating several strategic alternatives in order to maximise value from TSG.
- 2.2.7 The Consumer Health segment comprises three consumer healthcare businesses targeted at different segments of the value chain:
- 2.2.7.1 Ascendis Consumer Brands (“**ACB**”) develops, markets, and distributes branded vitamins and supplements. The business is one of the largest vitamin, mineral and supplement suppliers in South Africa, with household brands such as Solal, Vitaforce, Menacal, Bettaway and Junglevites being among the most established and recognised in their categories. ACB has experienced a challenging period of late but management has invested significant effort in turning around its operations;
 - 2.2.7.2 Compounding Pharmacy compounds unique, patient-specific formulas from its premises in Bryanston, Gauteng. The business presents exciting growth prospects within a niche and unestablished industry; and
 - 2.2.7.3 Chempure: is a leading importer and distributor of speciality ingredients used in the sports nutrition, food and beverages, health and wellness as well as personal care industries.
- 2.2.8 In addition to the above, the Ascendis Group head office has undergone a fundamental transition over the past financial year with a significant reduction in headcount and cost. The head office currently fulfils certain key group functions including finance, human resources, IT, legal and corporate finance.

2.3 Rationale for the Exit Offer and Delisting

- 2.3.1 Pursuant to Ascendis’ ongoing focus to stabilise and optimise its operations the Board resolved to embark on the next phase of its strategy, which is aimed at unlocking and maximising value for its Shareholders.
- 2.3.2 Over the past 16 months, the appointment of a dedicated value creation team (the transition team) of private equity and operational specialists led by Carl Neethling has resulted in the significant progress in restoring and unlocking value which has been made to date. These initiatives have included the:
 - 2.3.2.1 increase in value achieved for the sale of Ascendis Pharma by R57 million – this was integral in ensuring the timely repayment of the senior debt and together with the rights offer allowed the Group to avoid a near inevitable liquidity crisis;
 - 2.3.2.2 implementation of a successful rights offer to raise c.R101.5 million – the rights offer came at a critical time for the Group and was pivotal to the successful stabilisation of the balance sheet;

- 2.3.2.3 final repayment of the legacy, onerous non-bank Group debt, enabled in part by the additional Ascendis Pharma and rights offer proceeds, marked the final step in stabilising the balance sheet and meant that the Group sat without any external senior debt at year end;
- 2.3.2.4 raising of alternative cost-effective banking facilities with RMB – facilities of R82 million were secured at acceptable commercial rates and with reasonable security in order to support the Group from a growth & liquidity perspective;
- 2.3.2.5 closure of several non-performing business units and divisions, specifically Ascendis Supply Chain which was losing as much as R60 million on an annualised basis;
- 2.3.2.6 successful business rescue process at Surgical Innovations which has resolved claims and liabilities of c.R70 million and achieved an annualised operating cost saving (including lease costs) of approximately R18 million per annum. This process has given SI the best chance of ‘survival’ and has provided management with optionality of maximising value for shareholders;
- 2.3.2.7 simplifying and decentralising of a complex and sub-optimal Group treasury function;
- 2.3.2.8 aggressively reducing Group head office costs from R95 million to R35 million on a run-rate basis; and
- 2.3.2.9 significant intervention within the underlying operations to optimise costs and capital allocation and surface growth opportunities. This included:
 - 2.3.2.9.1 creating the InterV-Med and Cardio-Tech entities, which both offer opportunities for earnings growth but did not receive adequate attention previously;
 - 2.3.2.9.2 driving a new, best practice capital allocation process across the portfolio, that is focused on maximising return on invested capital (“**ROIC**”); and
 - 2.3.2.9.3 removing costly and duplicative divisional management layers in the medical and consumer environments, resulting in material cost savings.
- 2.3.3 Ascendis and the Consortium believe that the Delisting of Ascendis from the JSE is the logical next step in its strategy to unlock value for Ascendis Shareholders and to provide exit optionality at a fair value, given that the remaining Ascendis Group is materially smaller in asset size, earnings and market capitalisation and can no longer justify the high direct and indirect costs of operating on a listed stock exchange. In addition:
 - 2.3.3.1 Ascendis’ Shares trade with very limited liquidity and the general negative sentiment towards investment holding companies and small cap shares listed on the JSE means that it is unable to garner sufficient institutional investment interest or raise meaningful growth capital;
 - 2.3.3.2 compliance with the JSE Listings Requirements is both time consuming and costly relative to the current size of Ascendis and its management team; and
 - 2.3.3.3 the Transaction affords Exit Offeree Shareholders with the optionality to elect between remaining invested in Ascendis or realising a fair value from their interests, should the Transaction receive the requisite approval of Ascendis Shareholders.
- 2.3.4 The Consortium, led by ACN Capital, includes a team of private equity investment specialists as well as reputable South African investment entities that are accustomed to operating, creating and realising value within the South African private capital market and are hence well positioned to implement Ascendis’ strategy post Delisting.

2.4 Strategy post - Delisting

2.4.1 Post Delisting, ACN Capital will lead the implementation of a strategy that will aim to (i) expeditiously conclude remaining restructure and stabilisation efforts, (ii) optimise and grow the remaining businesses through a mix of inorganic and organic initiatives and (iii) exit mature businesses and return capital to Remaining Shareholders where this will maximise value for Remaining Shareholders. The strategy will be enhanced by the greater agility and focus afforded by being outside of the listed environment and is expanded on as follows:

2.4.1.1 (i) Conclude restructure and stabilisation efforts in the short-term

2.4.1.1.1 As stated above, significant progress has been made to date to stabilise the balance sheet and address operational challenges. This has involved significantly restructuring the SI and TSG businesses, which in the process has resulted in the creation of new entities (IVM and CT) focused on the interventional and cardiovascular categories and a streamlined TSG portfolio.

2.4.1.1.2 There are a few remaining steps to conclude the restructure efforts, which involve further optimising the product portfolios in TSG and SI (including active discussions with agency suppliers) to ensure only profitable product offerings with acceptable ROIC are retained and optimising the back-end operations where appropriate across SI, IVM, TSG and CT to ensure these businesses improve their operating leverage (and that the cost structure in SI and TSG is reflective of their more streamlined product portfolios).

2.4.1.2 (ii) Optimise and grow remaining businesses over the medium-term

2.4.1.2.1 There are numerous market opportunities to grow the majority of the remaining businesses via new product offerings, new customers and geographies, new agencies and potential bolt-on acquisitions.

2.4.1.2.2 The portfolio companies have not been able to adequately pursue new business previously due to funding constraints. There is a pipeline of opportunities in either new, fragmented markets (product and geographies), or existing markets where there are opportunities to add adjacent products seamlessly to existing offerings and infrastructure in a value accretive manner.

2.4.1.2.3 This new business development, in addition to being necessary to drive growth, is also key to de-risk certain of the businesses, with the majority of the medical device businesses currently having a high sales concentration (to individual agencies, customer groupings and product categories).

2.4.1.2.4 Progress in new business development has begun – with notable examples including fast growing own branded, consumable products in SI and IVM, and the launch of the Rejoin sports medicine agency in OX, amongst others – and will be an increasing focus henceforth.

2.4.1.2.5 Investment in net working capital and capital assets, and potentially funding for acquisitions, will be required to enable this growth.

2.4.1.2.6 It is imperative that any new business development is done on the base of optimised operating platforms. Progress has been made to reduce costs and optimise margins during the restructure efforts, but there remain opportunities to drive better processes across all the business. These differ across the businesses, with some common areas of focus anticipated over the next 12 months including (a) improving demand planning/inventory management to reduce stock levels & inbound shipping costs, (b) introducing new revenue models to recover cost of capital for placed assets at customers/reduce capital intensive sales, and (c) stream-lining commercial and sales functions (to drive higher service levels and increased productivity). This will be accompanied by on-going efforts to optimise costs.

- 2.4.1.2.7 Capital will also need to be invested to enable the above, particularly to conclude on-going warehouse management, demand planning and CRM system developments and integrations.
- 2.4.1.3 (iii) Exit mature businesses and return capital
 - 2.4.1.3.1 In instances where value is maximised for Remaining Shareholders in existing businesses instead of retaining and growing them, divestments will be pursued. This would be applicable to mature businesses where there is greater value in the business under the ownership of others instead of Ascendis.
 - 2.4.1.3.2 All free cash flow from divestment processes will be distributed to Remaining Shareholders. In the event of a distribution being declared – Remaining Shareholders will be provided the optionality to elect between receiving the distribution in cash or scrip.
 - 2.4.1.3.3 Re-investment in the remaining portfolio will be considered where it enables high conviction growth opportunities with an acceptable ROIC.
 - 2.4.1.3.4 Although no final decisions have been made to divest any specific businesses, it is anticipated that at least one of the more significant businesses in the Group will be divested over the course of 2024, with material capital per share returned to shareholders (in relation to the Exit Offer Consideration). This timeline and any divestment is however subject to meaningful execution risk, and is dependent on, *inter alia*, trading in the businesses, market conditions, and ultimately, buyer interest and associated pricing and conditions.

2.5 Continuation of the business of Ascendis post implementation of the Exit Offer and Delisting

- 2.5.1 Should Ascendis Shareholders vote in favour of the Delisting, then Ascendis will continue to operate, but, in an unlisted environment. In this regard, Ascendis has concluded the Management Agreement with ACN Capital, in terms of which ACN Capital (“**ACN**”) will provide the executive management function currently fulfilled by the Ascendis CEO, part of the functions provided by the transition team, and other management services key to future value unlock, to the Ascendis Group post the Delisting.
- 2.5.2 The Management Agreement requires the approval of the TRP and Ascendis Shareholders in terms of section 126(1) of the Companies Act. The Management Agreement will only come into effect if approved by the TRP and Ascendis Shareholders, and upon implementation of the Transaction and the successful Delisting of Ascendis. The approval of the Management Agreement by Shareholders and the TRP are all conditions to the Transaction being implemented.
- 2.5.3 The Management Agreement is a related party agreement in terms of the JSE Listings Requirements. Given that the Management Agreement will only be concluded if approved by the TRP and Ascendis Shareholders and will only come into effect upon implementation of the Transaction and the successful Delisting of Ascendis, the JSE has granted Ascendis a dispensation from compliance with the related party provisions of the JSE Listings Requirements in relation to the Management Agreement.
- 2.5.4 The salient terms of the Management Agreement are annexed to this Circular hereto as **Annexure 1**.

SECTION 2: EXIT OFFER TO EXIT OFFEREE SHAREHOLDERS

3. THE EXIT OFFER

3.1 The Exit Offer and Exit Offer Consideration

- 3.1.1 The Consortium hereby makes the Exit Offer, subject to the fulfilment of the conditions precedent set out in paragraph 3.4 below, to acquire from Exit Offeree Shareholders all the Exit Offer Shares, in respect of which it receives valid acceptances prior to the Closing Date.
- 3.1.2 The Exit Offer will be made for a cash consideration of 80 cents per Share payable against delivery of registered and beneficial ownership of the relevant Exit Offer Shares into the name of the Consortium.
- 3.1.3 The Exit Offer Consideration of 80 cents per Share represents a premium of 25% to the 30-day VWAP of 64 cents per Share for the 30 trading day period ending on 26 September 2023, being the last Business Day prior to the release of the Cautionary Announcement.

3.2 Exit Offer period

- 3.2.1 The Exit Offer is irrevocable and will be open for acceptance from 09:00 am on the Opening Date, and will, subject to it becoming wholly unconditional, close at 12:00 pm on the Closing Date, in accordance with Takeover Regulations 102(4) and 105(5)(b).
- 3.2.2 Accordingly, the Exit Offer will remain open for acceptance by those Exit Offeree Shareholders that are recorded in the Register at any time during the Exit Offer Period.
- 3.2.3 In accordance with Takeover Regulation 103(1)(b)(i), the Consortium may, in its absolute and sole discretion, extend the Exit Offer Period. Shareholders will be notified of any such extension on SENS and, if required, in the South African press.

3.3 Remaining Shares

Exit Offeree Shareholders who do not accept the Exit Offer will remain Shareholders in the unlisted Company, with, *inter alia*, the tradability of their Shares being limited.

3.4 Conditions precedent

- 3.4.1 The Exit Offer remains conditional upon:
 - 3.4.1.1 by no later than 17:00 pm on 30 April 2024, the Delisting Resolution having been adopted by the requisite majority of Shareholders entitled to vote on the Delisting Resolution at the General Meeting, as contemplated in paragraphs 1.15 and 1.16 of the JSE Listings Requirements;
 - 3.4.1.2 by no later than 17:00 pm on 30 April 2024, the Management Agreement Resolution having been adopted by the requisite majority of Shareholders at the General Meeting as contemplated in terms of section 126(1) of the Companies Act;
 - 3.4.1.3 by no later than 17:00 pm on 31 May 2024, the Management Agreement having been approved by the TRP as contemplated in terms of section 126(1) of the Companies Act; and
 - 3.4.1.4 by no later than 17:00 pm on 30 June 2024, the receipt of all approvals, consents or waivers from those South African regulatory authorities ("**South African Authorities**") as may be necessary for the implementation of the Transaction, including the JSE, the TRP (other than the issue of the compliance certificate by the TRP in terms of section 119(4)(b) of the Companies Act) and if required, the appropriate Competition Authorities ("**Regulatory Approvals**") on an unconditional basis or if such Regulatory Approvals are granted subject to any condition or qualification, then the Consortium must, acting reasonably, agree to such conditions or qualifications in order for this condition to be fulfilled.

- 3.4.2 In order to comply with section 121(b)(i) of the Companies Act and Regulation 102(13) of the Takeover Regulations, notwithstanding the fulfilment of the conditions, the Offer shall not be implemented unless and until the TRP has issued a compliance certificate in respect of the Offer in terms of section 119(4)(b) of the Companies Act.
- 3.4.3 The conditions precedent set out in paragraph 3.4.1 are for the benefit of the Consortium and may be waived by the Consortium in writing, other than the condition precedent in paragraph 3.4.1.4, which is not capable of waiver. The dates stipulated in paragraphs 3.4.1.1 to 3.4.1.4 for the fulfilment or waiver of the conditions precedent may be extended by agreement between the Consortium and Ascendis, subject to any approval as may be required from the TRP and/or the JSE. The extension of any such dates will be announced on SENS.

3.5 Ability to proceed with the Exit Offer

- 3.5.1 The Consortium has confirmed to the Board that the Consortium has sufficient funds to fully satisfy the maximum cash Exit Offer Consideration of R245 000 000.
- 3.5.2 Investec Bank Limited, on behalf of the Consortium has delivered an irrevocable unconditional confirmation in accordance with regulations 111(4) and 111(5) of the Takeover Regulations from Investec Bank Limited to the TRP that sufficient funds are available to fully satisfy the maximum cash Exit Offer Consideration of R245 000 000.

3.6 Acceptances irrevocable

- 3.6.1 All acceptances of the Exit Offer received by the Transfer Secretaries, the Consortium or the relevant CSDP or Broker prior to the Closing Date, will be irrevocable; subject to the rights of Exit Offeree Shareholders to withdraw such acceptance in the limited circumstances contemplated in the Takeover Regulations.
- 3.6.2 Exit Offeree Shareholders should note that they may not trade any Shares in respect of which they have accepted the Exit Offer from the date of acceptance of the Exit Offer.

3.7 Transaction receipts

No receipts will be issued by the Transfer Secretaries or the Consortium for Forms of Acceptance, Surrender and Transfer unless specifically requested to do so by the Exit Offeree Shareholder in question. Lodging agents who require special transaction receipts are requested to prepare such receipts and to submit them for stamping by the Transfer Secretaries together with the Form of Acceptance, Surrender and Transfer.

3.8 Applicable law

- 3.8.1 The Exit Offer is made in compliance with the requirements of the Companies Act and the Takeover Regulations and is governed by and subject to the provisions of the laws of South Africa and will be subject to the exclusive jurisdiction of the South African courts.
- 3.8.2 Each Exit Offer Participant will be deemed by his acceptance to have consented and submitted to the jurisdiction of the courts of South Africa in relation to all matters arising out of or in connection with the Exit Offer and acceptance thereof.

3.9 Exit Offer not made where illegal

- 3.9.1 The legality of the Exit Offer to persons resident in jurisdictions outside of South Africa may be affected by the laws of the relevant jurisdiction. Such persons should acquaint themselves with any applicable legal requirements which they are obliged to observe. It is the responsibility of any Ascendis Shareholder wishing to accept the Exit Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith.
- 3.9.2 In particular, the Exit Offer is not being made, directly or indirectly, in or into any jurisdiction where it is illegal for the Exit Offer to be made or accepted ("**Affected Jurisdictions**").
- 3.9.3 Persons wishing to accept the Exit Offer should not use the mail of any of the Affected Jurisdictions or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to the Exit Offer.

3.9.4 Envelopes containing Forms of Acceptance, Surrender and Transfer or other documents relating to the Exit Offer should not be post-marked in any of the Affected Jurisdictions or otherwise dispatched from any of the Affected Jurisdictions and all acceptors must provide addresses outside the Affected Jurisdictions for receipt of the Exit Offer Consideration to which they are entitled under the Exit Offer. If received in any jurisdiction where it is illegal for the Exit Offer to be made or accepted, this document should be treated as being received for information purposes only.

3.10 Approvals, consents and undertakings received

3.10.1 The Consortium has obtained the necessary authorisations and approvals, to the extent applicable, to proceed with the Exit Offer. The Exit Offer constitutes the acquisition of a beneficial interest in the remaining Shares, excluding the Excluded Shares, and is an “affected transaction” as defined in section 117(c)(v) of the Companies Act.

3.10.2 The TRP and the JSE have both approved this Circular.

3.11 Tax implications for Exit Offeree Shareholders

The tax treatment for Exit Offeree Shareholders is dependent on the individual circumstances and the jurisdiction applicable to such Exit Offeree Shareholders. It is recommended that, should Exit Offeree Shareholders be uncertain about the tax implications of accepting the Exit Offer and the receipt of the Exit Offer Consideration, they should seek appropriate professional advice in this regard.

3.12 Other terms of the Exit Offer

3.12.1 The Exit Offer may be amended, varied or revised in such a manner as the Consortium in its sole discretion may determine, provided that no such amendment, variation or revision shall be made unless:

3.12.1.1 the prior consent of the TRP and JSE (if required) has been obtained;

3.12.1.2 there is no diminution in the value of the Exit Offer Consideration offered and the Exit Offer is on no less favourable terms; and

3.12.1.3 an announcement on SENS containing the amended, varied or revised Exit Offer is made prior to the finalisation time and date of the Exit Offer or such other date which is approved by the TRP.

3.12.2 In addition to the above, no amendment to, or variation of the Exit Offer will be valid unless made in writing and signed by a duly authorised representative of the Consortium. Without prejudice to its other rights, the Consortium reserves the right to condone, in its sole discretion, the non-observance by any Shareholder of any of the terms or conditions of the Exit Offer. If the Exit Offer is amended, varied or revised in a manner which makes it more favourable to the Shareholders, the benefit of such improved Exit Offer will automatically accrue to any Shareholder who has accepted the Exit Offer prior to the amendment, variation or revision being made.

3.12.3 The acceptance by or on behalf of such Shareholders of the Exit Offer in its original or previous form shall be deemed to be an acceptance of any improved Exit Offer pursuant to any such amendment, variation or revision and shall constitute an irrevocable authority and power of attorney in *rem suam* to any director or duly authorised representative of the Consortium:

3.12.3.1 to accept such amended, varied or revised Exit Offer on behalf of such Shareholder; and

3.12.3.2 to execute on behalf of and in the name of such Shareholder all such further documents (if any) as may be required to give effect to such acceptance.

4. PROCEDURE FOR ACCEPTANCE OF THE EXIT OFFER

4.1 Certificated Shareholders

- 4.1.1 Certificated Shareholders who wish to accept the Exit Offer are required to complete the attached Form of Acceptance, Surrender and Transfer and return it to the Transfer Secretaries together with their Documents of Title in respect of their Exit Offer Shares, at their own risk, to be received by no later than 12:00 pm on the Closing Date. If a Form of Acceptance, Surrender and Transfer is not received by 12:00 pm on the Closing Date, such Certificated Shareholder will be deemed to have declined the Exit Offer. No late acceptances will be considered if received by the Transfer Secretaries after 12:00 pm on the Closing Date.
- 4.1.2 If the Documents of Title relating to the Exit Offer Shares held by a Certificated Shareholder have been lost or destroyed, Exit Offeree Shareholders should nevertheless return a duly completed Form of Acceptance, Surrender and Transfer together with a duly completed indemnity form obtainable from the Transfer Secretaries. Only indemnity forms obtained from the Transfer Secretaries (available on request) will be regarded as suitable. The Consortium shall be entitled to, in their absolute discretion and by way of written agreement in the instance in which satisfactory evidence has been provided that the Documents of Title have been lost or destroyed, waive the requirement that the Certificated Shareholder provides an indemnity.
- 4.1.3 No receipt will be issued by the Transfer Secretaries or the Consortium for Forms of Acceptance, Surrender and Transfer or Documents of Title unless specifically requested to do so by the Exit Offeree Shareholder in question. Lodging agents who require special transaction receipts are requested to prepare such receipts and to submit them for stamping by the Transfer Secretaries together with the Form of Acceptance, Surrender and Transfer.

4.2 Dematerialised Shareholders

- 4.2.1 Dematerialised Shareholders who wish to accept the Exit Offer are required to notify their CSDP's or Brokers of their acceptance in the manner and by the deadline stipulated in the Custody Agreement concluded between the holders of Dematerialised Shares and their CSDP's or Brokers, as the case may be. If no instruction is given to their CSDP's or Brokers, or if there is any doubt or dispute in respect of their acceptance, such Dematerialised Shareholders will be deemed to not have accepted the Exit Offer. Dematerialised Shareholders must not complete the attached Form of Acceptance, Surrender and Transfer. The CSDP or Broker of a Dematerialised Shareholder who wishes to accept the Exit Offer must notify the Transfer Secretaries of such acceptance of the Exit Offer.
- 4.2.2 The Consortium reserves the right, in its sole and absolute discretion, to:
- 4.2.2.1 in respect of Certificated Shares, treat as invalid Forms of Acceptance, Surrender and Transfer not accompanied by valid Documents of Title;
 - 4.2.2.2 treat as invalid Forms of Acceptance, Surrender and Transfer not properly completed;
 - 4.2.2.3 require proof of the authority of the person signing the Form of Acceptance, Surrender and Transfer where such proof has not been lodged with or recorded by the Transfer Secretaries; and
 - 4.2.2.4 without prejudice to any of its rights, the Consortium reserves the right to condone, in its sole discretion, the non-performance by any Ascendis Shareholder of any of the terms of the Exit Offer.

4.3 Settlement of the Exit Offer Consideration

- 4.3.1 Certificated Shareholders who accept the Exit Offer will have the Exit Offer Consideration transferred to them by way of EFT into the bank account nominated by them in the Form of Acceptance, Surrender and Transfer by no later than the Payment Date, being within six Business Days after the later of the Exit Offer being declared wholly unconditional and the date on which such Exit Offeree Shareholders deliver Forms of Acceptance, Surrender and Transfer and Documents of Title to the Transfer Secretaries with the last Payment Date being the first Business Day after the Closing Date.

- 4.3.2 Dematerialised Shareholders who accept the Exit Offer will have their accounts at their CSDP or Broker updated with the Exit Offer Consideration by no later than the Payment Date, being within six Business Days after the later of the Exit Offer being declared wholly unconditional and the date on which the CSDP's or Brokers of such Exit Offeree Shareholders notify the Transfer Secretaries of their acceptance of the Exit Offer with the last Payment Date being the first Business Day after the Closing Date.
- 4.3.3 If the Exit Offer Consideration is not paid to Shareholders entitled thereto because the relevant Documents of Title and Forms of Acceptance, Surrender and Transfer have not been surrendered, or if the Exit Offer Consideration is returned undelivered to the Transfer Secretaries, the Exit Offer Consideration will be held by the Consortium or the Transfer Secretaries, on behalf of and for the benefit of such Certificated Shareholders, until claimed by the relevant Ascendis Shareholder and no interest will accrue thereon. This paragraph does not apply to Dematerialised Shares held by Exit Offeree Shareholders.
- 4.3.4 The settlement of the Exit Offer Consideration to which any Ascendis Shareholder becomes entitled in terms of the Exit Offer will be implemented in full in accordance with the terms of the Exit Offer without regard to any lien, right of set-off, counter-claim or any other analogous right to which the Consortium may be entitled.
- 4.3.5 The settlement of the Exit Offer Consideration for both Dematerialised Shareholders and Certificated Shareholders will be made subject to the Exchange Control Regulations.

5. **SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS**

The settlement of the Exit Offer Consideration for both Certificated Shareholders and Dematerialised Shareholders will be made subject to the Exchange Control Regulations. The following is a summary of the applicable Exchange Control Regulations. Foreign Shareholders that are to receive the Exit Offer Consideration, must satisfy themselves as to the full observance of the laws of the relevant jurisdiction concerning the receipt of the Exit Offer Consideration. This includes obtaining any required governmental or other consents, observing any other required formalities and paying any transfer or other taxes due in that jurisdiction. If any Foreign Shareholder is in any doubt, he/she should consult his/her professional advisors without delay.

5.1 **Residents of the Common Monetary Area**

In the case of:

- 5.1.1 Certificated Shareholders whose registered addresses in the Register are within the Common Monetary Area and whose Documents of Title are not restrictively endorsed in terms of the Exchange Control Regulations, the Exit Offer Consideration will be transferred to such Certificated Shareholders, in accordance with paragraph 4.3 above; or
- 5.1.2 Dematerialised Shareholders whose registered addresses in the Register are within the Common Monetary Area and whose accounts with their CSDP or Broker have not been restrictively designated in terms of the Exchange Control Regulations, the Exit Offer Consideration will be credited directly to the accounts nominated for the relevant Dematerialised Shareholders by their duly appointed CSDP or Broker in terms of the provisions of the Custody Agreement with their CSDP or Broker.

5.2 **Emigrants from the Common Monetary Area**

In the case of Exit Offeree Shareholders who are emigrants from the Common Monetary Area and whose Shares form part of their blocked assets, the Exit Offer Consideration will:

- 5.2.1 in the case of Certificated Shareholders whose Documents of Title are restrictively endorsed in terms of the Exchange Control Regulations, be forwarded to the Authorised Dealer controlling the Exit Offeree Shareholder's blocked assets in terms of the Exchange Control Regulations, against delivery of the relevant Documents of Title. The Form of Acceptance, Surrender and Transfer attached to this Circular makes provision for the details of the Authorised Dealer concerned to be given; or

5.2.2 in the case of Dematerialised Shareholders whose registered addresses in the Register are within the Common Monetary Area and whose accounts with their CSDP or Broker have been restrictively designated in terms of the Exchange Control Regulations, be paid to their CSDP or Broker which shall arrange for same to be credited directly to the blocked Rand bank account of the Shareholder concerned with their Authorised Dealer.

5.3 All other non-residents of the Common Monetary Area

The Exit Offer Consideration accruing to Foreign Shareholders whose registered addresses are outside the Common Monetary Area and who are not emigrants from the Common Monetary Area will, in the case of:

5.3.1 Certificated Shareholders whose Documents of Title have been restrictively endorsed in terms of the Exchange Control Regulations, be deposited with their Authorised Dealer nominated by such Certificated Shareholder; or

5.3.2 Dematerialised Shareholders, be paid to their duly appointed CSDP or Broker and credited to such Foreign Shareholders in terms of the provisions of their Custody Agreement.

5.4 Information not provided

If the information regarding Authorised Dealers is not given or the instructions are not given as required in terms of the Form of Acceptance, Surrender and Transfer or otherwise, the Exit Offer Consideration will be held in trust for an indefinite period by the Consortium or the Transfer Secretaries on behalf of the Consortium for the Foreign Shareholders concerned, pending receipt of the necessary information or instructions.

6. INTERESTS OF THE CONSORTIUM IN ASCENDIS

6.1 Interest of the Consortium in Ascendis

6.1.1 The Consortium has disclosed the following shareholding in Ascendis held directly and indirectly by the members of the Consortium:

Shareholder	Direct Beneficial	Indirect Beneficial	Total number of Shares	% of issued Shares ¹
ACN Capital	–	4 378 846 ²	4 378 846 ²	0.70
Carl Andre Capital	4 494 807	–	4 494 807	0.72
Dendrobium Capital	36 741 922	–	36 741 922	5.87
Emfam	–	–	–	–
Kingston Kapitaal	13 126 283	–	13 126 283	2.10
JVDM	–	–	–	–
Total	54 363 012	4 378 846	58 741 858	9.39

Note:

1. As a percentage of the issued share capital of Ascendis, excluding Treasury Shares.
2. Held through ACN Capital Proprietary Limited, a concert party of the Consortium, and a wholly owned subsidiary of ACN Capital.
3. The remaining concert parties of the Consortium hold the following shareholding in Ascendis:
 - a 7 557 483 Shares are held by Blee Beleggings Proprietary Limited; and
 - b 9 097 350 Shares are held by Carl Neethling.
4. No Consortium member or their concert parties holds any option to acquire Shares in Ascendis.

6.1.2 Save for Carl Neethling, who is a director of ACN Capital, Dendrobium, Kingston Kapitaal and Carl Andre Capital, and whose holding of Ascendis Shares is set out in paragraph 6.1.1 above, none of the directors of any of the members of the Consortium hold any Ascendis Shares.

- 6.1.3 There has been no trade by the Consortium, persons related to the Consortium and/or persons acting in concert with the Consortium in Shares in the period commencing six months before the date of the Firm Intention Announcement, being Monday, 27 November 2023, and ending on the Last Practicable Date, save as set out below:

Entity	Trade Date	Nature of transaction	Number of Shares	Price (Rand)
ACN Capital Proprietary Limited	5 May 2023	Acquisition	148 983	92 369.46
ACN Capital Proprietary Limited	12 May 2023	Acquisition	79 002	48 981.24
ACN Capital Proprietary Limited	18 May 2023	Acquisition	380 000	232 180.00
ACN Capital Proprietary Limited	31 May 2023	Acquisition	231 465	143 207.40
ACN Capital Proprietary Limited	9 June 2023	Acquisition	830 338	514 809.56
ACN Capital Proprietary Limited	15 June 2023	Acquisition	778 579	481 706.83
ACN Capital Proprietary Limited	23 June 2023	Acquisition	192 854	118 354.50
ACN Capital Proprietary Limited	30 June 2023	Acquisition	351 903	218 179.86

7. ARRANGEMENTS IN RELATION TO THE EXIT OFFER

- 7.1 Other than the Firm Intention Exit Offer Letter and the Management Agreement, no agreement exists between the Consortium and Ascendis which could be considered material to a decision regarding the Exit Offer to be taken by Exit Offeree Shareholders. Details of Irrevocable Undertakings provided by Ascendis Shareholders are set out in paragraph 9 and **Annexure 4** of this Circular.
- 7.2 Save as stated above, there are no other arrangements, agreements or understandings which have any connection with or dependence on the Exit Offer that exist between Ascendis and the Consortium within the 12 months preceding the Last Practicable Date.

8. RELATED AND CONCERT PARTIES AND AGREEMENTS

- 8.1 The Consortium members confirm that they will be the ultimate acquirors of the Exit Offer Shares. The Consortium members are not acting in concert with any other person, save for ACN Capital Proprietary Limited, Blee Beleggings Proprietary Limited and Carl Neethling who are deemed to be acting in concert with the Consortium.
- 8.2 Save as disclosed in paragraph 7 above and 9 below, no agreements exist between the Consortium and any of the parties mentioned in paragraphs (i) to (iii) of regulation 106(4)(e) of the Takeover Regulations.
- 8.3 No voting agreement or arrangement exists between any of the members of the Consortium in relation to Ascendis or the Ascendis Shares.

9. IRREVOCABLE UNDERTAKINGS

- 9.1 As at the Last Practicable Date, Irrevocable Undertakings to vote in favour of the Delisting Resolution have been received from Exit Offeree Shareholders collectively holding 299 340 024 Shares representing 54.39% of the Shares in issue (excluding the Excluded Shares and Shares held by concert parties).

- 9.2 In addition, Irrevocable Undertakings not to accept the Exit Offer have been received from Exit Offeree Shareholders collectively holding 304 481 533 Shares, representing 53.29% of the Shares in issue (excluding the Excluded Shares).
- 9.3 The details of the Irrevocable Undertakings referred to in paragraphs 9.1 and 9.2 above are set out in **Annexure 4** of this Circular.
- 9.4 None of the Exit Offeree Shareholders set out in **Annexure 4** have any interests in shares in the Consortium.

10. CONSORTIUM RESPONSIBILITY STATEMENT

The boards of the members of the Consortium collectively and individually accept full responsibility for the accuracy of the information given, which relates to the Consortium and the Exit Offer, and certify that, to the best of their knowledge and belief, the information is true and there are no other facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the Circular contains all information required by law, Takeover Regulations and the JSE Listings Requirements.

FOR AND ON BEHALF OF THE CONSORTIUM

SIGNED ON 14 DECEMBER 2023 BY AC NEETHLING ON BEHALF OF THE CONSORTIUM



MR. AC NEETHLING
DIRECTOR OF ACN CAPITAL IHC

SECTION 3: ASCENDIS' RESPONSE CIRCULAR

11. INTRODUCTION

- 11.1 This Circular contains the response by the Independent Board to the Exit Offer proposed by the Consortium, as described in Section 2 of this Circular.
- 11.2 In recent years, Ascendis has embarked on a strategy to maximise value for its Shareholders. Significant progress has been made to date with various initiatives aimed at stabilising the Group's balance sheet and optimising costs and operations.
- 11.3 Ascendis and the Consortium believe that the Delisting of Ascendis from the JSE is the next step in its strategy to unlock value for Ascendis Shareholders and to provide exit optionality, given that the remaining Ascendis Group is materially smaller in asset size, earnings and market capitalisation and can no longer justify the high direct and indirect costs of operating on a listed stock exchange.
- 11.4 Post the Delisting, it is not anticipated that the nature of the Company's business is likely to change significantly, however, the make up and composition of the Board will be considered in the light of the governance requirements for an unlisted but public company in accordance with the Companies Act.
- 11.5 The unlisted environment may not meet certain Shareholders' investment objectives and accordingly Exit Offeree Shareholders are given the opportunity to dispose of their Shares in the Company in terms of the Exit Offer, at a material premium.

12. RATIONALE FOR THE EXIT OFFER AND DELISTING

Further to the rationale for the Exit Offer and Delisting as set out in paragraph 2.3, the Board has concluded that the Transaction:

- 12.1 affords Exit Offeree Shareholders an opportunity to exit from holding their Shares at a premium, noting that the Shares are tightly held with relatively poor liquidity and analyst coverage;
- 12.2 enhances the Company's ability to focus on achieving its key strategic objectives in challenging trading conditions through the alleviation of obligations pursuant to being listed on the JSE; and
- 12.3 removes the direct and indirect financial costs involved with maintaining the Company's listing on the JSE.

13. THE DELISTING

- 13.1 Application will be made to the JSE to approve the Delisting of Shares from the Main Board of the JSE in terms of paragraph 1.14 to 1.16 of the JSE Listings Requirements, resulting in the termination of the Company's listing on the JSE, with effect from the commencement of trade on the second Business Day after the Closing Date, subject to:
 - 13.1.1 the Management Agreement Resolution being adopted by the requisite majority of Shareholders, and the Management Agreement being approved by the TRP; and
 - 13.1.2 the Delisting being approved by at least 75% of the votes of all Shareholders present or represented by proxy and entitled to vote on the Delisting Resolution at the General Meeting as required in terms of paragraph 1.16 of the JSE Listings Requirements.
- 13.2 Irrevocable Undertakings to vote in favour of the Delisting Resolution have been received from Exit Offeree Shareholders collectively holding 299 340 024 Shares representing 54.39% of the Shares in issue (excluding the Excluded Shares and shares held by concert parties), as set out in **Annexure 4**.

14. THE GENERAL MEETING

- 14.1 The General Meeting will be held electronically on Thursday, 18 January 2024 at 11:00 for purposes of considering and if deemed fit, passing with or without modification, the Resolutions set out in the Notice of General Meeting and forming part of this Circular.
- 14.2 Shareholders are referred to the “*Action required by Shareholders*” section of this Circular, which commences on page 6 and contains information as to the action they need to take with regard to the General Meeting.

15. COMPOSITION AND FEE OF INDEPENDENT BOARD

- 15.1 The Independent Board comprises of Bharti Harie, Dr. Karsten Wellner and Amaresh Chetty.
- 15.2 The above-mentioned directors of the Independent Board will be entitled to a fee equal to R75 000 per member and R100 000 for the chair of the Independent Board (being Amaresh Chetty) for performing the functions of the Independent Board in relation to the Exit Offer, which fee is subject to the approval by the Ascendis Shareholders at the General Meeting in terms of the Companies Act.

16. APPOINTMENT OF THE INDEPENDENT EXPERT

The Independent Board has appointed BDO as its Independent Expert to provide the Independent Board with its opinion as to whether the terms of the Exit Offer are fair and reasonable to Shareholders, in accordance with the requirements of the Takeover Regulations as well as the JSE Listings Requirements.

17. OPINION OF INDEPENDENT EXPERT

- 17.1 The Board has appointed the Independent Expert to compile a report on the fairness and reasonableness of the Exit Offer. The Independent Expert Report has been prepared in accordance with section 114(3) of the Companies Act, regulation 90(6) and 110 of the Takeover Regulations and, in accordance with the paragraph 1.15(d) read with Schedule 5 of the JSE Listings Requirements and appears in **Annexure 2** to this Circular and has not been withdrawn prior to publication of this Circular.
- 17.2 Having considered the terms and conditions of the Exit Offer, based on the conditions set out in its report, the Independent Expert has concluded that the terms and conditions of the Exit Offer are both fair and reasonable to Shareholders, as each of these terms are defined in the Companies Regulations and the JSE Listings Requirements, as applicable.

18. VIEWS OF THE INDEPENDENT BOARD AND BOARD INTENTIONS

18.1 Independent Board

- 18.1.1 As contemplated in regulation 110(3) of the Takeover Regulations, in order for an Independent Board to express an opinion on an offer and on the offer consideration, it must either perform a valuation of the offeree regulated company's securities that are the subject of an offer or place reliance upon a valuation of the offeree regulated company's securities that are the subject of an offer, as performed by an independent expert after performing the requisite amount of work that satisfies the Independent Board that it is justified in placing reliance upon that valuation.
- 18.1.2 In terms of regulation 110(6) of the Takeover Regulations, the Independent Board must consider factors that are difficult to quantify, or are unquantifiable, and must disclose such factors and take them into account in forming its opinion in respect of fairness. The Independent Board must also form a view of a range of fair value of the offeree regulated company securities, based upon an accepted valuation approach, as contemplated in regulation 110(7) of the Takeover Regulations.
- 18.1.3 For the purposes of this Circular, in determining whether the Exit Offer Consideration may generally be considered to be “fair” and “reasonable” the meanings ascribed to the words “fair” and “reasonable” in the Takeover Regulations are applied. In this regard, it is noted that:
- 18.1.3.1 in accordance with regulation 110(8) of the Takeover Regulations, an offer with a consideration per offeree regulated company security within a fair-value range is generally considered to be fair; and

- 18.1.3.2 an offer with an offer consideration per offeree regulated company security above the offeree regulated company's traded security price at the time the offer consideration per security was announced, or at some more appropriate identifiable time, is generally considered to be reasonable in terms of regulation 110(9) of the Takeover Regulations.
- 18.1.4 In terms of paragraph 1.15 of the JSE Listings Requirements, a delisting must be accompanied by an offer to all shareholders, which offer must be fair.
- 18.1.5 The Independent Board, after due consideration of the report of the Independent Expert, has determined that it will place reliance on the valuation performed by the Independent Expert for the purposes of reaching its own opinion regarding the Exit Offer and the Exit Offer Consideration as contemplated in regulation 110(3)(b) of the Takeover Regulations.
- 18.1.6 The Independent Board has considered the following factors which are difficult to quantify or are unquantifiable (as contemplated in regulation 110(6) of the Takeover Regulations) in forming its opinion:
- 18.1.6.1 the effort, costs and expenses associated with remaining listed on the JSE; and
- 18.1.6.2 poor market ratings achieved by small capitalisation investment holding companies.
- 18.1.7 The Independent Expert determined a fair value range of between 76 cents and 89 cents per Share, with a most likely value of 84 cents per Share.
- 18.1.8 The Independent Board has formed a view of the range of the fair value of the Shares, which accords with the valuation range contained in the Independent Expert's Report, in considering its opinion and recommendation.
- 18.1.9 The view of the Independent Board is that the Exit Offer is fair. This is a function of the Exit Offer Consideration falling within the fair value range determined in respect to the Shares.
- 18.1.10 The Independent Board has concluded that the Exit Offer is reasonable after taking into account the factors noted above in paragraph 18.1.6 and it was further noted that the Exit Offer Consideration per Share is above the closing price and the 30 day VWAP for the Shares prior to the date of the Cautionary Announcement.
- 18.1.11 Accordingly, the Independent Board unanimously recommends that Exit Offeree Shareholders vote in favour of the Resolutions tabled in the Notice of General Meeting and that they accept the Exit Offer.

18.2 Board intentions

It is the current intention of Dr. Karsten Wellner and Bharti Harie not to accept the Exit Offer. Shares held by Carl Neethling and his associated entities are either Excluded Shares or the relevant entities have provided an Irrevocable Undertaking not to accept the Exit Offer. Calibre Capital (Pty) Ltd, the entity associated to Theunis de Bruyn, has provided an Irrevocable Undertaking not to accept the Exit Offer. The interests of the Directors in Ascendis are set out in 20.2.1 below.

19. MAJOR AND CONTROLLING SHAREHOLDERS

- 19.1 Set out below are the names of Shareholders (other than Directors) that are directly or indirectly, beneficially interested in 5% or more of the issued Shares as at the Last Practicable Date:

Shareholder	Number of Shares directly held	% of issued Shares*
Calibre Capital (Pty) Ltd	114 367 267	18.28
International Finance Corporation	61 686 663	9.86
Kefolile Health Investments (Pty) Ltd	56 321 482	9.00
Cresthold (Pty) Ltd	48 187 648	7.70
Alpvest Equities (Pty) Ltd	47 802 918	7.64
Dendrobium Capital (Pty) Ltd	36 741 922	5.87
Total	365 107 900	58.35

* Excluding Treasury Shares.

- 19.2 As at the Last Practicable Date Ascendis does not have a controlling Shareholder.

20. INTERESTS OF ASCENDIS AND ITS DIRECTORS IN THE CONSORTIUM AND ASCENDIS

20.1 Interests of Ascendis in the Consortium

20.1.1 As at the Last Practicable Date, Ascendis held no interest in the Consortium.

20.1.2 There has been no trade by Ascendis in any interest in the Consortium in the period commencing six months before the date of the Firm Intention Announcement, being Monday, 27 November 2023 and ending on the Last Practicable Date.

20.2 Interests of the Directors in Ascendis and the Consortium

20.2.1 The interests of the Directors in Shares as at the Last Practicable Date are as follows:

Director	Direct Beneficial	Indirect Beneficial	Total	% Holding*
AC Neethling	9 097 350	65 947 438	75 044 788	11.99
A Chetty	–	–	–	–
T de Bruyn	–	114 367 267	114 367 267	18.28
Dr. K Wellner	1 278 124	–	1 278 124	0.21
B Harie	4 602	245 923	250 525	0.04
Total	10 380 076	180 560 628	190 940 704	30.52

* Excluding Treasury Shares.

20.2.2 There have been no changes in the interests of Directors in Shares between the last financial year-end, being 30 June 2023 and the Last Practicable Date.

20.2.3 As at the Last Practicable Date, the Directors' interests in the shares of the members of the Consortium, are as set out below:

Director	Consortium Entity	Direct	Indirect	Total
AC Neethling	ACN Capital IHC	–	92%	92%
AC Neethling	Carl Andre Capital	–	Beneficiary of Ultimate Beneficial Owner (Carl Andre Neethling Trust)	–
AC Neethling	Dendrobium Capital	–	Beneficiary of Ultimate Beneficial Owner (P&M Neethling Trust)	–

20.2.4 There has been no trade by the Directors in the shares of the members of the Consortium in the period commencing six months before the date of the Firm Intention Announcement, being Monday, 27 November 2023 and ending on the Last Practicable Date.

20.3 Directors' service contracts and remuneration

20.3.1 There will be no change in the remuneration of Directors as a consequence of the Exit Offer.

20.3.2 No payment or other benefit will be made or given by Ascendis to any Director for compensation for loss of office or as consideration for, or in connection with, his/her retirement from office as a consequence of the Transaction.

20.3.3 No service contracts have been entered into or amended within six months before the Firm Intention Announcement date.

20.4 Directors' interests in the Exit Offer

Save as set out in paragraph 20.2 and the benefit that will accrue to Carl Neethling by virtue of the Management Agreement, no Director will benefit directly or indirectly, in any manner as a consequence of the implementation of the Transaction.

20.5 Directors' interests in other transactions

The Directors have not had any material beneficial interests, whether direct or indirect, in transactions that were effected by Ascendis during the current or immediately preceding financial year or during an earlier financial year which remains in any respect outstanding or unperformed.

21. HISTORICAL FINANCIAL INFORMATION

Extracts of the audited consolidated financial statements of Ascendis for the years ended 30 June 2023, 30 June 2022 and 30 June 2021 are set out in **Annexure 3**. The historical financial information of Ascendis is the responsibility of the Directors. The full audited consolidated financial statements of Ascendis for the years ended 30 June 2023, 30 June 2022 and 30 June 2021 are available for inspection in terms of paragraph 28, will be provided electronically or in physical format upon request from any registered Ascendis Shareholder, and can be accessed at the Company's website at <https://ascendishealth.com>.

22. TRADING INFORMATION

The trading history of the Shares on the JSE is set out in **Annexure 5**.

23. EXPENSES

23.1 The preliminary and estimated expenses (excluding VAT) relating to the Transaction are set out in the table below.

Nature of expense	Recipient	R'000
Corporate Advisor and Sponsor fees	Valeo Capital	1 500
Legal Advisor fees	Solaris Law	600
Independent Expert fees	BDO	425
JSE documentation inspection fees	JSE	38
TRP documentation inspection fees	Takeover Regulation Panel	100
Printing, publication and distribution costs	Ince	100
Independent Board	Independent Board members	250
Contingency fees		100
Total		3 113

23.2 There have been no preliminary expenses incurred by Ascendis in relation to the Transaction in the three years immediately preceding the date of this Circular.

24. MATERIAL CHANGES

Save as disclosed in this Circular, there have been no material changes to the financial or trading position of Ascendis since the publication of its year end results for the year ended 30 June 2023.

25. LITIGATION STATEMENT

As at the Last Practicable Date, the Company is not aware of any legal or arbitration proceedings which have not been disclosed in the Company's financial statements (which can be accessed at the Company's website at <https://ascendishealth.com>), including any legal or arbitration proceedings pending or threatened against, that may have or have had in the recent past, being the 12 months preceding the date of this Circular, a material effect on the Company's financial position.

26. INDEPENDENT BOARD RESPONSIBILITY STATEMENT

The Independent Board, whose names appear on in the "*Corporate information and advisors*" section of this Circular, collectively and individually accept full responsibility for the accuracy of the information given in this Circular and certify that, to the best of their knowledge and belief, the information in this Circular is true and there are no other facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the Circular contains all information required by law, Takeover Regulations and the JSE Listings Requirements.

27. **CONSENTS**

All parties detailed in the “*Corporate information and advisors*” section of this Circular have consented in writing to act in the capacities stated and to the inclusion of their names and, where applicable, to the inclusion of their reports in this Circular in the form and context in which they appear and have not withdrawn their consents prior to the Last Practicable Date.

28. **DOCUMENTS AVAILABLE FOR INSPECTION**

28.1 The following documents, or copies thereof, will be available for inspection by Shareholders during normal business hours at the registered office of the Company and on the Company’s website <https://ascendishealth.com> from the issue date of this Circular, until the date of the Closing Date (both days inclusive):

28.1.1 the MOI and the memorandum of incorporation of the Company’s major Subsidiaries;

28.1.2 the Firm Intention Offer Letter;

28.1.3 the Management Agreement;

28.1.4 copies of the Irrevocable Undertakings referred to in paragraph 9 of this Circular;

28.1.5 the letter issued by the TRP approving this Circular in terms of regulation 117 of the Takeover Regulations;

28.1.6 the signed Independent Expert’s Report included as **Annexure 2** to this Circular;

28.1.7 the audited consolidated financial statements of the Company for the financial years ended 30 June 2023, 30 June 2022 and 30 June 2021;

28.1.8 the consent letters referred to in paragraph 27 above; and

28.1.9 a signed copy of this Circular.

SIGNED ON 14 DECEMBER 2023 BY MR. A CHETTY ON BEHALF OF THE INDEPENDENT BOARD



MR. A CHETTY
CHAIRMAN OF INDEPENDENT BOARD

SALIENT TERMS OF THE MANAGEMENT AGREEMENT

The salient terms of the Management Agreement are as follows:

1. **Appointment:**

1.1 The Appointment of ACN Capital will be approved by the Independent Board.

2. **Term:**

2.1 The term shall be for an initial period of 24 months from becoming effective and shall automatically continue thereafter unless terminated.

2.2 The Management Agreement may be terminated at any point after the initial period pursuant to an ordinary resolution passed to this effect at a meeting of shareholders.

3. **Conditions Precedent:**

3.1 The Management Agreement will only come into effect once the following conditions have been fulfilled –

3.1.1 Ascendis shareholders and the Takeover Regulation Panel approve the Management Agreement in terms of section 126(1) of the Companies Act No 71 of 2008; and

3.1.2 The Delisting of the Company from the JSE has been implemented.

4. **Responsibilities and key focus areas of ACN Capital:**

ACN Capital undertakes to avail sufficient resources and capacity, including but not limited to substantially all the time of Carl Neethling as CEO, for the purposes of fulfilling the below functions:

4.1 Driving and implementing the strategy as approved by the Board;

4.2 All CEO related functions;

4.3 Active capital allocation;

4.4 Active value creation;

4.5 Return of value to shareholders;

4.6 Growth initiatives and active portfolio management; and

4.7 Mergers and acquisitions.

5. **Fees payable**

5.1 The management fee payable to ACN Capital shall be R8.5 million per year (exclusive of VAT). This fee:

5.1.1 is intended to cover ACN Capital's fixed costs in rendering the agreed services;

5.1.2 is inclusive of the CEO salary and all other ACN overhead costs;

5.1.3 excludes travel expenses and disbursements relating to the Company;

5.1.4 excludes costs related to any company secretarial work;

5.1.5 excludes any direct operational management/involvement in the underlying portfolio companies within the Company;

- 5.1.6 will increase by CPIX annually or such amount as mutually agreed by the Board and ACN Capital; and
- 5.1.7 will be payable quarterly in advance.
- 5.2 The fee payable is not intended to be profit generating for ACN Capital and is intended to recover the overhead costs incurred while performing a critical value unlock function for the group and shareholders.
- 5.3 In addition to the management fee, a performance incentive will be put in place within 3 months of the Agreement becoming effective, that is in line with industry standards for unlisted, private equity investments and that will compensate ACN Capital for a percentage of all value returned to shareholders after value of approximately R500 million (the approximate market capitalisation of Ascendis at 80 cents per share) has been returned to shareholders.

INDEPENDENT EXPERT REPORT

The Board and Independent Board
Ascendis Health Limited
1 Carey Street
Wynberg
Sandton
2090

11 December 2023

Dear Sirs/Mesdames

REPORT OF THE INDEPENDENT EXPERT TO THE INDEPENDENT BOARD OF DIRECTORS OF ASCENDIS HEALTH LIMITED REGARDING THE EXIT OFFER

Introduction

In terms of the cautionary announcement released on the Stock Exchange News Service (“SENS”) of the JSE Limited (“JSE”) on Wednesday, 27 September 2023 (“Cautionary Announcement”) and Annual Results Announcement and the Company’s 2023 Annual Results Presentation released on SENS on Friday, 29 September 2023, holders of ordinary shares of no par value in the issued capital of Ascendis Health Limited (“Ascendis” or the “Company”) (“Shareholders”) (“Shares” or “Ascendis Shares”) were advised that the Company has initiated a process to investigate and progress a potential delisting of Ascendis from the JSE as the next step in its strategy to unlock value and return capital to Shareholders.

In terms of the Firm Intention Announcement (“FIA”) released on SENS on 27 November 2023, Shareholders were further advised that a group of offerors comprising ACN Capital IHC Proprietary Limited, an entity owned and controlled by Carl Neethling, Carl Andre Capital Proprietary Limited, Dendrobium Capital Proprietary Limited, Emfam Beleggings Proprietary Limited, Kingston Kapitaal Proprietary Limited and the JVDM Trust (are together the “Consortium”) delivered the firm intention offer letter on Friday, 24 November 2023 to the board of directors of Ascendis (“Board” or “Directors”) whereby the Consortium proposes to make an offer to acquire 571 386 858 Shares from Shareholders other than holders of treasury shares and Consortium Shares (“Exit Offeree Shareholders”) for a cash consideration of 80 cents per Share (“Exit Offer Consideration”) and subsequently delist the Shares from the exchange operated by JSE (“Delisting”) (the “Exit Offer”).

The authorised and issued share capital of Ascendis as at Wednesday, 6 December 2023, being the last practicable date prior to the finalisation of the circular to Shareholders regarding the Exit Offer (“Circular”) (“Last Practicable Date”) is set out below:

Authorised share capital

2,000,000,000 Shares

Issued share capital

632,469,959 Shares (of which 6,720,089 held as treasury shares)

The material interests of the directors are set out in section 20 of the Circular and the effect of the Exit Offer on those interest and persons are set out in this section of the Circular.

Fairness opinion in terms of the Listings Requirements

Pursuant to the Delisting, in terms of section 1.15(c) of the JSE Listings Requirements (“Listings Requirements”), the Exit Offer must be made to all Shareholders with terms and conditions provided in full in the circular to Shareholders (“Circular”). In terms of section 1.15(d) of the Listings Requirements, a statement must be included in the Circular by the Board confirming that the Exit Offer is fair insofar as Shareholders are concerned and that the Board has been so advised by an independent expert acceptable to the JSE. The Board must obtain a fairness opinion prepared in accordance with Schedule 5, before making this statement (“Fairness Opinion”).

The Board has constituted a sub-committee to appraise the Exit Offer on behalf of the Board (“Independent Board”).

Independent expert reports required in terms of the Companies Act

The Exit Offer is an affected transaction as defined in section 117(1)(c)(v) of the Companies Act, No. 71 of 2008, as amended (“Companies Act”). In terms of section 114(2) of the Companies Act, as read with Regulations 90 and 110 of the Companies Regulations, 2011 (“Companies Regulations”), the Independent Board of Ascendis constituted in terms of the Companies Act (“Independent Board”) is required to retain an independent expert to provide an independent expert report (in the form of a fair and reasonable opinion) in terms of section 114(3) of the Companies Act and Regulations 90 and 110 of the Companies Regulations (the “Fair and Reasonable Opinion”, together with the Fairness Opinion are the Independent Expert Report).

BDO Corporate Finance Proprietary Limited (“BDO Corporate Finance” or “Independent Expert”) has been appointed as the independent expert by the Independent Board to assess the Exit Offer. The Fair and Reasonable Opinion set out herein is provided to the Independent Board for the sole purpose of assisting the Independent Board in forming and expressing an opinion on the Exit Offer and Exit Offer Consideration for the benefit of Shareholders.

Responsibility

Compliance with the Listings Requirements is the responsibility of the Board. Compliance with the Companies Act and the Companies Regulations is the responsibility of the Independent Board. Our responsibility is to report to the Independent Board on whether the terms and conditions of the Exit Offer and the Exit Offer Consideration are fair and reasonable to Exit Offeree Shareholders.

Definition of the terms “fair” and “reasonable” applicable in the context of the Exit Offer

The “fairness” of a transaction is primarily based on quantitative issues. A transaction will generally be said to be fair to a company’s shareholders if the benefits received, as a result of the transaction, are equal to or greater than the value given up.

The Exit Offer may be said to be fair to Exit Offeree Shareholders if the Exit Offer Consideration is equal to or greater than the fair value of a Share, or not fair if the Exit Offer Consideration is less than the fair value of a Share. Furthermore, in terms of Regulation 110(8) of the Companies Regulations, an offer with a consideration per offeree regulated company security within the fair value range is generally considered to be fair.

In terms of Regulation 110(9), an offer with an offer consideration per offeree regulated company security above the offeree regulated company’s traded security price at the time the offer consideration(s) per security was announced, or at some other more appropriate identifiable time, is generally considered to be reasonable. Furthermore, qualitative considerations are also considered in opining on the reasonableness of an offer.

Details and sources of information

In arriving at our opinion we have relied upon the following principal sources of information:

- Cautionary Announcement and FIA;
- the Circular;
- the audited annual financial statements of Ascendis, for the financial years ended 30 June 2023 and 2022;
- in respect of each of the following subsidiaries of Ascendis, being:
 - Ascendis Consumer Brands Proprietary Limited (“ACB”);
 - Cardio Tech Proprietary Limited (“Cardaxes”);
 - Chempure Proprietary Limited (“Chempure”);
 - Compounding Pharmacy of South Africa Proprietary Limited (“CPSA”);
 - Interv Med Proprietary Limited (“Interv Med”);
 - Ortho-Xact Proprietary Limited (“OX”);
 - Surgical Innovations Proprietary Limited (“SI”); and
 - The Scientific Group Proprietary Limited (“TSG”);(collectively, the “Operating Assets”)
 - Supply Chain Proprietary Limited (“Supply Chain”); and
 - Ascendis Management Services Proprietary Limited (“AMS” or “Head office”)(Ascendis, the Operating Assets, Supply Chain and AMS are together the “Ascendis Group”)

the following information:

- the latest financial information of the Operating Assets, Supply Chain and AMS for the financial years ended 30 June 2021, 2022 and 2023 (excluding Interv Med);
- the latest financial information of the Interv Med for the financial years ended 30 June 2023;
- year to date financial information of Operating Assets, Supply Chain and AMS for the period ended 30 September 2023;
- forecast financial information in respect of the Operating Assets approved by the Independent Board for the financial years ending 30 June 2024 to 30 June 2028;
- summary of contingent liabilities of Ascendis Group as at 30 September 2023; and
- forecast financial information of the AMS cost centre for the year ending 30 June 2024;
- discussions with directors and management of Ascendis regarding the financial information of the Ascendis Group;
- discussions with directors and management of Ascendis on prevailing market, economic, legal and other conditions that may affect underlying value;
- publicly available information relating to the industry in which the Ascendis Group operates, in general; and
- publicly available information relating to Ascendis that we deemed to be relevant, including Company announcements and media articles.

The information above was secured from:

- Directors and management of Ascendis; and
- third-party sources, including information related to publicly available economic, market and other data which we considered applicable to, or potentially influencing Ascendis Group.

Procedures

In arriving at our opinion we have undertaken the following procedures and taken into account the following factors in evaluating the Exit Offer:

- reviewed the terms and conditions of the Exit Offer;
- reviewed the financial information relating to Ascendis Group as detailed above;
- reviewed and obtained an understanding from the management of Ascendis as to the forecast financial information of Ascendis for the financial year ending 30 June 2024 – 30 June 2028 as prepared by Ascendis management and approved by the Independent Board. This review included an assessment of the recent historical performance to date as well as the reasonableness of the outlook assumed based on discussions with management and we assessed the achievability thereof by considering historical information as well as macro-economic and industry-specific data;
- performed such other studies and analyses as we deemed appropriate and have considered our assessment of general economic, market and financial conditions and our experience in other transactions, as well as our experience in securities valuation and knowledge of the industries in which the Operating Assets operate;
- held discussions with the directors and management of Ascendis regarding the past and current business operations, regulatory requirements, financial condition and prospects of Ascendis and such other matters as we have deemed relevant to our inquiry;
- performed a valuation of an Ascendis Share as described further below in 'Valuation Approach';
- assessed the long-term potential of Ascendis Group;
- performed a sensitivity analysis on key assumptions included in the valuation;
- evaluated the relative risks associated with Ascendis Group and the industries in which the Operating Assets operate;
- reviewed certain publicly available information relating to Ascendis Group and the industries in which the Operating Assets operate that we deemed to be relevant, *inter alia*, Company announcements, media articles, and any available analyst coverage of the industry in general; and
- where relevant, representations made by management and/or directors of Ascendis were corroborated to source documents or independent analytical procedures were performed by us, to examine and understand the industries in which the Operating Assets operates, and to analyse external factors that could influence the business of Ascendis Group.

Assumptions

We arrived at our opinion based on the following assumptions:

- that the Exit Offer will have the legal, accounting and taxation consequences described in the Circular and discussions with, and materials furnished to us by representatives and advisers of Ascendis; and
- that reliance can be placed on the financial information of Ascendis Group.

Appropriateness and reasonableness of underlying information and assumptions

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in arriving at our opinion by:

- placing reliance on audit reports in the financial statements of Ascendis;
- conducting analytical reviews on the historical financial results and forecast financial information, such as key ratio and trend analyses; and
- determining the extent to which representations from the management and/or directors of Ascendis were confirmed by documentary and other financial evidence as well as our understanding of Ascendis Group and the economic environment in which the Operating Assets operate.

Limiting conditions

The Independent Expert Report is provided in connection with and for the purposes of the Exit Offer. The Independent Expert Report does not purport to cater for each individual Exit Offeree Shareholder's perspective, but rather that of the general body of Exit Offeree Shareholders. Should an Exit Offeree Shareholder be in doubt as to what action to take, he or she should consult an independent adviser.

Individual Exit Offeree Shareholder's decisions regarding the Exit Offer may be influenced by such Exit Offeree Shareholder's circumstances and accordingly, individual Exit Offeree Shareholders should consult an independent adviser if in any doubt as to the merits or otherwise of the Exit Offer.

We have relied upon and assumed the accuracy of the information provided to us in deriving our opinion. Where practical, we have corroborated the reasonableness of the information provided to us for the purpose of our opinion, whether in writing or obtained in discussion with management and/or the Independent Board, by reference to publicly available or independently obtained information. While our work has involved an analysis of, *inter alia*, the annual financial statements, and other information provided to us, our engagement does not constitute an audit conducted in accordance with generally accepted auditing standards.

Where relevant, forward-looking information of Ascendis Group relates to future events and is based on assumptions that may or may not remain valid going forward. Consequently, such information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. We express no opinion as to how closely the actual future results of Ascendis will correspond to those projected. We have however compared the forecast financial information to past trends as well as discussing the assumptions inherent therein with management and/or directors.

We have also assumed that the Exit Offer will have the legal consequences described in discussions with, and materials furnished to us by representatives and advisers of Ascendis and we express no opinion on such consequences.

Our opinion is based on current economic, regulatory and market as well as other conditions. Subsequent developments may affect the opinion, and we are under no obligation to update, review or re-affirm our opinion based on such developments.

Independence, competence and fees

We confirm that neither we nor any person related to us (as contemplated in the Companies Act) have a direct or indirect interest in the Shares or the Exit Offer, nor have had within the immediately preceding two years, any relationship as contemplated in section 114(2)(b) of the Companies Act, and specifically declare, as required by Regulation 90(6)(i) and 90(3)(a) of the Companies Regulations, that we are independent in relation to the Exit Offer and will reasonably be perceived to be independent. We also confirm that we have the necessary competence to provide the Independent Expert Report and meet the criteria set out in section 114(2)(a) of the Companies Act.

We confirm that we, nor any person related to us (as contemplated in the Listings Requirements), have any relationship with Ascendis or with any party involved in the Delisting as contemplated in paragraph 5.12 of schedule 5 of the Listings Requirements and have not had such relationship within the immediately preceding two years.

Furthermore, we confirm that our professional fees of R425,000 (excluding VAT), in respect of professional services relating to the Exit Offer are not contingent upon the success of the Exit Offer. Our fees are not payable in shares.

Valuation approach

This valuation has been prepared on the basis of "Market Value". The generally accepted definition of "Market Value" is the value as applied between a hypothetical willing vendor and a hypothetical willing prudent buyer in an open market and with access to all relevant information.

The net asset value ("NAV") method of valuation is normally the most appropriate for the valuation of pure investment companies. This valuation approach would be used to value an investment holding company, where the value attributable to such holding company would be determined on a "sum of the parts" ("SOTP") basis. As such, the NAV methodology is most applicable for businesses where the value lies in the underlying assets and not the ongoing operations of the business. BDO Corporate Finance performed a SOTP valuation of Ascendis. The valuation was based on the following principal valuation methodologies:

- for Operating Assets, we compiled forecast cash flows for each of the Operating Assets by using the forecast financial information as detailed above. We applied our assumptions of weighted average cost of capital ("WACC") to the forecast cash flows to produce a discounted cash flow ("DCF") valuation of each of the Operating Assets which was supplemented by a market approach valuation as a secondary valuation approach for each Operating Asset to support the result of the DCF valuation. In terms of the market approach we applied our calculated multiples based on market comparables, adjusted for company specific factors for each of these Operating Assets. The multiple was applied to earnings before interest, tax, depreciation and amortisation ("EBITDA") for currently profitable Operating Assets and to book value for currently loss making Operating Assets;
- Supply Chain is being discontinued and the property held by Supply Chain is being prepared for disposal. The fair value of Supply Chain is based on the expected net sale proceeds;
- aggregated the valuations of the Operating Assets, as well as adjusting for Supply Chain, financial assets and financial liabilities to determine a NAV valuation of an Ascendis Share ("Ascendis NAV");
- determined the recurring costs of AMS and applied our calculated earnings multiple to capitalise these costs;
- applied an appropriate discount to Ascendis NAV after considering "the ability to convert the business ownership interest (at whatever ownership level) to cash quickly, with minimum transaction and administrative costs in so doing and with a high degree of certainty of realising the expected amount of net proceeds" (Source: Pratt S, Reilley R and Schweighs R, Valuing a Business. McGraw-Hill, 2000) ("Holding Company Discount") (the fair value of the Operating Assets have been determined on a controlling marketable basis (i.e. each of the assets could be realised at that value if sold today), however as the Operating Assets comprise of a portfolio of eight assets it would not be possible to realise those assets simultaneously and therefore Ascendis would not receive the marketable controlling value for each of the underlying Operating Assets, given the time, costs and uncertainties involved in disposing of a portfolio); and;
- Determined the fair value per Ascendis Share based on the aggregate of the Ascendis NAV, less capitalised head office costs and the Holding Company Discount. A Holding Company Discount range of between 5% and 10% was applied to Ascendis NAV which reflects the costs and time associated with disposing of a diverse portfolio.

Key internal value drivers and assumptions for the DCF valuations of the Operating Assets comprise; gross profit margins, EBITDA margins, working capital investment, capital expenditure and the discount rate (represented by the WACC).

Key external value drivers for the DCF valuations of the Operating Assets comprise:

- ACB: Revenue growth which is a function of market growth and market share for the nutraceutical and vitamin brands portfolio, namely: Solal, VitaForce, Bettaway, Menacal7, Chela-fer, Chela-preg and Jungle Vites;
- Cardaxes: Revenue growth which is a function of growth in the coronary imaging, physiology and therapy device market and the cardiac rhythm disorder treatment market together with the market share for the Philips and Microport products offered by Cardaxes, respectively;
- Chempure: Revenue growth which is a function of the dollar denominated whey protein concentrate commodity price which impacts the demand for the products sold by Chempure;
- CPSA: Revenue growth which is a function of the availability of pharmaceutical grade raw materials and demand for the products compounded by CPSA;
- Interv Med: Revenue growth which is a function of the agencies held by Interv Med for interventional and diagnostic cardiology, interventional and diagnostic radiology, neuro interventional radiology and fluid management products and the relative market share for each agency;
- OX: Revenue growth which is a function of the market share for the Orthofix orthopaedic products in the South African External/Ring Fixator Market;
- SI: Revenue growth which is a function of the agencies held by SI for medical devices used for Minimally Invasive Surgery and the relative market share for each agency; and
- TSG: Revenue growth which is a function of the agencies held by TSG for instruments, reagents and consumables in the scientific and diagnostic industries and the relative market share for each agency.

We performed a sensitivity analysis on key assumptions in the DCF valuations. The sensitivity analysis was performed by:

- increasing and decreasing the terminal growth rate by a maximum of 1.0%; and
- increasing and decreasing WACC by a maximum of 1.0%.

The sensitivity analysis did not indicate a sufficient effect on the valuation of a Share to alter our opinion with respect to the Exit Offer and the Exit Offer Consideration.

Valuation results

In undertaking the valuation exercise above, we determined a valuation range of 76 cents to 89 cents per Share with a most likely value of 84 cents per Share.

We note that the above range results in variance of 17.7% between the lower and upper value of a Share however, the variance between the upper and lower Ascendis NAV is 13.1%. The value range per Share range is attributed to the following factors:

- Turnaround nature of some businesses within the Ascendis Group and the uncertainty of outlook – a number of businesses in the Ascendis Group have undergone extensive restructuring and have relatively new management teams. The Ascendis Group is still executing some of the restructuring initiatives, the success of which is still to be proven. There is inherently more upside and more downside risk for the businesses when compared to businesses with a consistent earnings history; and
- Head office costs and the Holding Company Discount, once deducted from the Ascendis NAV, contributes to a wider value range.

The valuation range above is provided solely in respect of the Independent Expert Report and should not be used for any other purposes.

Reasonableness of the Exit Offer

The Exit Offer Consideration represents a premium of 15.9% to the closing price of a Share on the JSE on 26 September 2023 of 69 cents per Share, being the day prior to Cautionary Announcement ("Pre-Cautionary Date").

In opining on the reasonableness of the Exit Offer Consideration we have also considered the rationale for the Exit Offer.

Opinion

The Exit Offer Consideration is at a discount of 4.8% to the core fair value of 84 cents per Share and a premium of 15.9% to the closing price per Share on the Pre-Cautionary Date.

We have considered the terms and conditions of the Exit Offer and as the Exit Offer Consideration falls within the valuation range as calculated above, we are of the opinion that the Exit Offer is fair. As the Exit Offer Consideration is above the closing price per Share on the Pre-Cautionary Date we are of the opinion that the Exit Offer is reasonable.

Our opinion is necessarily based upon the information available to us up to Wednesday, 6 December 2023, including in respect of the financial, market and other conditions and circumstances existing and disclosed to us at the date thereof. We have furthermore assumed that all conditions precedent, including any material regulatory and other approvals and consents required in connection with the Exit Offer have been fulfilled or obtained.

Accordingly, it should be understood that subsequent developments may affect this Independent Expert Report, which we are under no obligation to update, revise or re-affirm.

Consent

We hereby consent to the inclusion of this Independent Expert Report, in whole or in part, and references thereto in the Circular and any other announcement or document pertaining to the Exit Offer, in the form and context in which they appear.

Yours faithfully

N Lazanakis

Director

BDO Corporate Finance Proprietary Limited
Wanderers Office Park
52 Corlett Drive
Illovo
2196

EXTRACTS OF THE CONSOLIDATED AUDITED HISTORICAL FINANCIAL INFORMATION OF THE COMPANY FOR THE YEARS ENDED 30 JUNE 2023, 30 JUNE 2022 AND 30 JUNE 2021

Extracts of the consolidated audited historical financial information of Ascendis for the three financial years ended 30 June 2021, 2022 and 2023 are set out below and are the responsibility of the Directors of Ascendis. The full set of consolidated audited annual financial statements of Ascendis for the three financial years ended 30 June 2021, 2022 and 2023 are available on the Company's website at <https://ascendishealth.com/investor-relations/financial-results/> and are available for inspection at the registered address of the Company.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Figures in Rand (R000)	Audited 30 June 2023	Audited 30 June 2022	Audited 30 June 2021
ASSETS			
Non-current assets	222 805	519 034	804 153
Property and equipment	119 507	231 391	200 505
Intangible assets	37 587	116 308	193 757
Right-of-use assets	17 548	115 432	157 675
Goodwill	–	–	169 909
Other financial assets	4 132	7 622	13 951
Deferred taxation asset	44 031	48 281	68 356
Current assets	747 906	1 158 564	9 830 813
Inventories	365 938	371 866	454 049
Trade and other receivables	269 232	339 174	407 344
Other financial assets	1 847	51 017	14
Current tax receivable	5 224	20 909	25 895
Derivative financial assets	872	3 065	–
Cash and cash equivalent	102 231	213 020	365 980
Assets classified as held for sale	2 562	159 513	8 577 531
TOTAL ASSETS	970 711	1 677 598	10 634 966

Figures in Rand (R000)	Audited 30 June 2023	Audited 30 June 2022	Audited 30 June 2021
EQUITY AND LIABILITIES			
Equity			
Stated capital	6 156 825	6 036 471	6 017 784
Reserves	(16 472)	(714)	465 516
Accumulated loss	(5 577 456)	(5 633 954)	(6 136 763)
Attributable to equity holders of the parent	562 897	401 803	346 537
Non-controlling interest	–	–	167 232
Total equity	562 897	401 803	513 769
Non-current liabilities			
Borrowings and other financial liabilities	3 431	22 131	8 222
Lease liabilities	15 875	140 272	165 300
Deferred taxation liability	8 099	24 774	76 770
Current liabilities	380 409	1 088 618	9 870 905
Trade and other payables	313 841	423 560	522 753
Borrowings and other financial liabilities	26 376	521 538	6 784 252
Deferred vendor liabilities	–	–	116 808
Provisions	10 635	18 204	45 904
Contract liabilities	16 638	16 792	15 241
Lease liabilities	4 855	10 817	27 973
Derivative financial liabilities	–	–	2 773
Current tax payable	8 064	14 602	29 146
Bank overdraft	–	–	69
Liabilities held for sale	–	83 105	2 325 986
Total liabilities	407 814	1 275 795	10 121 197
Total equity and liabilities	970 711	1 677 598	10 634 966

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the period ended

Figures in Rand (R000)	Audited 30 June 2023	Audited 30 June 2022	Audited 30 June 2021
Revenue	1 535 437	1 559 458	1 825 469
Cost of sales	(930 906)	(921 724)	(1 132 157)
Gross profit	604 531	637 734	693 312
Other income	86 329	17 234	55 663
Selling and distribution costs	(102 770)	(113 897)	(109 249)
Administrative expenses	(474 122)	(472 356)	(557 667)
Net impairment loss on financial assets	(3 232)	(1 110)	(19 129)
Other operating expenses	(173 084)	(134 185)	(172 716)
Transaction and restructuring related costs	(34 848)	(81 062)	(270 931)
Net impairment loss on assets	(128 812)	(169 800)	(85 947)
Finance income	9 519	6 699	4 680
Finance costs	(68 118)	(484 649)	(1 084 204)
Loss before taxation	(284 607)	(795 392)	(1 546 188)
Income tax (expense)/ income	(1 635)	37 303	(108 678)
Loss from continuing operations	(286 242)	(758 089)	(1 654 866)
Profit from discontinuing operations	361 564	1 208 235	599 899
Profit/(loss) for the period	75 322	450 146	(1 054 967)
Attributable to:			
Equity holders of the parent	75 322	449 200	(1 090 804)
Continuing operations	(286 242)	(759 035)	(1 690 703)
Discontinued operations	361 564	1 208 235	599 899
Non-controlling interests	–	946	35 837
Items that may be reclassified to profit and loss net of tax			
Foreign currency translation reserve	3 288	(17 397)	159 765
Disposal and deregistration of foreign operations	–	(373 683)	–
Revaluation of property, plant and equipment	(26 090)	–	3 640
Income tax relating to items that will not be reclassified	7 044	–	(1 019)
Other comprehensive loss for the period net of tax	(15 758)	(391 080)	162 386
Total comprehensive income	59 563	59 066	(892 581)

CONSOLIDATED STATEMENT OF CASH FLOWS
For the period ended

Figures in Rand (R000)	Audited 30 June 2023	Audited 30 June 2022	Audited 30 June 2021
OPERATING ACTIVITIES			
Cash (utilised by)/generated from operations	(88 224)	(102 871)	(4 593)
Cash generated from/ (utilised by) operations – discontinued operations	(8 873)	124 026	821 949
Interest income received	9 519	5 615	4 681
Interest paid	(40 196)	(106 671)	(165 987)
Income taxes paid	(12 613)	(13 688)	(9 573)
Net cash flow from operating activities	(140 387)	(93 589)	646 477
INVESTMENT ACTIVITIES			
Purchases of property, plant and equipment	(35 726)	(55 549)	(38 565)
Proceeds on the sales of property, plant and equipment	29 678	6 896	368
Purchases of intangibles	(123)	(254)	(117)
Proceeds on the sale of intangible assets	–	–	23 286
Proceeds from disposal of other financial assets	49 692	–	2 639
Net cash inflow from investing activities – discontinued operations	432 203	1 093 716	(255 662)
Proceeds from disposal of subsidiaries – net of cash forfeited	432 203	1 188 993	170 205
Cash outflow from investing activities – discontinued operations	–	(95 277)	(425 867)
Net cash flow from investing activities	475 724	1 044 809	(268 051)
FINANCING ACTIVITIES			
Proceeds from issue of shares	101 530	–	–
Payments made to acquire treasury shares	–	(2 120)	–
Proceeds from borrowings raised	–	48 730	150 649
Repayment of borrowings	(540 124)	(1 135 679)	(86 798)
Repayments on deferred vendor liabilities	–	(120 947)	(12 000)
Lease liabilities repaid	(11 797)	(26 686)	(35 211)
Net cash outflow from financing activities – discontinued operations	(137)	(36 729)	(283 518)
Net cash flow from financing activities	(450 528)	(1 273 431)	(266 878)
Net increase/ (decrease) in cash resources	(115 191)	(322 211)	111 548
Cash and cash equivalents at beginning of period	213 020	365 911	343 983
Cash and cash equivalents at end of period	102 231	213 020	365 911

STATEMENT OF CHANGES IN EQUITY
For the period ended 30 June

Audited Figures in Rand (R000)	Stated Capital	Foreign currency translation reserve	Revaluation reserve	Other reserves	Accumulated (loss)/profit	Total	Non-controlling interest	Total equity
Balance as at 1 July 2020	5 975 703	217 875	31 395	(6 044)	(4 925 308)	1 293 621	127 138	1 420 759
(Loss)/profit for the period	-	-	-	-	(1 090 804)	(1 090 804)	35 837	(1 054 967)
Other comprehensive income	-	159 765	2 621	-	-	162 386	-	162 386
Total comprehensive income/(loss) for the period	-	159 765	2 621	-	(1 090 804)	(928 418)	35 837	(892 581)
Release of treasury shares	42 081	-	-	-	(42 081)	-	-	-
Dividends	-	-	-	-	-	-	(2 791)	(2 791)
Foreign currency translation reserve	-	(4 493)	(1 817)	(9 072)	-	(15 382)	4 493	-
Reclassification of reserves into retained earnings	-	16 875	(4 147)	63 415	(78 854)	(2 711)	2 711	-
Disposal/deregistration of subsidiary	-	-	(278)	-	-	(278)	-	-
Disposal of non-controlling interest	-	-	-	-	-	-	(451)	(451)
Statutory reserve	-	-	-	(579)	284	(295)	295	-
Total contributions by and distributions to owners of the group recognised directly in equity	42 081	12 382	(6 242)	53 764	(120 651)	(18 666)	4 257	(14 409)
Balance as at 30 June 2021	6 017 784	390 022	27 774	47 720	(6 136 763)	346 537	167 232	513 769
Profit for the period	-	-	-	-	449 200	449 200	946	450 146
Other comprehensive loss	-	(391 080)	-	-	-	(391 080)	-	(391 080)
Total comprehensive (loss)/income for the period	-	(391 080)	-	-	449 200	58 120	946	59 066

Audited Figures in Rand (R000)	Stated Capital	Foreign currency translation reserve	Revaluation reserve	Other reserves	Accumulated (loss)/profit	Total	Non-controlling interest	Total equity
Appraisal rights payments	(2 120)	-	-	-	-	(2 120)	-	(2 120)
Release of treasury shares	20 807	-	-	-	(20 807)	-	-	-
Foreign currency translation reserve	-	-	193	565	(1 492)	(734)	-	(734)
Reclassification of reserves into retained earnings	-	-	(8 921)	(66 987)	75 908	-	-	-
Disposal of non-controlling interest	-	-	-	-	-	-	(168 178)	(168 178)
Total contributions by and distributions to owners of the group recognised directly in equity	18 687	-	(8 728)	(66 422)	53 609	(2 854)	(168 178)	(171 032)
Balance as at 30 June 2022	6 036 471	(1 058)	19 046	(18 702)	(5 633 954)	401 803	-	401 803
Profit for the period	-	-	-	-	75 322	75 322	-	75 322
Other comprehensive income/(loss)	-	3 288	(19 046)	-	-	(15 758)	-	(15 758)
Total comprehensive income/(loss) for the period	-	3 288	(19 046)	-	75 322	59 564	-	59 564
Proceeds from rights offer	101 530	-	-	-	-	101 530	-	101 530
Release of treasury shares	18 824	-	-	-	(18 824)	-	-	-
Total contributions by and distributions to owners of the group recognised directly in equity	120 354	-	-	-	(18 824)	101 530	-	101 530
Balance as at 30 June 2023	6 156 825	2 230	-	(18 702)	(5 577 456)	562 897	-	562 897

DETAILS OF IRREVOCABLE UNDERTAKINGS

As at the Last Practicable Date, the following Exit Offeree Shareholders collectively holding 299 340 024 Shares representing 54.39% of the Shares in issue (excluding the Excluded Shares and Shares held by concert parties), have provided Irrevocable Undertakings to vote in favour of the Delisting Resolution in respect of their Shares held.

Shareholder	Number of Shares	% of issued Shares (excluding the Excluded Shares and Shares held by concert parties)
Calibre Investment Holdings (Pty) Ltd	114 367 267	20.78
Cresthold (Pty) Ltd	48 187 648	8.76
Alpvest Equities (Pty) Ltd	47 802 918	8.69
Kefolile Health Investments (Pty) Ltd	56 321 482	10.23
Steyn Capital (Pty) Ltd	6 250 000	1.14
Mrs Fareeda Aboobaker	4 125 923	0.75
PLN Investments (Pty) Ltd	3 442 242	0.63
Mr Tayob Nazeer Aboobaker	2 950 374	0.54
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	15 892 170	2.89
Total	299 340 024	54.39

In addition, Irrevocable Undertakings not to accept the Exit Offer have been received from Exit Offeree Shareholders collectively holding 304 481 533 Shares, representing 53.29% of the Shares in issue (excluding the Excluded Shares).

Shareholder	Number of Shares	% of issued Shares (excluding the Excluded Shares)
Calibre Investment Holdings Pty Ltd	114 367 267	20.02
Cresthold (Pty) Ltd	48 187 648	8.43
Alpvest Equities (Pty) Ltd	47 802 918	8.37
Kefolile Health Investments (Pty) Ltd	56 321 482	9.86
Steyn Capital (Pty) Ltd	6 250 000	1.09
Mrs Fareeda Aboobaker	4 125 923	0.72
PLN Investments (Pty) Ltd	3 442 242	0.60
Mr Tayob Nazeer Aboobaker	2 950 374	0.52
Andre Carl Neethling	9 097 350	1.59
ACN Capital (Pty) Ltd	4 378 846	0.77
Blee Beleggings (Pty) Ltd	7 557 483	1.32
Total	304 481 533	53.29

There have been no dealings in Shares by the Exit Offeree Shareholders who provided the Irrevocable Undertakings, set out above, for the period commencing six months before the date of the Firm Intention Announcement, and ending on the Last Practicable Date, save as set out below:

Name of Shareholder	Trade Date	Nature of transaction	Number of Shares	Price (Rand)
Steyn Capital (Pty) Ltd	2023/06/13	Acquisition	7 100 000	4 473 000
Steyn Capital (Pty) Ltd	2023/07/19	Disposal	97 000	59 170
Steyn Capital (Pty) Ltd	2023/08/25	Disposal	105 281	66 327
Steyn Capital (Pty) Ltd	2023/09/15	Disposal	100 000	64 000
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/06/05	Acquisition	58 230	36 103
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/06/07	Acquisition	256 443	158 995
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/06/08	Acquisition	253 771	157 338
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/07/04	Acquisition	49 147	30 471
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/08/21	Disposal	89 522	58 189
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/08/21	Acquisition	12 453	7 596
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/10/26	Acquisition	100 000	70 000
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/10/27	Acquisition	20 640	14 035
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/10/30	Acquisition	2 763	1 879
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/10/31	Acquisition	58 132	40 111
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/11/01	Acquisition	50 000	34 000
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/11/02	Acquisition	500	340
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/11/09	Acquisition	68 193	46 371
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/11/13	Acquisition	66 400	45 152
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/11/13	Acquisition	200 000	136 000

Name of Shareholder	Trade Date	Nature of transaction	Number of Shares	Price (Rand)
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/11/14	Acquisition	35 612	24 216
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/11/15	Acquisition	44 793	30 459
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/11/16	Acquisition	23 719	16 129
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/11/21	Acquisition	200 000	136 000
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/11/22	Acquisition	23 770	16 164
Marble Rock Moonrock Global Opportunities FR QI Hedge Fund	2023/11/23	Acquisition	1 000	680
Calibre Investment Holdings (Pty) Ltd	2023/12/01	Acquisition	4 423 079	3 507 237
Calibre Investment Holdings (Pty) Ltd	2023/11/30	Acquisition	4 423 079	2 043 443
Calibre Investment Holdings (Pty) Ltd	2023/11/29	Acquisition	6 974 151	5 588 162
Calibre Investment Holdings (Pty) Ltd	2023/11/28	Acquisition	11 668 705	9 336 515
Calibre Investment Holdings (Pty) Ltd	2023/11/27	Acquisition	10 300 000	8 012 935
Calibre Investment Holdings (Pty) Ltd	2023/06/30	Acquisition	351 903	219 112
Calibre Investment Holdings (Pty) Ltd	2023/06/23	Acquisition	192 854	118 915
Calibre Investment Holdings (Pty) Ltd	2023/06/15	Acquisition	778 580	483 620
Calibre Investment Holdings (Pty) Ltd	2023/06/09	Acquisition	830 338	516 845
Calibre Investment Holdings (Pty) Ltd	2023/05/31	Acquisition	231 465	143 860
Cresthold (Pty) Ltd	2023/10/02	Acquisition	341 229	242 273
Cresthold (Pty) Ltd	2023/10/04	Acquisition	295 448	212 723
Cresthold (Pty) Ltd	2023/10/05	Acquisition	843 135	598 626
Cresthold (Pty) Ltd	2023/10/06	Acquisition	222 449	155 714
Cresthold (Pty) Ltd	2023/10/09	Acquisition	285 797	202 916
Cresthold (Pty) Ltd	2023/10/10	Acquisition	46 609	33 558
Cresthold (Pty) Ltd	2023/10/11	Acquisition	123 906	89 212
Cresthold (Pty) Ltd	2023/10/16	Acquisition	15 353	11 054
Cresthold (Pty) Ltd	2023/10/17	Acquisition	15 070	10 850
Cresthold (Pty) Ltd	2023/10/18	Acquisition	101 936	73 394
Cresthold (Pty) Ltd	2023/10/19	Acquisition	400 000	288 000
Cresthold (Pty) Ltd	2023/10/23	Acquisition	1 409 068	1 014 529

Name of Shareholder	Trade Date	Nature of transaction	Number of Shares	Price (Rand)
ACN Capital Proprietary Limited	2023/05/05	Acquisition	148 983	92 369
ACN Capital Proprietary Limited	2023/05/12	Acquisition	79 002	48 981
ACN Capital Proprietary Limited	2023/05/18	Acquisition	380 000	232 180
ACN Capital Proprietary Limited	2023/05/31	Acquisition	231 465	143 207
ACN Capital Proprietary Limited	2023/06/09	Acquisition	830 338	514 810
ACN Capital Proprietary Limited	2023/06/15	Acquisition	778 579	481 707
ACN Capital Proprietary Limited	2023/06/23	Acquisition	192 854	118 355
ACN Capital Proprietary Limited	2023/06/30	Acquisition	351 903	218 180

SHARE TRADING HISTORY OF ASCENDIS

Set out in the table below are the aggregate volumes and values and the highest and lowest prices traded in the Company's Shares in respect of:

- each day over the 30 trading days preceding the Last Practicable Date; and
- each month over the 12 months prior to the date of issue of the Circular.

	High (cents)	Low (cents)	Volume	Value (cents)
Monthly				
2022				
December	72	48	19 902 333	1 275 654 154
2023				
January	69	57	5 332 566	336 448 333
February	66	55	7 298 894	448 372 476
March	63	54	8 895 697	518 579 036
April	64	61	3 723 352	231 435 084
May	74	60	6 252 050	389 550 320
June	67	61	6 255 252	387 853 175
July	66	60	3 532 331	217 728 497
August	65	59	8 633 525	530 765 407
September	77	62	5 473 286	361 301 408
October	74	65	7 536 683	537 138 870
November	83	67	40 459 828	3 144 119 346
Daily				
2023				
6 December	78	78	697 525	54 406 950
5 December	79	78	374 804	29 360 540
4 December	79	78	964 286	75 650 130
1 December	80	78	4 492 226	354 886 100
30 November	80	79	2 754 986	217 644 200
29 November	80	79	8 842 478	705 248 100
28 November	80	78	12 208 974	972 565 400
27 November	83	67	14 166 044	1 076 781 000
24 November	70	67	114 752	7 814 300
23 November	69	68	59 288	4 058 572
22 November	71	68	752 047	52 727 310
21 November	69	68	290 797	19 777 180
20 November	70	68	16 452	1 132 946
17 November	70	69	112	7 831
16 November	70	68	43 839	2 981 292
15 November	68	68	64 793	4 405 924
14 November	70	68	63 855	4 342 848
13 November	69	68	326 464	22 201 120
10 November	70	67	203 343	13 990 940
9 November	71	68	109 332	7 436 216
8 November	68	68	2 500	170 000
7 November	71	68	85 705	5 864 651
6 November	71	68	34 021	2 367 491
3 November	71	69	18 862	1 320 326
2 November	71	68	839	58 069
1 November	72	68	300 345	21 223 630
31 October	70	66	265 354	18 215 350
30 October	74	66	9 627	660 462
27 October	68	68	20 100	1 366 800
26 October	68	68	640	43 520

NOTICE OF GENERAL MEETING

The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular, including to this Notice of General Meeting.

Notice is hereby given that a General Meeting of the Shareholders will be held entirely by electronic communication, at 11:00 on Thursday, 18 January 2024 for purposes of considering and, if deemed fit, passing, with or without modification, the Resolutions set out hereunder.

RECORD DATES

The record date, in terms of section 59 of the Companies Act, for Shareholders to be recorded in the Register in order to:

- receive the Notice of General Meeting is Friday, 8 December 2023;
- electronically participate and vote at the General Meeting is Friday, 12 January 2024; and
- the last day to trade in order to be eligible to vote at the General Meeting is Tuesday, 9 January 2024.

SPECIAL RESOLUTION NUMBER 1 – APPROVAL OF THE INDEPENDENT BOARD FEE

RESOLVED AS A SPECIAL RESOLUTION, that the Company be and is hereby authorised to pay the directors of the Independent Board the following fee for performing the functions of the Independent Board in relation to the Exit Offer as contemplated in terms of the Takeover Regulations:

Independent Board Member	Fee
Bharti Harie	R75 000
Dr. Karsten Wellner	R75 000
Amaresh Chetty	R100 000

Voting in respect of this Special Resolution Number 1

The percentage of voting rights required for this Special Resolution Number 1 to be adopted is at least 75% of the voting rights exercised thereon by Shareholders present or represented by proxy at the General Meeting.

Reason and effect

The reason for Special Resolution Number 1 is to obtain the approval of the Shareholders for the Company to pay the directors of the Independent Board a fee for performing the functions of the Independent Board in terms of section 66(9) of the Companies Act. The effect of Special Resolution Number 1 is that the Company will be authorised to pay the directors of the Independent Board the proposed fee for performing the functions of the Independent Board as contemplated in terms of the Takeover Regulations.

ORDINARY RESOLUTION NUMBER 1 – AUTHORITY TO DELIST AND TO APPLY FOR THE DELISTING OF THE COMPANY FROM THE JSE

RESOLVED AS A ORDINARY RESOLUTION, that the Delisting of all Shares from the Main Board of the JSE in accordance with paragraphs 1.14 to 1.16 of the JSE Listing Requirements be and is hereby approved, and the Company be and is hereby authorised to apply for the Delisting of all Shares from the Main Board of the JSE, with effect from the commencement of business on or about Tuesday, 13 February 2024 or such other date as determined by the JSE.

Voting in respect of this Ordinary Resolution Number 1

The percentage of voting rights required for this Ordinary Resolution Number 1 to be adopted is at least 75% of the voting rights exercised thereon by Shareholders present or represented by proxy at the General Meeting. The Consortium, their associates and any party acting in concert with the Consortium are excluded from voting on Ordinary Resolution Number 1.

Reason and effect

The reason for Ordinary Resolution Number 1 is to obtain the approval of Shareholders in terms of paragraph 1.14 to 1.16 of the JSE Listings Requirements for the Company to implement the Delisting. The effect of Ordinary Resolution Number 1 is that the Company will be authorised to delist from the JSE.

ORDINARY RESOLUTION NUMBER 2 – APPROVAL OF THE MANAGEMENT AGREEMENT

“RESOLVED AS AN ORDINARY RESOLUTION, that the Management Agreement which will take effect on successful implementation of the Transaction, be and is hereby approved and ratified in terms of section 126(1) of the Companies Act.”

Voting in respect of this Ordinary Resolution Number 2

The percentage of voting rights required for this Ordinary Resolution Number 2 to be adopted is more than 50% of the voting rights exercised thereon by Shareholders present or represented by proxy at the General Meeting.

Reason and effect

The reason for Ordinary Resolution Number 2 is for Shareholders to approve the Management Agreement in accordance with and as required by section 126(1) of the Companies Act. The Management Agreement remains subject to the approval of the TRP in terms of section 126(1) of the Companies Act. The effect of Ordinary Resolution Number 2 is that the entering into of the Management Agreement will be approved by Ascendis Shareholders, and as a consequence take effect on implementation of the Transaction, subject to the approval of the TRP.

VOTING AND PROXIES

Participation by electronic communication

Shareholders or their duly appointed proxy(ies) that wish to participate in the General Meeting via electronic communication (Participant(s)) are requested, for administrative purposes, to either 1. register online using the online registration portal at <https://meetnow.global/za>; or 2. apply to Computershare, by sending an email to proxy@computershare.co.za so as to be received by Computershare by no later than 11:00 on Tuesday, 16 January 2024. Computershare will first validate such requests and confirm the identity of the Shareholder in terms of section 63(1) of the Act, and, if the request is validated, further details on using the electronic communication facility will be provided. The Company will inform Participants who notified Computershare of their intended participation as set out above, by no later than 16:00 on Wednesday, 17 January 2024 by email of the relevant details through which Participants can participate electronically. Participants who notified Computershare of their intended participation after 11:00 on Tuesday, 16 January 2024, but before the General Meeting will be provided with the relevant details through which Participants can participate electronically once their requests have been validated and the identity of the Shareholder has been confirmed in terms of section 63(1) of the Act.

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 CSDP to hold your Shares in your own-name on the Company's sub-register), then:

- you may electronically attend and vote at the General Meeting; alternatively
- you may appoint a proxy (who need not also be a Shareholder of the Company) to represent you at the General Meeting 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 Form of Proxy not be returned to the Transfer Secretaries by the aforesaid date and time, Shareholders will nevertheless be entitled to lodge the Form of Proxy immediately prior to the proxy exercising such

Shareholder's rights as a Shareholder at the General Meeting, in accordance with the instructions therein, with the chairman of the General Meeting at proxy@computershare.co.za. 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.

Dematerialised 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, 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 electronically participate and vote at the General Meeting 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 electronically participate and vote at the General Meeting 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 General Meeting 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.

CSDP's, 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 electronically attend and vote at the General Meeting or by completing the attached Form of Proxy in accordance with the instructions hereon 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 Form of Proxy immediately prior to the proxy exercising such Shareholder's rights as a Shareholder at the General Meeting, in accordance with the instructions therein, with the chairman of the General Meeting.

Identification

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

Votes at the General Meeting will be taken by way of a poll in accordance with the Company's MOI.

Quorum

A quorum for the purposes of considering and passing 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 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 General Meeting.

Proxies

Each shareholder is entitled to appoint one or more proxies (who need not be shareholders of Ascendis) 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 electronically attend the General Meeting but who wish to be represented thereat, are required to complete and return the attached form of proxy.

It is requested that the Form of Proxy be lodged or posted to the Transfer Secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 1st Floor, 15 Biermann Avenue, Rosebank, 2196, or at Private Bag X9000, Saxonwold, 2132, South Africa or by e-mail at proxy@computershare.co.za, to be received by them no later than 11:00 on Tuesday, 16 January 2024. However, should the Form of Proxy not

be returned to the Transfer Secretaries by the aforesaid date and time, Shareholders will nevertheless be entitled to lodge the Form of Proxy immediately prior to the proxy exercising such Shareholder's rights as a Shareholder at the General Meeting, in accordance with the instructions therein, with the chairman of the General Meeting.

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:

- A Shareholder entitled to electronically attend and vote at the General Meeting may appoint any individual (or two or more individuals) as a proxy or as proxies to electronically attend, participate in and vote at the 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 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

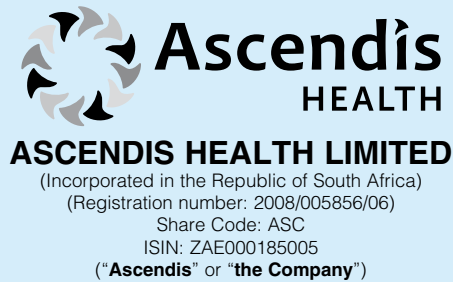
Shareholders of the Company that are companies, that wish to participate in the General Meeting, may authorise any person to act as its representative at the General Meeting.

By order of the Ascendis Board

Joseph Fine

Company Secretary

18 December 2023



FORM OF PROXY

The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular, including to this Form of Proxy (blue).

This Form of Proxy (blue) is for use at the General Meeting to be held entirely by electronic communication, at 11:00 on Thursday, 18 January 2024.

This Form of Proxy (blue) is for use by Certificated Shareholders and Own-name Registration Dematerialised Shareholders only.

Holders of Dematerialised Shares other than Own-name Registration Dematerialised Shareholders must inform their CSDP or Broker of their intention to attend the General Meeting and request their CSDP or Broker to issue them with the necessary authorisation to attend the General Meeting electronically or provide their CSDP or Broker with their voting instructions should they not wish to attend the General Meeting electronically but wish to be represented thereat.

I/We _____ (name in block letters)

of _____ (address)

Telephone (work) _____ (home)

Mobile _____ (email)

being the holder(s) of Shares

hereby appoint (see note 1):

1. _____ or failing him/her

2. _____ or failing him/her

3. the chairman of the General Meeting

as my/our proxy to attend, speak and act on my/our behalf at the General Meeting (and at any postponement or adjournment thereof) and, on a poll, to vote in my stead and to vote for or against the Resolutions or abstain from voting thereon in respect of the Shares registered in my/our name(s), in accordance with the following instructions:

	For	Against	Abstain
SPECIAL RESOLUTION NUMBER 1 – APPROVAL OF THE INDEPENDENT BOARD FEE			
ORDINARY RESOLUTION NUMBER 1 – AUTHORITY TO DELIST AND TO APPLY FOR THE DELISTING OF THE COMPANY FROM THE JSE			
ORDINARY RESOLUTION NUMBER 2 – APPROVAL OF THE MANAGEMENT AGREEMENT			

Please indicate with an "x" or the relevant number of Shares, in the applicable space, how you wish your votes to be cast. Unless otherwise directed, the proxy will vote as he/she deems fit.

Signed at _____ on _____ 2023/4

Signature(s) _____ Capacity

Assisted by (where applicable) _____ Signature

Please read the notes on the reverse side hereof.

Notes to Form of Proxy (blue):

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 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 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 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 authorize the proxy to vote or to abstain from voting at the 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 to the Transfer Secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 1st Floor, 15 Biermann Avenue, Rosebank, 2196, or at Private Bag X9000, Saxonwold, 2132, South Africa or by proxy e-mail at proxy@computershare.co.za, to be received by them no later than 11:00 on Tuesday, 16 January 2024, or thereafter by emailing this Form of Proxy (blue) to the chairman of the General Meeting or the Transfer Secretaries at the General Meeting at proxy@computershare.co.za, at any time before the appointed proxy exercises any of the relevant Shareholder's rights at the General Meeting (or any adjournment of the General Meeting).
4. The completion and lodging of this Form of Proxy will not preclude the relevant Shareholder from electronically attending the 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 General Meeting.
6. Any alterations to the Form of Proxy must be initialled by the signatories.

ADDITIONAL FORMS OF PROXY ARE AVAILABLE FROM THE TRANSFER SECRETARIES ON REQUEST.



FORM OF ACCEPTANCE, SURRENDER AND TRANSFER (FOR USE BY CERTIFICATED SHAREHOLDERS ONLY)

The definitions and interpretations commencing on page 12 of this Circular apply throughout this Circular, including to this Form of Acceptance, Surrender and Transfer (grey).

Instructions:

1. A separate Form of Acceptance, Surrender and Transfer is required for each Certificated Shareholder.
2. Subject to paragraph 3.6.1 of the Circular, all acceptances of the Exit Offer received by the Transfer Secretaries, the Consortium or the relevant CSDP or Broker prior to the Closing Date will be irrevocable.
3. Documents of Title surrendered by the Certificated Shareholders in advance of the fulfilment of the conditions precedent set out in the Circular will be held in trust by Ascendis or the Transfer Secretaries, at the Shareholder's risk, pending the fulfilment of the conditions precedent.
4. The completed form and the Documents of Title in respect of the Exit Offer Shares must be returned to the Transfer Secretaries so as to be received by no later than 12:00 pm on the Closing Date.
5. Once this form is received by the Transfer Secretaries, your acceptance of the Exit Offer will be final, and you may not withdraw your acceptance unless expressly permitted by the Companies Regulations.
6. If you do not validly accept the Exit Offer by 12:00 pm on the Closing Date, you will be deemed to have declined the Exit Offer. Late acceptance may be accepted or rejected at Ascendis' absolute and sole discretion.

Certificated Shareholders who surrender their Documents of Title before the Closing Date will not be able to trade their Shares after surrender.

1. Part A must be completed by all Shareholders who return this form relating to the surrender of Documents of Title.
2. Part B must be completed by those Shareholders who accept the Exit Offer.
3. Part C must be completed by those Shareholders who elect to receive the Exit Offer Consideration electronically transferred into their bank accounts.
4. Part D must be completed by Shareholders who are emigrants from or non-residents of the Common Monetary Area. Please also read the notes on the reverse side hereof.

To: Ascendis Health Limited
Care of: Computershare Investor Services Proprietary Limited
Rosebank Towers
1st Floor
15 Biermann Avenue
Rosebank
2196
(Private Bag X3000, Saxonwold, 2132, South Africa)

Dear Sirs,

PART A – SURRENDER OF DOCUMENTS OF TITLE

All Shareholders who return this form must please complete Part A.

I/We, the undersigned, hereby surrender and attach the following Documents of Title in respect of my/our Shares.

Signature of Shareholder

Assisted by (if applicable): Name Capacity Signature

Date

Please complete the section below in BLOCK LETTERS:

Name of corporate body

First names (in full), if applicable

Title (Mr, Mrs, Miss, Dr, etc.)

Postal address (preferably PO Box address)

Postal code

Telephone number (office hours)

Cell phone number

Share certificate/s and/or Documents of Title surrendered:

Name of registered holder (separate form for each holder)	Certificate number(s) (in numerical order)	Number of Shares covered by each certificate	Total
Total			

My/Our signature/s on this form constitutes my/our execution of this instruction.

PART B – ACCEPTANCE OF THE EXIT OFFER

Shareholders who accept the Exit Offer must please complete Part B.

I/We hereby accept the Exit Offer in respect of Shares held by me/us.

(Failure to state the number of Shares shall be deemed to indicate acceptance of the Exit Offer in respect of all Shares indicated by the Documents of Title surrendered by that Shareholder or his/her representative.)

PART C – TO BE COMPLETED BY SHAREHOLDERS WHO WISH TO HAVE THE EXIT OFFER CONSIDERATION TRANSFERRED INTO THEIR BANK ACCOUNTS

Name of bank account holder:

Account number

Name of bank

Branch

Branch code

Type of bank account (cheque, savings, transmission, etc.)

Notes:

1. The Exit Offer Consideration will only be electronically transferred if Part C is properly completed, and this form is returned to the Transfer Secretaries together with the Documents of Title on or before the Closing Date.
2. Once the Exit Offer has been accepted before 12:00 pm on Friday, 9 February 2024 during the Exit Offer Period, payment of the Exit Offer Consideration will be made as set out in paragraph 4 of Section 2 of the Circular.
3. In terms of Financial Intelligence Centre Act, 38 of 2001, as amended (“**FICA**”) requirements, the Transfer Secretaries will not record any bank mandate without certified true copies of the Shareholder’s identity document and bank statement.

PART D –

1. To be completed by all emigrants from and non-residents of the Common Monetary Area.

Name of Authorised Dealer/Bank	Stamp and address of agent lodging this form (if any)
Address	
Account Number	

2. To be completed only by all other non-resident Certificated Shareholders who wish to provide a substitute address.

The Exit Offer Consideration will be posted to the registered address of the non-resident concerned, unless written instructions to the contrary are received and an address provided below:

Substitution address

3. If no nomination is made in terms of 1 above, the Exit Offer Consideration will be held in trust by Ascendis or the Transfer Secretaries.

Notes:

1. Emigrants from the Common Monetary Area must complete Part D.
2. All other non-residents of the Common Monetary Area must complete Part D if they wish the Exit Offer Consideration to be sent to an Authorised Dealer in South Africa.
3. If Part D is not properly completed, the Exit Offer Consideration (in the case of emigrants or non-residents), will be held in trust by Ascendis or the Transfer Secretaries pending receipt of the necessary nomination or instruction.
4. The Exit Offer Consideration will not be sent to Shareholders unless and until Documents of Title in respect of the relevant Shares have been surrendered to the Transfer Secretaries.
5. If a Shareholder produces evidence to the satisfaction of the Consortium that Documents of Title in respect of his/her Shares have been lost or destroyed the Consortium may waive the surrender of such Documents of Title against delivery of an indemnity in a form and on terms and conditions approved by it or may in its discretion waive such indemnity.
6. If this form is not signed by the Shareholder, the Shareholder will be deemed to have irrevocably appointed the Company Secretary or Ascendis to implement that Shareholder's obligations under the Exit Offer on his/her behalf.
7. Persons who have acquired Shares after Friday, 8 December 2023, the record date to determine which Shareholders are eligible to receive the document to which this Form of Acceptance, Surrender and Transfer is attached, can obtain copies of the document from Computershare Investor Services Proprietary Limited at Rosebank Towers, 1st Floor, 15 Biermann Avenue, Rosebank, 2196, or at Private Bag X3000, Saxonwold, 2132, South Africa.
8. No receipts will be issued for documents lodged, unless specifically requested. In compliance with the JSE Listings Requirements, lodging agents are requested to prepare special transaction receipts. Signatories may be called upon for evidence of their authority or capacity to sign this form.
9. Any alteration to this form must be signed in full and not initialled.
10. If this form is signed under a power of attorney, then such power of attorney, or a notarial certified copy thereof, must be sent with this form for noting (unless it has already been noted by Ascendis or the Transfer Secretaries).
11. Where the Shareholder is a company or a close corporation, unless it has been registered with Ascendis or the Transfer Secretaries, a certified copy of the directors' or members' resolution authorising the signing of this form must be submitted if so requested by the Consortium.
12. Note 11 above does not apply in the event of this form bearing the stamp of a broking member of the JSE.

Where there are joint holders of any Shares, only that holder whose name stands first in the Register in respect of such Shares need sign this form.

