

Ascendis R7,3bn acquisition of Scitec and Remedica on track

Ascendis Health recently bolstered its international growth strategy with the announcement of separate acquisitions of two major European health and care businesses, Remedica Holdings and Scitec International, totalling R73bn.

Remedica, a pharmaceutical manufacturer based in Cyprus, will be acquired for R4,4bn including a deferred payment of R1,5bn after three years. Scitec International, a leading European sports nutrition company will be acquired for R2,9bn including a deferred payment of R340m after one year.

Ascendis Health CEO, Dr Karsten Wellner, commented, “We are pleased to announce that all conditions precedent to the R1,2bn rights offer have been fulfilled with the JSE approving the circular to shareholders and the application for the listing of the letters of allocation and the rights offer shares required to implement the rights offer. We are also excited that both the rights offer and the vendor consideration placement are well supported by investors in the form of excess irrevocable undertakings provided.”



Dr Karsten Wellner

Ascendis has secured irrevocable undertakings from certain existing shareholders and new strategic investors to the total value of R2,3bn to participate in the R1,2bn rights offer and the subsequent R1,2bn – R1,5bn vendor consideration placement.

Ascendis has also entered into an underwriting agreement with Absa Bank Limited and HSBC Bank plc to underwrite any rights offer shares not subscribed for pursuant to the rights offer.

Coast2Coast Capital Proprietary Limited, which currently directly or indirectly owns approximately 41% of the issued share capital of Ascendis, has committed to follow its rights under the rights offer, and/or successfully allocate any portion of its rights not taken up under the rights offer pursuant to back-to-back commitments, with the combined value thereof being up to R520m.

Wellner concluded; “This unequivocal support for the Ascendis business model across all sectors of the investment community is a clear vote of confidence in the growing value that we are adding to local and international shareholders, and confirmation of our prudent business practices to grow Ascendis into a global health and care company.”

For more, visit: <https://www.bizcommunity.com>