

Auctus sells PharmaZell GmbH to Ergon Capital Partners

Munich, October 18th 2011

Funds advised by Auctus Capital Partners (“Auctus”) and Lead Equities announce today that they have sold their majority stake in PharmaZell GmbH (“PharmaZell”) to Ergon Capital Partners (“Ergon”).

Headquartered in Raubling, Germany, with three manufacturing sites in Germany and India, PharmaZell is a leading manufacturer and distributor of Active Pharmaceutical Ingredients (API) sold to both originators and generic pharmaceutical producers. In the fiscal year ended March 31st 2011, PharmaZell reported sales of €52.4 million and EBITDA of €8.9 million. Ergon will combine PharmaZell with Farmabios, its existing Italian API producer.

Auctus has acquired PharmaZell together with the management in the course of a carve-out transaction from US publicly listed Lubrizol in 2006. Under the Auctus ownership, PharmaZell grew from a €20 million company to its current size and profitability.

Auctus and PharmaZell management were advised by TransAct Advisory Services (M&A), Pöllath & Partner (Legal) and KPMG (Financial and Tax).

Ergon was advised by Leonardo & Co. (M&A), Freshfields Bruckhaus Deringer (Legal), PwC (Financial, Tax and Structuring), Electa Group for Structuring, Seer Pharma (GMP & Production), Arthur D. Little (Strategy), Marsh (Insurance) and URS (Environmental).

About Auctus

Auctus is a mid-market private equity investment company with more than €300 million assets under management, mainly focusing on majority stake holdings in growing and profitable companies. Auctus mainly invests in buy & build, ownership succession and spin-offs / carve-outs of established and profitable businesses in all sectors in German speaking countries.

About PharmaZell

Founded in 1947 in Raubling (Bavaria, Germany), PharmaZell develops and produces APIs, provides services for formulation development and compiles required regulatory documents for both originators and generic pharmaceutical manufacturers. Most of PharmaZell APIs are niche molecules for which the total market size is limited. For its 6 main products, PharmaZell is either the first or the second largest manufacturer worldwide and has cost and technology leadership. PharmaZell runs three production facilities located in Raubling (Germany), Chennai (India) and Vizag (India). More information is available at (www.pharmazell.com).

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