

Vantage's Fund II provides mezzanine debt funding to one of the fastest growing pharmaceutical companies in South Africa, Austell Laboratories (Pty) Ltd.

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Johannesburg, South Africa – Vantage Capital, Africa's largest independent provider of mezzanine risk capital, announced it had provided mezzanine debt funding to support Austell Laboratories (Pty) Ltd ("Austell" or "the Company"), a fast growing and 100% black-owned pharmaceutical's company in South Africa.

Zaheer Cassim, Associate Partner at Vantage said, "Austell is a great example of how Vantage is providing financial support to emerging mid-market companies in South Africa. The strong empowerment credentials of the Company and the socio-economic impact of a transforming health care industry is a great story which we are proud to be a part of."

Vantage provided a mezzanine facility which will be used by Austell to fund its working capital needs and the acquisition of further medical dossiers* in order to expand its range of products.

**Medical dossiers are the documented blue-print of a medical drug which contains the chemical formulation, dosage requirements and clinical trials data relating to a specific drug.*

Austell currently provides a basket of generic and premium products to the pharmaceutical market in South Africa. Sales, marketing and distribution is done through their national sales representative team who target pharmacies, doctors, specialists and large chain retailers. The Company is already well-renowned in the industry for taking the cough and sinus drugs Prospan® and Sinupret® to market leading positions in their respective therapeutic classes. Austell has also launched several new products this year and plans to increase its basket of offerings over the next few years.

Founder and CEO of Austell, Suhail Gani had the following to say about the transaction, "Vantage was able to provide us with the flexible and much needed funding we required to support our business during this critical and rapid growth phase."

Luc Albinski, Managing Partner at Vantage added, "This transaction ticked all the right boxes for us as Vantage, the robustness of the pharmaceutical sector in which the Company operates, the strong owner managed culture, the empowerment and social impact of the investment and of course the phenomenal growth prospects we see in Austell. "

With Fund II largely deployed, Vantage has commenced the raising of its third mezzanine fund which is targeted to close by the first quarter of 2015 at R 2.5 billion.

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Notes to Editors

About Vantage Capital

Vantage currently manages two mezzanine debt funds with total commitments of approximately R3 billion. Its capital has been sourced from 30 institutions including many leading African pension funds like the Public Investment Corporation (PIC) in South Africa and the Debswana Pension Fund in Botswana, development funders such as the Development Bank of Southern Africa (DBSA) and the Norwegian Fund for Development (Norfund), and private sector endowments such as the Kellogg Foundation from the United States. Vantage recently launched a R2.2 billion renewable energy debt fund called GreenX. GreenX provides senior debt funding to a range of South African renewable energy projects and has already secured 7 projects which produce a combined power output of over 500MW.

Mezzanine is an intermediate form of risk capital which is situated between senior debt, the least risky tranche of the capital structure, and equity, the most risky. It combines elements of both debt and equity thereby providing companies with long-term funding on terms which are less dilutive to shareholders than pure equity.

Website: www.vantagecapital.co.za

About Austell Laboratories

Austell Laboratories (Pty) Ltd is registered importer, manufacturer and wholesaler of pharmaceutical products in South Africa and is a member of the National Association of Pharmaceutical Manufacturers. Austell's product range spans traditional generic medicines to complementary and alternative medicines. Austell's head office and central distribution centre is based in Crown Mine, Johannesburg, South Africa.

Website: www.austell.co.za (website under construction)

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