

BLACK TORO CAPITAL FUND

Providing liquidity solutions through
partnership investing

BTC and Farggi - Menorquina - Press Coverage

BTC | BLACK TORO CAPITAL
Barcelona Madrid London Luxembourg



PRIVATE EQUITY INTERNATIONAL
AWARDS 2016

Firm of the year
in Iberia

Member of
EVCA
EUROPEAN PRIVATE EQUITY AND
VENTURE CAPITAL ASSOCIATION

ASCR^{RI}
ASOCIACIÓN ESPAÑOLA
DE ENTIDADES DE CAPITAL - RIESGO

Black Toro Capital Fund – April 2017

Index

1. Private Equity International



2. Private Debt Investor



3. Altassets



4. S&P Global



5. Realdeals



6. Unquote



7. Bloomberg



8. Pitchbook



9. Global Capital



10. Black Toro Capital



BTC and Farggi - Menorquina - Press Coverage

11 April 2017 by Isobel Markham

Black Toro scoops up Spanish ice-cream duo



Following the investment in Farggi and Menorquina, BTC II will be more than 75% deployed

Black Toro Capital has backed ice-cream manufacturer Farga Group, owner of the Farggi ice cream brand, to acquire rival La Menorquina's Iberian production unit and distribution network from its founder-owners, according to a statement from the firm.

The combined company will become the leading Spanish ice-cream manufacturer by sales and volume, producing almost 50 million litres annually. It will also become the fifth largest manufacturer in Europe, the firm said.

Black Toro Capital has invested €40 million in the deal, structured through a combination of equity and convertible debt. The investment will be used for working capital, to cover integration costs and to restructure the balance sheet.

Farggi has two business divisions; the industrial division, which manufactures and distributes branded and private label ice-cream products and accounts for 60 percent of sales; and the retail division, which includes a branded retail chain with 61 locations in major cities, international airports and high-end restaurants and accounts for 40 percent of sales.

Farggi's existing plant will be sold and all production will be combined into Menorquina's facility to optimise utilisation. It is expected there will be significant cost synergies from the integration of the manufacturing facilities, as well as through the companies' complementary distribution channels. Manufacturing capacity is expected to increase from 30 percent to 60 percent in the combined company.

The combined company is expected to have more than €140 million in sales in 2017, and a total potential production capacity of 100 million litres.

"We are thrilled about the prospect of integrating such reputed brands as Farggi and Menorquina creating Spain's leading ice-cream producer," Black Toro managing partner Ramon Betolaza said in the statement. "Farggi and Menorquina's industry knowledge combined with BTC's expertise on the acquisition of business units are a guarantee of success."

BTC and Farggi - Menorquina - Press Coverage

11 April 2017 by Isobel Markham

Black Toro scoops up Spanish ice-cream duo (Cont'd)



Black Toro Capital has backed ice-cream manufacturer Farga Group, owner of the Farggi ice cream brand, to acquire rival La This investment takes Black Toro Capital II to 78 percent invested. The fund closed on €235 million on 31 December. The fund was initially targeting €350 million, but the firm did not want to be in market for more than a year, and so decided to close the fund on €235 million, partner Jose Manuel de la Infiesta told Private Equity International in February.

Investors in the fund include the University of Michigan and Allstate Investments, the investment arm of US-based insurer Allstate, according to PEI data. The Black Toro Capital team made a GP commitment of €10 million.

Making both debt and equity investments, Black Toro Capital targets mid-sized businesses in Spain which have been abandoned by the traditional financial system. Many of these companies are owned by banks, which are seeking to reduce their exposure to such businesses as Spain's financial sector undergoes an extensive restructuring in the wake of the 2008 crisis.

Other investments in Fund II include active pharmaceutical ingredient company Antibióticos de León; Carbures Group, which develops and produces carbon fibre composite structures for the aerospace, automotive and infrastructure markets; motorcycle group Torrot Gas-Gas; and women's shoe retailer Marypaz.

Black Toro Capital has no firm plans to launch a successor vehicle at this point.

BTC and Farggi - Menorquina - Press Coverage

11 April 2017 by Isobel Markham

Black Toro scoops up Spanish ice-cream duo



Following the investment in Farggi and Menorquina, BTC II will be more than 75% deployed

Black Toro Capital has backed ice-cream manufacturer Farga Group, owner of the Farggi ice cream brand, to acquire rival La Menorquina's Iberian production unit and distribution network from its founder-owners, according to a statement from the firm.

The combined company will become the leading Spanish ice-cream manufacturer by sales and volume, producing almost 50 million litres annually. It will also become the fifth largest manufacturer in Europe, the firm said.

Black Toro Capital has invested €40 million in the deal, structured through a combination of equity and convertible debt. The investment will be used for working capital, to cover integration costs and to restructure the balance sheet.

Farggi has two business divisions; the industrial division, which manufactures and distributes branded and private label ice-cream products and accounts for 60 percent of sales; and the retail division, which includes a branded retail chain with 61 locations in major cities, international airports and high-end restaurants and accounts for 40 percent of sales.

Farggi's existing plant will be sold and all production will be combined into Menorquina's facility to optimise utilisation. It is expected there will be significant cost synergies from the integration of the manufacturing facilities, as well as through the companies' complementary distribution channels. Manufacturing capacity is expected to increase from 30 percent to 60 percent in the combined company.

The combined company is expected to have more than €140 million in sales in 2017, and a total potential production capacity of 100 million litres.

"We are thrilled about the prospect of integrating such reputed brands as Farggi and Menorquina creating Spain's leading ice-cream producer," Black Toro managing partner Ramon Betolaza said in the statement. "Farggi and Menorquina's industry knowledge combined with BTC's expertise on the acquisition of business units are a guarantee of success."

BTC and Farggi - Menorquina - Press Coverage

11 April 2017 by Isobel Markham

Black Toro scoops up Spanish ice-cream duo (Cont'd)



Black Toro Capital has backed ice-cream manufacturer Farga Group, owner of the Farggi ice cream brand, to acquire rival La This investment takes Black Toro Capital II to 78 percent invested. The fund closed on €235 million on 31 December. The fund was initially targeting €350 million, but the firm did not want to be in market for more than a year, and so decided to close the fund on €235 million, partner Jose Manuel de la Infiesta told Private Equity International in February.

Investors in the fund include the University of Michigan and Allstate Investments, the investment arm of US-based insurer Allstate, according to PEI data. The Black Toro Capital team made a GP commitment of €10 million.

Making both debt and equity investments, Black Toro Capital targets mid-sized businesses in Spain which have been abandoned by the traditional financial system. Many of these companies are owned by banks, which are seeking to reduce their exposure to such businesses as Spain's financial sector undergoes an extensive restructuring in the wake of the 2008 crisis.

Other investments in Fund II include active pharmaceutical ingredient company Antibióticos de León; Carbures Group, which develops and produces carbon fibre composite structures for the aerospace, automotive and infrastructure markets; motorcycle group Torrot Gas-Gas; and women's shoe retailer Marypaz.

Black Toro Capital has no firm plans to launch a successor vehicle at this point.

BTC and Farggi - Menorquina - Press Coverage

11 April 2017



Black Toro taps Fund II to create Spanish ice-cream giant

Black Toro Capital has dipped into its second fund to back Farggi's purchase of Spanish Ice-cream manufacturer Menorquina.

Farggi and Menorquina will be merged together and will produce around 50 million litres of ice-cream, making it the third biggest player in Spain.

Following the transaction all production will be absorbed by Menorquina's facilities.

Menorquina, which was founded over 75 years ago, produce a range of ice-creams and deserts across Spain.

Black Toro Capital managing partner Ramon Betolaza said, "We are thrilled about the prospect of integrating such reputed brands as Farggi and Menorquina creating Spain's leading ice-cream producer.

"Farggi and Menorquina's industry knowledge combined with BTC's expertise on the acquisition of business units are a guarantee of success."

Earlier this year the firm registered more than €205m for its second Spain-focused fund, with the firm looking to raise a third later in the year.

Last year the firm made a €30m investment in shoe retailer Marypaz, where it took hold of a 60 per cent stake.

BTC and Farggi - Menorquina - Press Coverage

11 April 2017 by Rachel McGovern

Farggi and Menorquina merge with support from Black Toro

S&P Global

Black Toro Capital has invested a combination of equity and convertible debt in Farggi Group to support its acquisition of Group Kalise's Iberian business, known as Menorquina.

The capital from Black Toro will finance working capital and integration costs, and restructure the company's balance sheet. Under the private investment firm, Farggi's existing plant will be sold and all production will transfer to Menorquina.

The combined group will be the largest Spanish ice-cream producer by sales (€140 million in 2017) and volume (50 million litres a year), making it the fifth-largest in Europe.

BTC and Farggi - Menorquina - Press Coverage

12 April 2017 by Luciano Figari



Black Toro invests in ice cream maker Farggi to acquire riva company

Black Toro has invested in Farggi as it has acquired Menorquina, creating Spain's largest ice cream manufacturer.

Black Toro's investment has been structured through a combination of equity and convertible debt.

The funds will be used for working capital, integration costs and restructuring the balance sheet.

As part of the plan, Farggi will sell its existing plant— previously Unilever's only facility in Spain – and transfer all production to Menorquina's facility in order to optimise utilisation.

The combined company will have more than €140m of sales in 2017 with a total potential production capacity of 100m litres. It will operate at 60 per cent of capacity.

BTC and Farggi - Menorquina - Press Coverage

11 April 2017 by Amadeo Gorla

unquote ”

Black Toro provides €40m debt and equity mix for Farggi

Barcelona-based Black Toro Capital has provided a €40m equity and debt package to ice cream producer Farggi via its Black Toro Capital II vehicle

The deal saw the GP inject a €40m ticket into the business, comprising 10% in equity and 90% in convertible debt via its Black Toro Capital II (BTC II) fund, according to a source familiar with the situation. The funding will be used to support the company's acquisition of La Menorquina, the Iberian branch of Canary Islands-based ice cream manufacturer Grupo Kalise Menorquina.

According to a statement, the business plan includes selling Farggi's existing plant and transfer all production to Menorquina's facility in order to optimise utilisation. The acquirer expects to increase its capacity from 30% to 60%, and the merged group expects to post a turnover of €140m in 2017.

With this investment, BTC II has now deployed 78% of its commitments, according to a statement. The GP held a final close for its second fund on €235m in February 2017.

Company

Founded in 1959 and headquartered in Barcelona, Farggi produces ice cream and manages 55 proprietary cafés. It also has a presence in five restaurants belonging to its parent company Farga Group.

People

Black Toro Capital – Ramon Betolaza (managing partner).

Advisers

Equity – Cuatrecasas (legal).

Company – RSD Rousaud Costas Duran (legal).

BTC and Farggi - Menorquina - Press Coverage

11 April 2017 by Thomas Guatieri

Bloomberg

Black Toro Invests in Farggi to Buy Menorquina Ice-Cream Co

Black Toro Capital II invests in Farga Group to acquire Group Kalise's Iberian peninsula unit Menorquina, private equity group says in emailed statement Tuesday

- Investment structured through combination of equity, convertible debt; funds to be used for working capital, to cover integration costs, restructure balance sheet
 - Combined co. to become 3rd-largest ice-cream maker in Spain, 5th-largest in Europe, producing ~50m liters/yr, BTC says Co. to have more than EU140m sales in 2017
 - Industrial plan includes selling Farggi's existing plant, transferring production to Menorquina's facility
-

BTC and Farggi - Menorquina - Press Coverage

12 April 2017

BTC takes on Nestlé, Unilever with ice cream deal



Via an investment in Farga, Black Toro Capital has acquired Menorquina, the Iberian business of Group Kalise.

Conducted with BTC's second fund, the deal will combine Farga and Menorquina to create one of the largest manufacturers of ice cream in Spain, according to the firm, trailing current market leaders Nestlé and Unilever. The investment is BTC's first in the food & beverage sector.

BTC and Farggi - Menorquina - Press Coverage

11 April 2017 by Victor Jimenez

GlobalCapital

PE firm Black Toro backs Spanish ice cream merger

Private equity firm Black Toro Capital has invested €40m to finance an acquisition by a private company that will create Spain's largest ice cream maker

Farga, a family owned company, is buying La Menorquina, a leading ice cream brand, from Grupo Kalise Menorquina, another family owned group.

Black Toro has provided a €40m investment to Farga for the deal, it said on Monday.

Farga plans to transfer all its production of its Farggi ice cream to Menorquina's factories, once the takeover closes later this year.

The new business has projected sales of €140m, and would be the fifth largest player in Europe.

Farga's Farggi was Unilever's only supplier of ice cream in Spain.

Black Toro's participation is structured in two tranches, of equity and convertible debt, according to a person with knowledge of the deal. The cash will be used as working capital, and to cover integration costs and restructuring the balance sheet.

Farggi is one of the main private label ice cream manufacturers, serving Unilever, Tesco, Lidl and Mercadona, a Spanish supermarket chain. It also has a chain of 55 Farggi Cafés and five high end restaurants.

Menorquina distributes its products through a network of 25,000 point sales in Spain.

In the past 12 months, Black Toro has invested some €180m in industrial businesses in Spain, including pharma company Antibióticos de León, Carbures Group and Torrot GasGas, the bicycle and motorbike specialist.

BTC and Farggi - Menorquina - Press Coverage

11 April 2017

Black Toro Capital II (BTC II) invests in Farggi to acquire Menorquina, creating Spain's largest ice-cream manufacturer

Black Toro Capital invests in the combination of Farggi and Menorquina, two leading Spanish ice-cream manufacturers with high complementarity of products, clients and channels

Barcelona, April 10th, 2017. Black Toro Capital II (BTC II) has closed an investment in Farga Group to acquire Group Kalise, owner of La Menorquina brand. The combined company will become the leading Spanish manufacturer by sales and volume, producing annually almost 50 million litres, 3rd player in Spain behind Nestlé and Unilever, and an important European player being the 5th largest in Europe.

The industrial plan includes combining all production into Menorquina's facility in order to optimize the utilization. Capacity is expected to increase from 30% in Farggi and 38% in Menorquina to 60% in the combined company. The combined company, Farggi and Menorquina, will benefit from complementary in products with a strong presence in all distribution channels; Retail, HORECA and Impulse.

Ramon Betolaza, Managing Partner at Black Toro Capital says: "We are thrilled about the prospect of integrating such reputed brands as Farggi and Menorquina creating Spain's leading ice-cream producer. Farggi and Menorquina's industry knowledge combined with BTC's expertise on the acquisition of business units are a guarantee of success."

Black Toro Capital has executed 5 transactions and deployed over €180 million in the last 12 months into prime examples of Spain's industrial landscape: Antibióticos de León, Carbures Group, Torrot Gas-Gas, Marypaz and Farggi & Menorquina, each a leader in its field and a showcase of BTC's investment strategy. With this latest investment, BTC II is now over 70% invested.

Contact details

▣ **Black Toro Capital**

Avda Diagonal 640, 3º E, Barcelona 08017, Spain

Tel: +34 934 252 08 89

Serrano 66, 6th floor, Madrid 28001, Spain

Tel: +34 914 362 827

26 Cadogan Square, London SW1X 0JP, UK

Tel: +44 207 245 6954

Disclaimer

This document is being supplied to relevant persons who at their own initiative have requested it from Black Toro Capital solely for their information and may not be copied, reproduced, further distributed to any other person or published, in whole or in part, for any purpose without the consent of Black Toro Capital and is being provided to relevant persons on the basis that they keep confidential any information contained in this document. This document does not constitute, or form part of, any offer or invitation to sell, allot or issue, or any solicitation of an offer to purchase or subscribe for, any securities nor shall it, or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with, or act as any inducement to enter into, any contract or commitment for securities.

Recipients of this document who are considering investing in BTC-Trea S.C.A., SICAR (the "Fund"), with respect to Black Toro Capital Fund II Compartment (the "BTC II Compartment") in the future are reminded that any such purchase or subscription must be made only on the basis of the information contained in the Private Placement Memorandum in its final form. No reliance may be placed for any purpose whatsoever on the information or opinions contained in this document or on the completeness, accuracy or fairness thereof. Any investment and/or services offered or related to this document are by no means intended for retail clients and should not be made available to retail clients.

In Luxembourg, this document is directed at and is for distribution only to a limited number of prospective investors which are well-informed investors within the meaning of article 2 of the law of 15 June 2004 on the *société d'investissement en capital à risque*, as amended, (hereinafter a "Well-Informed Investor"). A Well-Informed Investor shall be any institutional investor, professional investor or any other investor who meets the following conditions: (a) has confirmed in writing that he adheres to the status of Well-Informed Investor; and (b) invests minimum of EUR 125,000 in the Fund; or (c) has been subject to an assessment made by a credit institution within the meaning of Directive 2006/48/EC, by an investment firm within the meaning of Directive 2004/39/EC, or by a management company within the meaning of Directive 2009/65/EC, certifying his expertise, his experience and his knowledge in adequately appraising an investment in risk capital.

In the United Kingdom, this document is directed at and is for distribution only to a limited number of prospective investors who either (a) have professional experience in matters relating to investments and who fall within the description of investment professionals contained in Article 19 of FSMA (Financial Promotion) Order 2005 (the "FP Order"), (b) are persons who are high net worth companies, unincorporated associations, trustees and other persons who fall within the exemption contained at Article 49 of the FP Order, (c) are persons who fall with the description of sophisticated investors contained in Article 50 of the FP Order, or (d) are persons to whom this document may lawfully be provided (all such persons together being referred to as "relevant persons").

This document is directed only to such persons and must not be acted on or relied on by any other persons. For specific distribution and investment restrictions in other jurisdictions please refer to the Private Placement Memorandum, a copy of which is available at request.

This document is prepared by Black Toro Capital based on internally developed data, and third party and publicly available information generally accepted as reliable. However no attempt has been made to verify independently such information. No undertaking, representation or warranty or other assurance, express or implied, is made or given by or on behalf of Black Toro Capital or any of its members, employees, agents or advisers or other person as to the accuracy completeness or fairness of the information or opinions contained in this document and no responsibility or liability is accepted for any such information or opinions. Past performance of any of Black Toro Capital's partners or employees does not indicate or guarantee future results.