

4Q

RESULTS

Fourth Quarter of 2022





TABLE OF CONTENTS

01 2022 Q4 RESULTS

02 INCOME STATEMENT AND BALANCE SHEET

03 2022 CLOSING EVALUATION

04 RJF SHARE PERFORMANCE

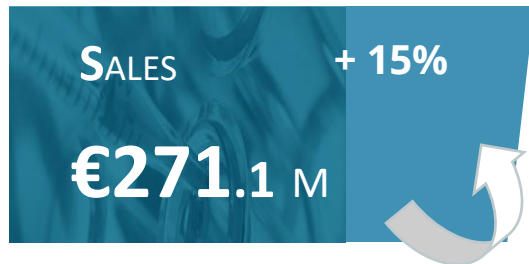
Q4 2022

RESULTS

01

2022 FOURTH QUARTER RESULTS

REIG JOFRE had 15% growth in revenue and 11% growth in EBITDA at the end of 2022



- The sales figures for the year 2022 reached €271 million, exceeding the same period in 2021 by 15%. The hospital product division, Pharmaceutical Technologies, leads this growth driven by the recovery of the global market for antibiotics and the start of manufacturing and sales from the new injection plant in Barcelona.
- Spain represents 44% of revenues, growing at a rate of 12%. However, the greatest growth occurred in sales to the rest of Europe, which increased by 25% through its own companies with specialised sales networks in France, Belgium, the UK, Sweden and the Nordic countries, in addition to the outstanding contribution of the new company Reig Jofre in Poland.
- The Hospital Products division, Pharmaceutical Technologies, showed the highest growth, i.e., 20%. Also noteworthy is the growth in Consumer Healthcare, which maintained the trend of the year, ending with a 16% increase in sales.
- Reig Jofre closed 2022 with a consolidated EBITDA of €30.4 million, an 11% increase over the previous year.
- Investments in technology have an impact on a higher amortisation. However, the better financial result, and the contribution of results from investee companies allow the Consolidated Result to be placed at €8.1 million, which represents an increase of 60% compared with 2021.
- In 2022, the industrial investments made were €10.3 million, below the levels of previous years. They correspond mainly to the construction of a new manufacturing line in the Swedish plant, dedicated to the manufacture of a treatment for Parkinson's and to technological improvements in the Toledo and Barcelona plants.

REVENUES BY BUSINESS UNIT

PHARMACEUTICAL TECHNOLOGIES



Antibiotics
Injectables/Lyophilisates

46%

125.0
million euros
+20%

- The hospital product division grew by 20%, driven by the antibiotic consumption recovery, after the social distancing measures ended.
- The new injectables plant started manufacturing the product on a large scale in June 2022, and gradually increased the level of activity by manufacturing its own products and CMO manufacturing projects.
- Sales in European markets have grown by 47%. Spain grew by 17% while the rest of the world had a 15% drop

SPECIALITY PHARMACARE



Osteoarticular
Dermatology

30%

80.4
million euros
+7%

- The Prescription Product division, which already grew 14% in 2021 in a recovering market, managed to grow by 7% in revenue.
- The growth engine is the osteoarticular range, which grows by 23%, while launches in the dermatological area have had an impact since the fourth quarter.
- Geographically, the greatest growth can be seen in the UK and, especially, in Poland where Reig Jofre created its subsidiary in 2021. Both countries have their own commercial networks.

CONSUMER HEALTHCARE



OTC
Energy
Stress and sleep
Weight
management
Beauty

24%

65.7
million euros
+16%

- The Consumer Healthcare division consolidated the trend, growing over 20% in Spain and 14% in France, its main geographic market.
- The Forté Pharma brand of Food Supplements accounts for 70% of the revenue and continues to grow in its main markets (France, Belgium and Spain) and in its online channels.
- OTC products in the respiratory and ENT product ranges also grew by 21%, in a clear recovery that had begun in 2021.

% International Sales

PHARMACEUTICAL TECHNOLOGIES

62%
International

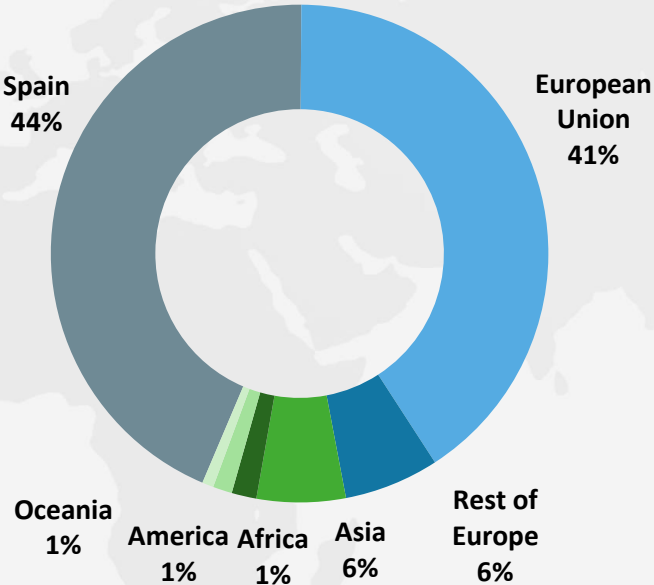
SPECIALITY PHARMACARE

31%
International

CONSUMER HEALTHCARE

75%
International

SALES BY GEOGRAPHICAL AREA



+ 12%



+ 25%



- 13%

- The Spanish market confirmed acceleration compared with the first quarter, in which it grew by 6%. The increased demand for antibiotics, the gradual increase in activity at the new plant in Barcelona and the positive progress in consumer healthcare products (OTC and Forté Pharma), allow for closing revenues 12% above the previous year.
- The greatest progression of sales by geographical area occurs in the rest of the European markets, with 25% growth. The dermatological and osteoarticular ranges in our subsidiaries in the UK and Poland are the fastest growing. And in France, Forté reached sales 14% above the previous year.
- Sales in the rest of the world fell by 13%, a trend that has been maintained throughout the year. This is due to the lower demand for hospital supply linked to some agreements to supply essential medicines during the pandemic, which impacted sales in 2020 and 2021.

12% | CDMO

Contract Development Manufacturing Organisation
(Third-party manufacturing)

INCOME STATEMENT AND BALANCE SHEET

02

INCOME STATEMENT

Q4 2022

000's euros	31/12/2022	31/12/2021
Net amount of turnover	271,150	236,231
Supplies	-114,138	-86,659
Exist. Var. Finished products and work in progress	1,043	-4,827
Gross margin	158,055	144,744
Work carried out for fixed assets	3,063	3,640
Other operating income	480	528
Personnel expenses	-70,472	-64,185
Other operating expenses	-60,690	-57,405
EBITDA	30,436	27,322
Amortisation of fixed assets	-21,063	-18,047
Allocation of subsidies	132	23
Deterioration and transfer of fixed asset profits	-973	-436
Operating profit	8,532	8,863
Financial profits	-1,361	-3,160
Profit value entities, equity method	1,593	90
Profit before active taxes continued	8,764	5,793
Income tax expense	-658	-713
CONSOLIDATED RESULT FOR THE YEAR	8,106	5,080

2022/2021 Outlook

- The growth in the sales figure of 15% is associated with a gross margin of 58.3%, significantly below the previous year (61.3%) due to the increasing pressure on costs and the greater weight of the income from antibiotics, essential products with lower profitability in an environment of regulated prices.
- The R&D capitalisation rate (work performed for fixed assets) was below that of the previous year.
- Personnel costs showed a 10% growth due to the increase in staff linked to increased industrial activity and the development of commercial networks, especially in France and Poland.
- Other operating costs increased by 6%, and are associated with both increased industrial activity and increased commercial actions and marketing in the Specialty Pharmaceutics and Consumer Healthcare divisions.
- EBITDA exceeded €30 million, a 11% increase over the previous year and 11.2% on sales.
- Amortisation expense grew by 17% due to fact that in the second half of the year the lines of the new plant in Barcelona were already fully operational
- The financial result improves significantly, given the previous year it included a non-recurring payment of €2 million for the purchase of the osteoarticular business.
- Financial results before tax thereby amounted to €8.1 million, which represents an exceptional increase of 60%.

BALANCE SHEET

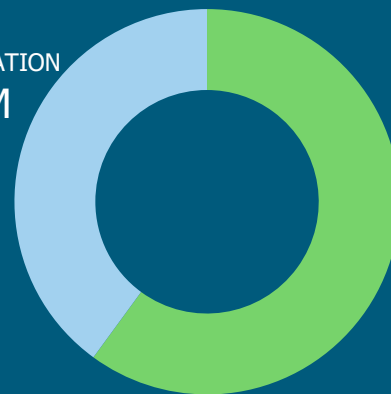
Q4 2022

000's euros	31/12/2022	31/12/2021
ASSETS		
Goodwill	28,972	29,843
Other intangible assets	70,893	77,727
Fixed assets	93,192	92,387
Profit value entities, equity method	3,541	1,948
Equity instruments, fair value	1,202	1,179
Other non-current financial assets	410	414
Deferred tax liability	10,680	12,642
TOTAL NON-CURRENT ASSETS	208,890	216,140
Shares	48,190	47,682
Commercial debts and others bill receivables	49,811	44,419
Current tax assets	5,106	6,016
Other current financial assets	444	973
Other current assets	2,296	4,681
Cash and other equivalent liquid assets	6,454	5,065
TOTAL CURRENT ASSETS	112,301	108,836
TOTAL ASSETS	321,191	324,976

- As in previous closures, the decline in non-current assets in 2022 reflects a more moderate level of investment and an increasing depreciation of both tangible and intangible assets (brands and purchased products as well as R&D projects).
- The levels of inventories and trade receivables grow below the growth in sales, which shows an active management of working capital to reduce the impact of the growth in Cash Flow.

2022 INVESTMENT **13,4**
million euros

R&D
CAPITALISATION
3.1 M



CAPEX
INDUSTRIAL
10.3 M

- Industrial investments** in technology and capacity increase have dropped compared to previous years. This year, the biggest project has been the expansion of the Swedish factory, with the construction of a new production line, which will come into operation in the first quarter of 2023.
- R&D projects** have been capitalised to €3.1 million, although the total expenditure spent by the Group remains above 5% of consolidated revenue.

BALANCE SHEET

Q4 2022

000's euros	31/12/2022	31/12/2021
EQUITY AND LIABILITIES		
TOTAL NET EQUITY	194,553	188,514
Subsidies	3,695	3,065
Provisions	183	201
Financial liabilities for credit institutions	25,438	34,670
Financial liabilities for leases	11,971	14,386
Other financial liabilities	6,952	6,173
Deferred tax liability	2,799	3,053
Other non-current liabilities	0	0
TOTAL NON-CURRENT LIABILITIES	51,038	61,548
Provisions	45	15
Financial liabilities for credit institutions	18,516	12,727
Financial liabilities for leases	5,315	5,600
Other financial liabilities	613	539
Liabilities from contracts with clients	3,549	8,031
Trade payable, other accounts payable	43,965	41,897
Current tax liabilities	3,070	3,955
Other current liabilities	527	2,150
TOTAL CURRENT LIABILITIES	75,600	74,914
TOTAL NET ASSETS AND LIABILITIES	321,191	324,976

- Non-current liabilities decreased due to the reduction in the residual term of the debt linked to inorganic growth and the new injectables plant.
- Current liabilities remain at the levels of the previous year. The payment of the debt to the osteoarticular business seller in 2022 and the reduction of contractual liabilities due to the termination of agreements with clients are offset by higher short-term financial debt.

NET FINANCIAL DEBT

2022
year-
end

62,3 million euros

2021
year-
end

69.0 million euros

Debt|EBITDA

2022
year-
end

2.0

2021
year-
end

2.5

FINANCIAL
FINANCIAL

68.8 M

LEASE DEBT
UNDER IFRS 16

11.0 M

CORPORATE DEBT
CREDIT AND OTHER

57.8 M

- **Net Financial Debt** has decreased as it did in the third quarter, standing at €62.3 million compared with €69.0 million at 2021's year-end. The **Debt/EBITDA** ratio stands at 2.0, also clearly below the level at 2021's year-end.
- The repayment of debt associated with the investments made between 2018 and 2021, and the moderation of investment levels have made it possible to achieve this low level of indebtedness, strengthening the financial position at the end of the year.

OUTLOOK

2022

03

Close of 2022 & 2023 Outlook

REIG JOFRE confirms at the end of 2022 the trend of growth in sales and results of the first quarters, achieving a 15% increase in revenue, with an EBITDA that exceeds €30 million.

In a favourable market context, and with the new injectable plant in Barcelona in the capacity utilisation ramp-up phase, REIG JOFRE grew in double digits in sales and results, while strategic priorities are redefined and retaken growth plans prior to the pandemic years.

The **PHARMACEUTICAL TECHNOLOGIES** division (46% of revenues) leads the growth, with an exceptional +20% in sales. The recovery of the antibiotics market is coupled with the gradual use of the capacity of the new Injectable Products Plant in Barcelona. By 2023, we must continue observing this progressive incorporation of productive capacity to maintain double-digit growth.

The fact that this growth in 2022 occurred largely in the essential medicines ranges with regulated prices and the pressure on material costs have negatively impacted margins. As of 2023, the production of more complex products in the new plant should gradually improve profitability in the coming year.

The **SPECIALITY PHARMACARE** division (30% revenue) had already achieved +7% growth after 2021 in which prescription product recovery and international expansion managed 14% growth. Launches underway in the dermatology area and the focus on consolidating international growth will be the main areas for the strategy in 2023.

CONSUMER HEALTHCARE (24% revenue) also shows a remarkable progression of 16%. OTC products, and also those of the Forté Pharma brand, continue to grow strongly, especially in its main markets: France, Spain and Belgium. Spain is going to concentrate a large part of its efforts on increasing awareness of the FORTE PHARMA brand and its market penetration. Online sales will also contribute to this expected growth.

REIG JOFRE expects that the positive evolution of the business both in sales and in results will continue this year 2023.

RJF SHARE PERFORMANCE

04

RJF SHARE PERFORMANCE 2022

SCRIP DIVIDEND 2022

- Remuneration €0.04/right cash or shares
- 97.2% of shareholders opt for shares
- 990,533 shares issued (1.26% capital)

AVERAGE DAILY VOLUME

- Average growth of 7.5% in the last 4 years

MAIN SHAREHOLDERS

REIG JOFRE INVESTMENTS SL	62.75%
KAIZAHARRA CORPORACION EMPRESARIAL SL	10.05%
ONCHENA, S.L.	6.13%
QUAERO CAPITAL FUND, SWITZERLAND	3.02%

ANALYSTS WHO COVER THE VALUE

bankinter.
Securities



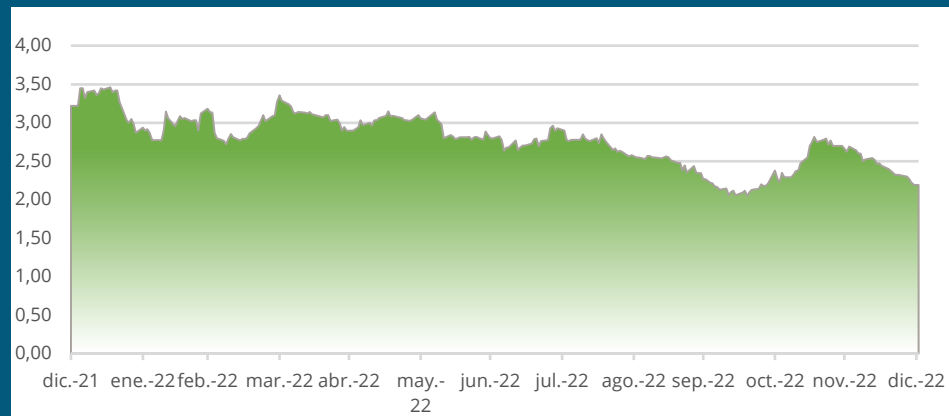
solventis

OTHER ACTIVITIES

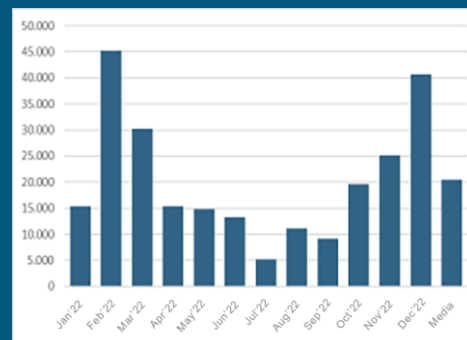
- Liquidity Programme 1H 2022
- Temporary Share Buy-Back Programme 2H 2022

MARKET CAPITALISATION **€172 million**

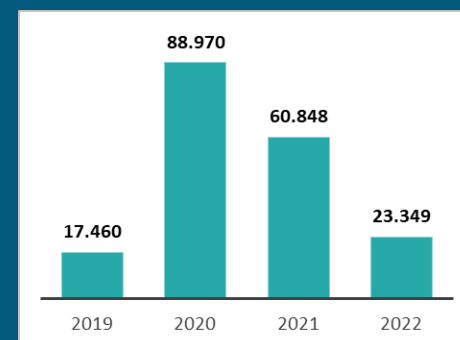
Data as at 31 December 2022



AVERAGE DAILY VOLUME (YoY)



AVERAGE DAILY VOLUME (2019-2022)



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REIG  JOFRE

TRADITION OF INNOVATION

Q4

Thank you

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