

Green light for R345m Ascendis/Akacia deal

Health and care brands group, Ascendis Health, continues its acquisitions campaign with the go ahead from Competition Commission for the 100% purchase of pharmaceutical company, Akacia Healthcare, a deal worth R345m.



Dr Karsten Wellner, CEO, Ascendis Health

Delight at the green light

“We are delighted to receive the green light, as this acquisition will contribute towards growing the local and international position of our pharma division in the prescriptions medicine and consumer health markets. At the same time, it offers access to lucrative new distribution channels such as retail pharmacies and prescribing doctors,” Ascendis Health chief executive officer, Dr Karsten Wellner, comments.

This deal strengthens Ascendis Pharma’s position in the prescriptions and consumer health markets, while adding top brands such as the probiotic, Reuterina, and cold and flu remedies Sinucon and Sinuend to its stable.

Increased manufacturing capacity

The transaction also includes Akacia Pharma’s 23 000m² state-of-the-art manufacturing facility in Isando, Johannesburg, valued at R100m, thereby increasing Ascendis’ local manufacturing capacity, especially for the growing international portfolio of brands. It also gives the company a competitive advantage in state tenders that favour local manufacture.

Aligned with vision

Dr Wellner concludes, “This important acquisition is aligned with our overall vision to become a leading global player in the human, plant and animal health and care sectors by strategically integrating leading brands into the Ascendis Health group, allowing us to extract and benefit from the synergies that exist, while competitively growing new market segments for the benefit of consumers as well as our shareholders.”

Last year, Ascendis, which listed in 2014, bought a 49% stake in Spanish generic specialist – Farmalider - with the right to acquire the remainder of the business over the next five years.

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