

## Ascendis Health Limited

(Registration number 2008/005856/06)

(Incorporated in the Republic of South Africa)

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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## UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

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### SHORT-FORM ANNOUNCEMENT

#### Key features

ZAR	31 Dec 2023	31 Dec 2024
Tangible Net Asset Value per share	94 cents	105 cents

The **11,7% increase** reflects the portfolio's resilience under challenging conditions, demonstrating both stability and the capacity for strategic expansion using internal resources. The tangible net asset value growth is driven by the strong performance of the Medical portfolio, complemented by the successful integration of three smaller bolt-on acquisitions during the review period.

ZAR	31 Dec 2023	31 Dec 2024
Net Asset Value per share	103 cents	105 cents

The net asset value per share has remained stable, with a slight upward trend. Looking ahead, the difference between net asset value and tangible net asset value is expected to be minimal.

#### Results Overview

In line with its strategy, Ascendis has met the requirements of an "Investment Entity" under IFRS 10 and has transitioned from a conglomerate to a cost-effective and decentralised investment holding company, with effect from 1 July 2024. Such change required Ascendis to cease consolidating its subsidiaries (other than those providing services related to Ascendis' investment activities) and to instead carry such subsidiary investments at fair value, with subsequent changes in fair value being recognised through profit or loss. The changes have not been applied retrospectively and accordingly, Ascendis' consolidated interim financial statements for the six months ended 31 December 2024 have been prepared on a materially different basis compared to those of previous years.

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 as the Group's relevant financial measure for trading statement purposes, as announced on SENS on 24 March 2025.

On 31 December 2024, Ascendis' net asset value was R659m (31 December 2023: R642m), with the Medical portfolio representing 35% of the value and the Consumer portfolio representing 65%.

### **Medical Portfolio:**

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.

Through assessment of the entities, an opportunity arose to capitalise on synergies between InterV Med and Cardio Tech to create one investee company. The process involved aligning with agency partners and customers to ensure a smooth transition and no interruption in supply. The merger was effective 1 January 2025.

### **Consumer Portfolio:**

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.

### **Other Financial Results:**

As the Company transitions to an Investment Entity, the most relevant metric for assessing its value and performance will be Net Asset Value Per Share, as this metric reflects the value of the Group's investments. Unless a disposal occurs, the reported earnings (or losses) are primarily unrealized gains or losses, driven by fluctuations in the value of the underlying investment portfolio. In light of the aforementioned, shareholders should note that the below year-on-year financial information is not comparable:

<b>ZAR</b>	<b>31 December 2023</b>	<b>31 December 2024</b>
Earnings per share	12.7 cents	6.4 cents
Headline Earnings per share	3.4 cents*	5.0 cents
Operating profit	R47.7m	R41.5m

*\*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.*

## Outlook:

Looking ahead, the board of directors reports that the future outlook of the Group remains positive, driven by the focus on capitalising on market opportunities to grow its businesses through new product offerings, new customers and geographies, new agencies, capacity expansion and potential acquisitions within the Group.

It is imperative that new business development initiatives are built on optimised operating platforms. Continued efforts to improve demand planning, inventory management, revenue models, and streamline commercial and sales functions will be prioritised to drive efficiency and enhance profitability across all businesses.

Cost control and managing cash flow remain priorities. The Group has worked hard to reduce and restructure expenses, which has led to significant savings. This focus on cost efficiency will continue. 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.

Ascendis Board

Sandton  
27 March 2025

## Directors' responsibility

This short-form announcement is the responsibility of the directors of Ascendis.

This announcement is only a summary of the information contained in the unaudited condensed consolidated interim results for the six months ended 31 December 2024 ("**Results**"), which are available on the JSE cloudlink at <https://senspdf.jse.co.za/documents/2025/JSE/ISSE/ASC/HY25.pdf> and on the Company's website at <https://ascendishealth.com/investor-relations/financial-results/>. Any investment decisions by investors and/or shareholders should be based on the Results as a whole, as the information in this announcement does not provide full or complete details.

Directors: B Harie (Chairman)\*, HA Nolte\*, Dr K Wellner\*, A Chetty\*, T De Bruyn, AC Neethling (CEO), L Mbele (CFO)

\* Independent non-executive

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