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**Ascendis Health Announces Acquisition Of
The Majority Of The Scientific Group For R284 Million**

Ascendis Health announces that it has agreed to acquire the majority of The Scientific Group, comprising its diagnostics business ("SG Diagnostics"), for R283.7 million in a structured cash and shares deal.

Ascendis CEO, Dr Karsten Wellner commented: "We are extremely excited to announce our latest acquisition as South African and global health care swiftly embrace the benefits of new diagnostic and preventative technology. SG Diagnostics offers us an immediate and resilient presence into this highly specialised market. It is also a well-managed, high growth and strongly cash generative business."

Part of the deal includes a minority medical business within The Scientific Group, which will be sold back to the selling shareholders.

The medical devices businesses within the Pharma-Med Division of Ascendis Health have been important drivers of growth for Ascendis, via the established platform of Surgical Innovations and the recently acquired Respiratory Care Africa business ("Ascendis Medical"). Collectively, these businesses have positioned Ascendis Medical as a leading provider of specialised, high-end medical products and turnkey solutions to private and public hospitals and clinics, as well as medical professionals in the Southern African primary health care markets.

SG Diagnostics is a successful business with a solid 31 year track record holding the South African (regional) agencies for a number of international manufacturers. The company comprises top-line management and a highly skilled sales and technical team with warehouses in Johannesburg, Cape Town, Durban and Bloemfontein, 24/7 specialised technical support and dedicated training facilities. The business is mostly split between Government and Private contracts, as well as Order to Order (ad-hoc) business. It represents 32 leading international diagnostic brands in Southern Africa and its main customers include the National Health Laboratory Services, the three largest private pathology service providers in South Africa and major African customers, including the Botswana and Zambian Ministries of Health.

Dr Wellner continues, "SG Diagnostics is an ideal bolt-on acquisition for us as it contributes immediate bottom-line benefit while simultaneously allowing us to entrench our specialist product ranges and deliver organic growth benefits through integration synergies. We are also in a position to offer turnkey solutions to Private and Government hospitals which is a vital growth component, taking into consideration the National Government's plans to build 43 new hospitals and at least 213 clinics over the next five years."

SG Diagnostics has generated significant growth in revenue as demonstrated by a CAGR of 14% over the preceding four years, with strong revenue growth expected in FY'15. SG Diagnostics is also vying for a large national contract with significant revenue opportunities spread over a five year term.

Dr Wellner comments further, “This acquisition represents an active and growing market within the local and international holistic health care industry. Exports account for 40% of SG Diagnostics’ sales with particularly strong sales growth experienced in both Botswana and Zambia, providing us with new channels through which we can accelerate our African expansion and export strategy.”

Dr Wellner concludes, “This is a comprehensive value added deal for Ascendis as SG Diagnostics would have contributed a further R32.8 million profit after tax towards Ascendis’ earnings on a historic annualised basis, resulting in a pro-forma 12% increase in our published June 2014 annual earnings per share. This acquisition will contribute significantly in positioning our medical devices platform as a renowned provider of leading brands and services.”

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Notes to editors:

About Ascendis Health

Ascendis is a fast growing health and care group which sells health brands for people, plants and animals, housed in three divisions: Consumer Brands (nutraceuticals, vitamins, sports nutrition and skin care products); Pharma-Med (prescription drugs and medical devices) and Phyto-Vet (plant and animal health and care). Listed on the JSE in November 2013, the market capitalisation of Ascendis is currently approximately R4 billion making it the third largest Pharma company on the Johannesburg bourse. The group has over 1400 employees with expanding international presence and currently exports products to 53 countries, mainly in Africa and Europe. Ascendis Health is headed by Dr Karsten Wellner (CEO). Karsten and his executive team (CFO: Robbie Taylor, COO: Richard Crouse) have extensive experience in entrepreneurial and listed environments as well as with pharmaceutical, medical device, consumer health and care products.

For more information, please visit www.ascendis.co.za.