***Vantage’s Fund II provides funding for the acquisition of preferred equity facilities in AfriSam, the largest BEE-controlled South African building and construction materials company***

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*Johannesburg, South Africa* – Vantage Capital, Africa’s leading mezzanine funder, today announced that it has provided R77 million of funding for the acquisition of preferred equity facilities in a Pembani-owned SPV that holds 30% of the ordinary equity and PIK notes in AfriSam.

AfriSam is the largest black-controlled South African building and construction materials company. It is also the second largest supplier of cement in both South Africa and Tanzania as well as the largest supplier of aggregates in South Africa.

Pembani Group is a BEE investment holding company that is majority owned and controlled by Phuthuma Nhleko, the former group CEO of MTN Limited. The Group focuses on infrastructure, energy and mineral resources investments in Sub-Saharan Africa. Its AfriSam acquisition was originally funded by a consortium of lenders that included Standard Bank, who has now sold down a portion of its exposure to Vantage in the current transaction.

Luc Albinski, Managing Partner of Vantage, said that “Vantage is proud to provide funding support to yet another black-owned business. Our investment in AfriSam comes alongside BEE funding support provided to at least five other Fund II portfolio companies that include TrenStar (logistics), Kgoro Central Project and Pretoria Towers (property sector), Reatile Timrite (mining services) and Austell Laboratories (pharmaceuticals) to facilitate their respective acquisitions and expansion projects.”

AfriSam is the tenth mezzanine transaction in Vantage’s second fund, of which more than 80% of available funds have been invested. Vantage has commenced the raising of its third mezzanine fund which is targeted to close shortly at R 2.5 billion.

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Notes to Editors

About Vantage Capital

The Vantage Capital Group is a majority black-owned fund manager and investment firm. The Group was established in 2001 with funds under management of R150m and now currently manages over R5 billion. In addition to managing technology venture capital, mezzanine debt and renewable debt funds, Vantage also provides advisory and origination services through its debt capital markets division and makes proprietary investments using its balance-sheet capital.

Capital for the Vantage Mezzanine and Vantage GreenX funds has been sourced from over 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 has offices in Johannesburg and Cape Town and in addition to its home market in South Africa, targets debt opportunities in a number of high-growth African countries including Ghana, Nigeria, Ethiopia, Kenya, Tanzania, Uganda, Zambia, Botswana and Namibia.

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](http://www.vantagecapital.co.za)

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