

Black Toro Capital acquires Antibioticos

- **Black Toro Capital will invest €35 million in the company and retain 170 employees**
- **Allstate Investments, Black Toro Capital's anchor investor, is the lead investor in this transaction**
- **Antibioticos is one of the largest active pharmaceutical ingredients (APIs) manufacturing facilities in Europe**
- **Black Toro Capital acquires Antibioticos at a substantial discount to replacement value through a judicial liquidation sale, or "Venta de Unidad Productiva", the equivalent to a 363 sale under US Bankruptcy Code with no legacy liabilities nor prior bank debt assumed by BTC**
- **Antibioticos' new Executive Chairman will restart operations and bring it back to full operating capacity in 36 months with expected sales in excess of €100 million**

Black Toro Capital has taken over the Production Unit of Antibioticos S.A.U., a bio-pharma manufacturing company that develops, manufactures, sells and distributes a broad range of high quality, low cost generic pharmaceutical products, focusing on active pharmaceutical ingredients (APIs) for penicillin-based antibiotics. Antibioticos produces generic antibiotics and complex APIs for other pharmaceutical companies.

The new company will start operating today under the name Antibioticos de Leon S.L.U. and will base its headquarters and working centres in Antibioticos' de Leon current facilities.

This transaction lays several milestones, including the first Production Unit sale in Leon in an insolvency proceeding. BTC, through its 35 Million Euro investment commitment, has been able to preserve Antibioticos as a leading company in the pharmaceutical sector, as well as keep 170 job positions.

Antibioticos' production unit is the largest state of the art biotech fermentation facility in Southern Europe meeting all applicable current Good Manufacturing Practices ("GMP") requirements under US, European, Japanese and other applicable quality standards.

Commenting on this transaction, Ramon Betolaza, Black Toro Capital's partner said: *"We are proud of our strategic commitment with Leon and with the Spanish industry. We certainly know that with our energy, financial support and this excellent team, Antibioticos will return to its leadership position in the pharmaceutical sector"*.



BLACK TORO CAPITAL

Barcelona Madrid London

The new Chairman of Antibioticos, Dr. Rafael Beaus has extensive experience in the pharmaceutical sector and is one of the worldwide renowned experts in antibiotics production. Regarding this new stage in the company, Beaus expressed: *“Antibioticos is one of the most sophisticated and advanced plants in APIs manufacturing worldwide, as well as a company with a highly qualified workforce. Our industrial plan will turn Antibioticos into Europe’s leading company in APIs manufacturing”*.

For its part, Juan Molins, CRO of Antibioticos de Leon, believes that *“a new stage is coming for Antibioticos de Leon. We are currently facing a complex situation that needs everyones commitment in order to return this company to the place deserved. During the following months, we will dedicate our efforts to build a new company able to compete in a highly competitive global market”*. Juan Molins has wide experience in the acquisition and launch of Production Units, having participated in the purchase of Cacaolat, Mecanotubo and Pujol Metal Casting, among others.

At the transaction signing, Black Toro Capital’s team wanted to thank the insolvency trustees, ABC profesionales concursales S.L.P. and Lener, administraciones concursales, S.L., for their efforts in recent years to keep alive the possibility of preserving Antibioticos’ Production Unit, achieving the objective of safeguarding the maximum job positions and the city of Leon’s productive fibre. Furthermore, BTC wanted to thank trade unions for their sacrifice and efforts in order to come to an agreement. All efforts will be made to maintain and increase Antibioticos’ de Leon full occupation.

ANTIBIOTICOS

Antibioticos is a pharmaceutical company founded in 1949 due to the merger of Abello S.A., IBYS S.A., Zeltia S.A., LETI S.A., UQUIFA S.A. and Instituto Llorente laboratories. That year, Antibioticos built its headquarters in Madrid and subsequently settled its first factory in Leon, where it began penicillin production. In 1968, Antibioticos started an expansion plan, increasing the turnover and turning the company into a leading actor of the pharmaceutical sector. Since then, a group of investors formed by Juan Abello, Mario Conde, Emilio Botin and Jaime Botin became controlling shareholders of the company, in 2003 the Italian company Fidia Farmaceutici took it over. In recent years, the firm has suffered diverse restructuring process causing a leadership loss in one of the most well known companies in the Spanish pharmaceutical sector.

Today Antibioticos is one of the largest API manufacturing facilities in Europe. It develops, manufactures, sells and distributes a broad range of high quality, low cost generic pharmaceutical products, focusing on active pharmaceutical ingredients ("APIs") for penicillin-based antibiotics: producing generic antibiotics and complex active APIs for other pharmaceutical companies with which Antibioticos has had existing registration for sale of APIs for over 3 decades.

BTC

BLACK TORO CAPITAL

Barcelona Madrid London

Company facilities cover 9200 sq meters, with Total estimated capacity of 3,450 tons/year of solid product. The plant is regularly inspected by the FDA, European Agencies or other authorities as applicable. Additionally, this plant is designated as strategic facility in case of pandemic or war by the WHO.

BLACK TORO CAPITAL

Black Toro Capital, based in Barcelona, Madrid and London, is an investment advisory firm focused on providing advice and structuring flexible capital solutions for mid-sized companies in Spain by structuring investments throughout the capital structure with new direct lending structures and discounted securities purchases to de-leverage and recapitalise company balance sheets. At BTC we look to partner up with “good” companies with a viable and proven business model undergoing financial and liquidity constraints as well as strategic leadership and ownership misalignments.

Kind regards,

Ramon Betolaza
Managing Partner
BTC | **Black Toro Capital**

Dir +34 93 488 12 77
rbetolaza@blacktorocapital.com

Jose Manuel de la Infiesta
Partner
BTC | **Black Toro Capital**

Dir +44 207 245 69 54
Mob +44 77 344 320 71
jminfiesta@blacktorocapital.com

www.blacktorocapital.com