



## **Portobello Capital launches new strategy and acquires a 35% stake in AGQ Labs in its first structured investment**

- Initial investment of the new fund *Portobello Structured Partnerships Fund I*, currently under fundraising.
- Based in Spain, AGQ Labs is a leading company in the TIC (“Testing, Inspection, Certification”) industry with presence in more than 20 countries

**Madrid, July 9<sup>th</sup> 2020.-** Portobello Capital, through its new fund *Portobello Structured Partnerships Fund I* (“PSP”), has acquired a 35% stake in AGQ Technological Corporate, S.L. (“AGQ Labs” or the “Company”), a company specialised in providing testing laboratory services, including physical, chemical, microbiological and biotechnological analyses. The remaining 65% will remain with the Company’s founders, including the current Executive Chairman, Mr. Estanislao Martínez.

The acquisition of this stake means for Portobello the first investment of *Portobello Structured Partnerships Fund I*, whose investment mandate is to provide flexible capital solutions to entrepreneurs and companies in the middle market in Spain and Europe, without acquiring control of the company.

This new strategy led by Portobello is characterized by offering broad flexibility to structure the “right” tailored investment for each specific situation – including minority common equity, preferred equity, convertible instruments, structured debt-like securities and other bespoke securities that may combine any of the above –, and to provide capital to companies with ambitious expansion plans (organic and through M&A) in situations such as successions in family-owned companies, changes in the shareholding structure or looking for alternative solutions to debt. PSP offers the required support and dedication to each company with the aim to contribute to its future growth and value creation, keeping a solid alignment with its partners and entrepreneurs.

AGQ Labs was founded in 1993, is headquartered in Seville and has a strong commitment to international expansion. The Company is specialised in providing chemical testing laboratory services, advanced essays, and specialized chemical services to industrial customers within the food, agronomy, environment, mining and health and safety industries.

AGQ Labs operates 11 laboratories and 10 operation centres across Europe, Africa, Latam and North America, and has ~800 employees. The Company is present in more than 20 countries through and extensive commercial network. It is a well-consolidated analytical technology centre in the industries where it operates and counts with a leading portfolio of analyses. It is focused in providing critical technical analyses and advanced essays, for its clients and for consumers.

In 2019, the Company reported proforma revenue neighbouring 50 million euros, the product of an annual compounded organic growth rate of approximately 15% during the last 4 years, and a proforma EBITDA margin above 25%.

**Press release**



*“The investment in AGQ aims to support and promote the business and commercial development of one of the most recognized laboratory networks in our country, which is one of the key promoters and references of Spanish R&D and innovation in the world”, highlights Carlos Dolz, Partner at Portobello Capital.*

*“At Portobello we are keen to offer our complete support during the next stage of growth of AGQ. The flexibility and tailor-made approach of Portobello Structured Partnerships has enabled us to create a unique alliance that firmly positions the company towards the future”, adds Victor Virós, Principal at Portobello Capital.*

On the other hand, Estanislao Martínez, Executive Chairman at AGQ Labs, claims that *“the entry of Portobello Capital in AGQ Labs will strengthen the position of our company as a leading laboratory and technology centre, as well as foster solid business growth, which will lead to an increase in our presence in new international markets”.*

Future growth prospects of the industry are very favourable as a result of, among others, (i) the increasing regulatory requirements regarding food safety, environment and consumption, (ii) the growing consumer expectations around food and product origin, safety and quality, and (iii) the steady outsourcing trend in the industry.

**About Portobello Capital:**

Founded in 2010, Portobello Capital is a leading independent mid-market private equity manager based in Spain and with investments in Southern Europe. Portobello Capital has capital committed and under management worth more than 1,300 million euro, a team with twenty-eight professionals and fifteen companies in its portfolio.

In addition to the new PSP fund, currently under fundraising, Portobello Capital manages two primary funds mainly focused on buyouts: (i) Portobello Fund III, with committed capital of 375 million euro and closed in August 2014, and (ii) Portobello Fund IV, with committed capital of 600 million euro and closed in February 2018, which is currently 50% invested. Portobello Capital also manages a secondary fund of 300 million euro.

**For additional information:**

Alejandro de Antonio- Estudio de Comunicación <a href="mailto:aantonio@estudiodecomunicacion.com">aantonio@estudiodecomunicacion.com</a> 91-576-52-50/607-55-22-63	Antonio García- Estudio de Comunicación <a href="mailto:agarcia@estudiodecomunicacion.com">agarcia@estudiodecomunicacion.com</a> 91-576-52-50/650-21-93-12
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