

Press Release

Stellus Capital Management, LLC Provides First Lien Financing in Support of Swander Pace Capital's acquisition of Functional Formularies.

Houston – TX, December 12, 2018 - Stellus Capital Management, LLC (“Stellus”) announced today that its affiliates provided a senior secured credit facility and equity co-investment in support of Swander Pace Capital’s (“Swander Pace”) investment in Nutritional Medicinals, LLC (“Functional Formularies” or the “Company”).

Founded in 2006 by professional chef and nutrition expert Robin Gentry McGee, Functional Formularies is the leading provider of organic, whole food, shelf-stable feeding tube formulas. Ms. Gentry McGee created the Company after searching unsuccessfully for natural alternatives to traditional feeding tube formulas to help her father when he was faced with life-threatening health issues. The Company offers unique, organic, and whole food alternatives to traditional feeding tube formulas. Liquid Hope and Nourish are nutritionally complete, plant-based, and USDA-certified organic. The Company offers its products to retail customers online and to institutional customers in hospital and long-term care settings.

“We are excited to partner with Stellus on another transaction. We appreciated the flexibility of Stellus’ unitranche proposal and efficient deal execution.” said Mo Stout, Managing Director with Swander Pace.

Adam Pollock, Managing Director at Stellus added, “We believe Functional Formularies’ unique product offering is well positioned to benefit from increased awareness for organic products among physicians, consumers and other healthcare providers. We appreciate the opportunity to support Swander Pace on another investment and look forward to working with the Functional Formularies’ management team as they execute upon the next stage of growth.”

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