

Ascendis Health Limited  
(Incorporated in the Republic of South Africa)  
(Registration number: 2008/005856/06)  
Share code: ASC  
ISIN: ZAE000185005  
Listed on the General Segment of the Main Board  
(“Ascendis” or “the Company” or “the Group”)




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## TRADING STATEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

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In terms of the Listings Requirements of the JSE, a listed company is required to publish a trading statement as soon as a reasonable degree of certainty exists that the financial results for the period to be reported on next will differ by 20% or more from the financial results for the previous published corresponding period.

Shareholders are referred to the announcement released on the Stock Exchange News Service (“SENS”) on 3 September 2024 in which Ascendis advised shareholders of the Group’s transition to an Investment Entity. Following the announcement, effective 1 July 2024, the Group met the requirements as set out in IFRS 10 exemption as an Investment Entity and therefore ceased to consolidate its subsidiaries in accordance with the requirements set out in the standard. Ascendis therefore measures its investments through fair value through profit and loss. The results ended 31 December 2024 are reflective of the material change in reporting.

An investment company prioritises transparency and ensures a continuous, active process to assess whether the Group is acting in the financial best interest of its shareholders. It offers a cost-effective way to align management’s decisions and actions with shareholder interests by proactively evaluating the return on investment for each business within the Group’s portfolio. Additionally, it enables the Group to bring in equity partners at the portfolio company level and provide equity incentives for management at the investment level with relative ease.

As a result, it is more appropriate to report on net asset value as a performance metric and it has therefore been resolved to adopt Net Asset Value Per Share as the Group’s relevant financial measure for trading statement purposes going forward. This metric reflects the value of the Group’s investments and unless a disposal occurs, the reported earnings (or losses) are primarily unrealised gains or losses, driven by fluctuations in the value of the underlying investment portfolio.

In light of the above, the board of directors of Ascendis advises shareholders that a reasonable degree of certainty exists that the financial results for the six months ended 31 December 2024 (“**Current Period**”), when compared with the published or restated results for the six months ended 31 December 2023 (“**Prior Corresponding Period**”), are expected to differ as follows:

	<b>31 December 2023 (Unaudited) - Cents</b>	<b>31 December 2024 (Unaudited) - Expected in Cents</b>	<b>31 December 2024 Expected Increase/(decrease) in %</b>
Tangible Net Asset Value per share	94	101.7 to 119.4	8.2% to 27.1%

Headline earnings/(loss) per share	3.4*	4.7 to 5.3	38.2% to 55.9%
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*\*31 December 2023 headline earnings per share have been restated from 12.7 to 3.4 cents per share as a result of the “reacquisition” of Surgical innovations from an accounting perspective during the prior period. The once off gain has been adjusted to reflect normalised headline earnings. Refer to the reconciliation below.*

Shareholders are further advised of the expected decrease in the earnings per share of between 5.8 and 7.1 cents in the Current Period, compared to 31 December 2023: 12.7 cents (a decrease of 44% to 54%). Shareholders should be cautious when comparing EPS year-on-year, as this decrease is partly attributable to the change in Ascendis’ reporting as an Investment Entity as noted above, as well as the inclusion of the non-recurring Surgical Innovations reacquisition gain in the prior period as noted above.

The Medical portfolio, which consists of five investee entities (The Scientific Group, Surgical Innovations, InterV Med, Cardio Tech and Ortho Xact), provides lifesaving medical devices to the private and government sectors. The net asset value of this portfolio grew by 16.5% from 1 July 2024 until 31 December 2024, increasing its net asset value to R252 million to end December 2024 (1 July 2024: R217m). Surgical Innovations exited business rescue in 2023 but remains under pressure operationally and from a cash flow perspective. The Scientific Group was able to onboard new agencies and is a growing business. Through the improved cash position of the group, Ortho Xact was able to acquire two strategic agencies in the orthopaedic division.

The Consumer portfolio is made up of three investee companies: Ascendis Consumer Brands, Chempure and The Compounding Pharmacy of SA. This portfolio faced subdued consumer demand and retail pricing pressure and grew by 1% from 1 July 2024 until 31 December 2024, increasing its net asset value to R467m (1 July 2024: R463m). Good cash management and improvement in working capital means the portfolio is now in a position to launch new products to the market, including in weight management (where a strategic acquisition has been made). There is a positive outlook for the future as the portfolio’s brands are able to innovate and grow.

Looking ahead, the board is optimistic about the Group’s future. The Group has worked hard to cut and restructure expenses, which has led to significant savings. Using its improved working capital and debt free position, Ascendis plans to grow by introducing new consumer-facing products, expand into new areas, and will consider acquiring other businesses when opportunities arise.

Cost control and managing cash flow remain priorities. While the Company has done well in handling its finances, ongoing challenges in the broader economy mean careful budgeting and smart investment decisions will remain essential, but Ascendis is in a better financial position in order to launch new medical devices and new consumer wellness products and grow market share.

This trading statement is the responsibility of the directors and the financial information on which this statement is based has not been reviewed or reported on by the external auditors of the Company.

The expected publication date of the Company’s condensed unaudited results is 27 March 2025.

### **Restatement of Prior Corresponding Period**

*31 December 2023 headline earnings per share have been restated from 12.7 to 3.4 cents per share as a result of the “reacquisition” of Surgical innovations from an accounting perspective during the prior period. The once off gain has been adjusted to reflect normalised headline earnings. Refer to the reconciliation below.*

The **Prior Corresponding Period** results have been restated accordingly as follows:

	Six months ended 31 December 2023 Restated R'000	
	Total Operations As reported	Total Operations *Restated
<b>Basic profit/(loss) per share</b>		
Profit/(Loss) attributable to owners of the parent	79,527	79,527
<b>Profit/(Loss)</b>	<b>79,527</b>	<b>79,527</b>
Weighted average number of ordinary shares in issue	626,045,476	626,045,476
<b>Basic profit/(loss) per share (cents)</b>	<b>12.7</b>	<b>12.7</b>
<b>Headline earnings/(loss) per share</b>		
Profit/(loss) attributable to owners of the parent	79,527	79,527
<i>Adjusted for:</i>		
Net loss/(profit) on the sale of property, plant and equipment	1,364	1,364
Tax effect	(368)	(368)
Profit on reacquisition and loss of control of subsidiary*	(27,169)	(85,198)
Goodwill, intangible asset and tangible asset impairment	26,111	26,111
<b>Headline earnings/(loss)</b>	<b>79,465</b>	<b>21,436</b>
Weighted average number of shares in issue	626,045,476	626,045,476
<b>Headline earnings/(loss) per share (cents)</b>	<b>12.7</b>	<b>3.4</b>

Further details on the restatement will be included in the unaudited results for the six months ended 31 December 2024.

Johannesburg  
24 March 2025

Sponsor  
Valeo Capital (Pty) Ltd

 Valeo Capital