



ADL BIONATUR SOLUTIONS REINFORCES ITS GROWTH STRATEGY WITH A EUR 25 MILLION DEBT FINANCING FROM KARTESIA

- Proceeds complete the necessary investments to execute ADL's strategic business plan for the next four years, strengthening its CMO business plan and growth objectives
- Non-dilutive access to growth capital to secure shareholder value
- EUR 25 million loan with an additional option of EUR 5 million tranche
- Business plan and guidance enhanced for 2019

León, Spain, 12 August 2019 - ADL Bionatur Solutions (MAB: ADL), through its subsidiary ADL Biopharma, a company specialized in research and development of health, cosmetic and beauty products, services and industrial fermentation production, and Kartesia, an independent and privately-owned European specialist financing small and middle-market companies, today signed an agreement on a loan financing EUR 25 million. The agreement includes financing of EUR 25 million and the option of an additional amount of EUR 5 million, that can be drawn by requirement of ADL within the next 6-18 months. The parties agreed on an interest rate based on the Euribor + 5% annual interest rate + 7% for payment-in-kind (PIK). The required guarantees, pledge of ADL Biopharma's shares and a mortgage on its plant in León, are subject to the approval of its shareholders at an extraordinary general meeting, which will be held on September 13th, 2019. Black Toro Capital, the major shareholder of ADL, who owns 70% of the capital, is supportive of the financing.

The gross proceeds will be used to enhance corporate and business development, strengthening the growth of the company's contract manufacturing line of business and R&D. The funding will finance completely the existing capex plans to modernize ADL's facilities in full for the actual business plan, will provide working capital required to respond to its growing CMO's clients demand and will refinance certain debt (EUR 5.7 million), ensuring the execution of its business plan for the next four years. Whereas the second tranche, at the disposal of the company if required, will give ADL additional flexibility to accelerate its business development and achieve higher growth objectives in terms of increasing its productive capacity, creating even more value for its shareholders in the future.

"The growth capital provided by Kartesia will allow us to continue our strong thriving trend from the past 24 months, which has resulted in an annual doubling of revenues and positive EBITDA already in Q1 2019. The financing attests to the momentum of our robust performance so far and strengthens the case for our positive guidance in 2019 and beyond, ensuring our business strategic plan for the next four years. The access to growth capital is essential to securing and expanding ADL's position as the company with the largest CMO fermentation production capacity in Southern Europe," said **Pilar de la Huerta, CEO of ADL Bionatur Solutions**. "The support by a well-known international and strong partner demonstrates trust in our business model and provides the additional financial resources to drive ADL's long-term growth strategy."

ADL Bionatur Solutions reported last May strong guidance for the financial year 2019, advancing that the committed capacity of the main fermenters will grow from 85% to 100% by the end of the year, revenues to double compared to 2018, reaching EUR 50-55 million, and accordingly to



achieve an overall positive EBITDA for the full year. Its main CMO contracts signed support this guidance, as well as the last three contracts signed during this month.

Price Water House Cooper, Cuatrecasas and Perez Llorca have served as advisors to ADL Bionatur and Kartesia for this transaction. Whereas KPMG has supported the Company on the corporate and regulatory items related to it.

About ADL Bionatur Solutions

ADL Bionatur Solutions (MAB: ADL) is a company specialized in biopharma manufacturing plus research and development targeting the human microbiome and the animal health sector. The Company, that owns the largest fermentation production plant in Southern Europe, carries out high value-added product development, scale-up and production for third parties. International healthcare companies as well as first-in-class academic and industrial laboratories mainly from Europe and the US are part of ADL's customer base. The biopharma manufacturing business is complemented by a research and development division, which creates a proprietary product pipeline in animal and human health. ADL is listed on the MAB, Spain's Alternative Stock Market (ISIN ES0184980003) and its major shareholder is the investment fund Black Toro Capital holding 73%. More information is available at www.adlbionatur.com.

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