

## **MAZOR SET FOR GROWTH WITH R27 MILLION PRIVATE EQUITY INVESTMENT**

**JSE-listed specialist construction group, Mazor Group, today announced a more than R27million share buy-in by private equity specialist Global Capital.** The investment by Global Capital will give impetus to Mazor's diversification and acquisition strategy by introducing a strategic shareholder with a proven track record of partnering growth companies.

Global Capital will acquire 12,3 million Mazor shares, or 10% of the group. The shares are currently held as treasury shares. CEO of Mazor Ronnie Mazor explains that as a result, Global Capital's stake will not have a dilutionary effect on ordinary shareholders. "It is a win-win for our stakeholders," says Ronnie Mazor. "They will benefit from enhanced shareholder returns down the line once Global Capital has assisted us in advancing our growth strategy, and in the short-term they do not suffer any dilution of value."

He points out that the transaction brings immediate financial and longer-term strategic benefit to the group: "A hands-on approach by Global Capital to their existing investments means they proactively contribute considerable skill and experience, which will benefit Mazor as we continue to roll-out our diversification strategy." Since listing on AltX in 2007 Mazor has successfully diversified into the high-growth glass sector through two key acquisitions and has made significant inroads, especially in the Cape. Geographical expansion has seen the group extend from its Western Cape base into Gauteng, KwaZulu-Natal and the Eastern Cape. Last year Mazor transferred to the JSE Main Board to compete with peers in the appropriate listed environment.

Backed by positive cash holdings, Mazor continues to eye acquisition opportunities either for geographic expansion or additional product differentiation outside the group's traditional field of fabricating building exteriors.

"Global Capital's investment in Mazor reflects their confidence in the quality of our business and our prospects," says Ronnie Mazor. Frank Boner, CEO of Global Capital, says: "Mazor has a strong management team. That is critical for us as we invest in people, not simply in businesses. Mazor's management is made up of entrepreneurs who have shown a passion for and determination to realise their vision, and to date they have succeeded in doing so." He adds, "We like the group's strong cash flow and growth prospects even in the current macro-economic environment and we see this as a great opportunity for long-term growth."

Boner emphasises that for Global Capital each investment is viewed as a partnership and they will act as financial and business strategists, corporate advisors and confidantes in supporting Mazor's management team.

At year-end in February 2009 Mazor Steel and Mazor Aluminium continued to deliver strong performances by targeting large-scale, high margin projects such as high-rise buildings, hotels and similar major works. Ronnie Mazor concludes: "We look forward to growing acquisitively with the guidance of Global Capital. However, we intend to grow organically too - we will maintain a strict overheads structure to

guard against the negative impact of the downturn, and will remain selective in the contracts we pursue to help sustain operating margins. “

Mazor’s share closed yesterday at R2,50.

**Ends.**

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