

3Q

RESULTS

Third Quarter of 2022





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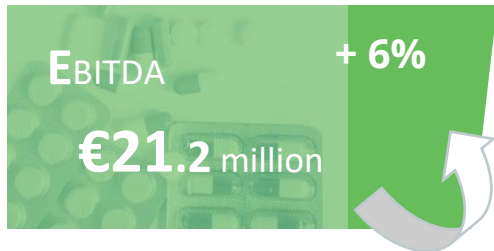
04 RJF SHARE PERFORMANCE

Q3 2022
RESULTS

01

RESULTS FROM THIRD QUARTER OF 2022

REIG JOFRE had 13% growth in revenue and 6% growth in EBITDA at the end of September 2022



- The cumulative sales figure in the third quarter of 2022 reached €195 million, exceeding the same period in 2021 by 13%. The growth in pharmaceutical technology products, the start of manufacture and sales in the new injection plant in Barcelona and good performance in the Forté Pharma food supplement ranges are the main drivers of this growth.
- The largest growth is reflected in sales in the domestic market, a growth of 13%, and in the rest of Europe, which has reached a 17% growth in revenues, driven by the countries in which Reig Jofre is present with its own companies and specialised sales networks: France, Belgium, UK, Poland and Sweden and the Nordic countries.
- The Consumer Healthcare unit shows the highest growth, 19%, and the Pharmaceutical Technologies unit has consolidated a 15% growth, following a lower demand for these products in 2021.
- In September 2022, the Group's EBITDA reached €21.2 million, a 6% increase over the same period of the previous year.
- The higher depreciation due to investments in technology, as well as higher financial expense have had an impact on the quarter's consolidated result, which stands at €4.3 million, representing a decline compared to 2021.
- As for the €5.4 million industrial investments made, they correspond to technological improvements in the Toledo and Barcelona plants and to the construction of a new manufacturing line in Sweden dedicated to the development and production of the group's dermatological products.

REVENUES BY BUSINESS UNIT

PHARMACEUTICAL TECHNOLOGIES



Antibiotics
Injectables/Lyophilisates

45%

87,6
million €
+15%

SPECIALITY PHARMACARE



Osteoarticular
Dermatology

29%

56,6
million €
+5%

CONSUMER HEALTHCARE



OTC Energy
Stress and sleep
Weight management
Beauty

26%

51,1
million €
+19%

- The hospital product unit grew by 15%, in a context of antibiotic consumption recovery, after the social distancing measures ended.
- The new injectables plant in Barcelona has increased the level of activity with its own products and CMO manufacturing projects.
- Sales in European markets have grown by 26%. Spain grew by 15% while the rest of the world had a 3% drop.

- The prescription product unit, which already achieved a growth of 14% in 2021 in a market in clear recovery, managed to grow by 5% in revenue in 2022.
- The new launches in the dermatological unit and the consolidation of commercial networks in Europe should enable this trend to continue.
- 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.

- The Consumer Healthcare unit consolidated the trend, growing over 20% in Spain and 18% in other European countries with France taking the lead.
- The Forté Pharma brand of Food Supplements accounts for 70% of the revenue and continues to grow in France, Belgium and Spain and in the rest of the world, specially in its online channels.
- OTC products in the respiratory and ENT product ranges also grew by 18%, a trend that began in 2021.

% International Sales

PHARMACEUTICAL TECHNOLOGIES

61%
International

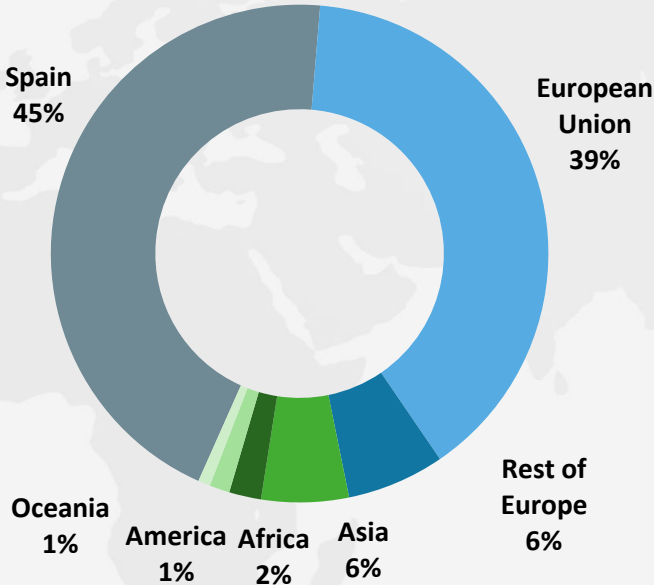
SPECIALITY PHARMACARE

28%
International

CONSUMER HEALTHCARE

75%
International

SALES BY GEOGRAPHICAL AREA



+ 13%



+ 17%



- 2%

- The Spanish market shows acceleration compared to the first quarter, in which it grew by 6%. The increased consumption of antibiotics, the increased activity of the new plant in Barcelona and the positive progress in consumer healthcare products (OTC and Forté Pharma), place revenues 13% above the previous year.
- The other European markets are also doing well, +17%. The dermatological and osteoarticular ranges in our subsidiaries in the UK and Poland are the fastest growing. And in France and Benelux Forté Pharma achieved sales 20% above the previous year.
- Sales in the rest of the world have fallen by 2%, due to the lower demand for hospital provisions linked to some specific agreements initiated in 2020. Prospects remain favourable, especially in the Asian market, which will enable the trend to reverse and regain growth in the coming quarters.

12% | CDMO

Contract Development Manufacturing Organisation
(Third-party manufacturing)

INCOME STATEMENT AND BALANCE SHEET

02

INCOME STATEMENT

Q3 2022

thousand euros	30/09/2022	30/09/2021
Turnover	195.257	173.174
Procurements	-83.238	-63.226
Changes in inventories	3.662	-2.162
Gross margin	115.681	107.787
Work carried out for fixed assets	2.577	3.222
Other operating income	105	284
Personnel expenses	-52.983	-49.709
Other operating expenses	-44.187	-41.618
EBITDA	21.192	19.965
Depreciation and amortization	-15.079	-13.221
Govern. grants for non-financial assets and others	85	17
Impairment and results on disposals	3	-2
Operating income	6.201	6.760
Financial result	-1.429	-793
Results from entities accounted by the equity method	268	53
Profit before taxes	5.040	6.020
Income tax	-756	-903
NET RESULT	4.284	5.117

2022/2021 Outlook

- We highlight a 13% growth in sales figures, with a gross margin of 59%, slightly below the previous year due to the increasing pressure on the cost of materials and the higher weight of antibiotics, essential products with lower profitability in a regulated price environment.
- The R&D capitalisation rate (work performed for fixed assets) remains below the previous year.
- Personnel costs showed a 7% growth due to the increase in staff linked to increased industrial activity arising from growth in Pharmaceutical Technologies.
- Other operating costs increased by 6%, associated with both industrial activity and increased commercial activity in the Specialty Pharmacare and Consumer Healthcare units.
- EBITDA stands at €21.2 million, a 6% increase over the previous year and 10.9% on sales.
- Amortisation expense grew by 14% as the investments associated with the new plant in Barcelona are already fully operational in the second half of 2022.
- Financial expenditures grew significantly, due to the higher cost of debt and also to the negative impact of exchange rate differences.
- Profit before tax reached €4.3 million, which represents a 16% drop compared to the same period last year.

BALANCE SHEET

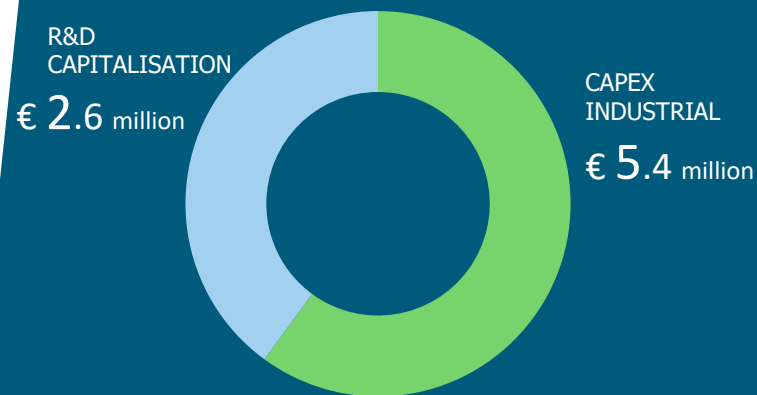
Q3 2022

thousand euros	30/09/2022	30/09/2021
ASSETS		
Goodwill	29.485	29.891
Other intangible assets	73.196	79.794
Property, plant and equipment	91.549	92.885
Investments in equity-accounted investees	2.216	1.911
Non-current financial assets measured at fair value	1.202	1.175
Other non-current financial assets	418	580
Deferred tax assets	10.621	13.507
TOTAL NON-CURRENT ASSETS	208.687	219.743
Inventories	50.516	46.601
Trade and other receivables	46.020	43.111
Current tax assets	4.844	7.292
Other current financial assets	1.088	771
Other current assets	5.472	3.427
Cash and cash equivalents	12.084	5.586
TOTAL CURRENT ASSETS	120.025	106.788
TOTAL ASSETS	328.712	326.531

- As in previous quarterly closures, the decline in non-current assets in 2022 reflects a more recurring level of investment and an increasing depreciation of both tangible and intangible assets (brands and purchased products as well as R&D projects).
- Cash shows substantial growth in 2022, although, as can be seen, stock levels and commercial debtors have increased by Q3 2022, due to increased industrial activity and sales growth.

2022 INVESTMENT

8.0
million euros



- Industrial investments** in technology and capacity increase have dropped compared to previous years. The biggest project this year is the expansion of the Swedish factory, which will incorporate a new production line by the end of 2022.
- R&D projects** have been capitalised to €2.6 million, although the total R&D expenditure of the Group remains above 5% of consolidated revenue.

BALANCE SHEET

Q3 2022

thousand euros	30/09/2022	30/09/2021
TOTAL EQUITY	191.107	189.134
Capital grants	3.916	2.349
Provisions	201	287
Financial liabilities with credit institutions	28.565	32.972
Lease liabilities	13.176	15.522
Other financial liabilities	6.475	6.226
Deferred tax liabilities	2.856	3.169
Other non current liabilities		
TOTAL NON-CURRENT LIABILITIES	55.190	60.525
Provisions	41	26
Financial liabilities with credit institutions	22.504	20.381
Lease liabilities	4.858	5.737
Other financial liabilities	609	544
Liabilities from contracts with customers	9.954	7.623
Trade and other payables	40.320	38.427
Current tax liabilities	4.035	3.942
Other current liabilities	95	192
TOTAL CURRENT LIABILITIES	82.415	76.872
TOTAL EQUITY AND LIABILITIES	328.712	326.531

- Non-current liabilities decrease due to lower investment level, and consequently lower need for new financing.
- Current liabilities raise is linked to the growth in sales, that impacts trade liabilities as well as liabilities from contracts with customers.

NET FINANCIAL DEBT

close of
Q322

64.1 million euros

2021
year-
end

69.0 million euros

Debt|EBITDA

close of
Q322

2.2

2021
year-
end

2.5

FINANCIAL
DEBT

76.2 million

LEASE DEBT
UNDER IFRS 16

11.4 million

CORPORATE DEBT
CREDIT AND OTHER

64.8 million

- **Net financial debt** has already started to decrease in this third quarter, standing at €64.1 million compared to €69.0 million at 2021's year-end. The **Debt|EBITDA** ratio stands at 2.2, also clearly below the level at 2021's year-end.
- Our forecast is to end the year maintaining this trend, which will strengthen the balance sheet and allow new investment and growth projects.

OUTLOOK

2022

03

2022 Outlook

At the end of September REIG JOFRE confirmed the revenue and profits growth trend of the first quarters of 2022 and expects to end the year well with double-digit growth in sales and an acceleration in the growth of earnings.

In a market context in which demand for hospital products is clearly recovering and sales progress in Consumer Healthcare is maintained, REIG JOFRE continues with its strategic growth plan, focusing on the recovery of investments in technology and inorganic growth made in recent years.

The **PHARMACEUTICAL TECHNOLOGIES** unit (45% of revenue) is showing a solid +15% in sales. If, upon recovery of the antibiotics market, we combine the increasing use of the capacity of the new Injectable Products Plant in Barcelona, the forecast is to maintain this double-digit growth throughout the year.

Due to the fact that this growth occurs largely in the essential medicines ranges with regulated prices and to the pressure on material costs, margins will sit at levels below the previous year. From 2023, the production of more complex products in the new plant should contribute positively to profitability in the coming quarters.

The **SPECIALITY PHARMACARE** unit (29% revenue) had already achieved +5% growth after 2021 in which prescription product recovery and international expansion managed 14% growth. Ongoing launches in the dermatology unit will have their main impact from 2023.

CONSUMER HEALTHCARE (26% revenue) shows the greatest growth among the units, 19%. Forté Pharma brand products continue to show strong growth, especially in their main markets: France, Belgium and Spain. OTC products and, in particular, those indicated for respiratory conditions and ENT have shown the same strength.

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 5.7% in the last 4 years
- Annualised turnover at 0.51x on floating capital

MAIN SHAREHOLDERS

Shareholder	% capital
REIG JOFRE INVESTMENTS S.L.	62.7%
KAIZAHARRA CORPORACION EMPRESARIAL S.L.	10.1%
ONCHENA, S.L.	5.8%
QUAERO CAPITAL FUND, SWITZERLAND	3.0%

ANALYSTS WHO COVER THE VALUE

bankinter.
Securities



BNP PARIBAS
EXANE

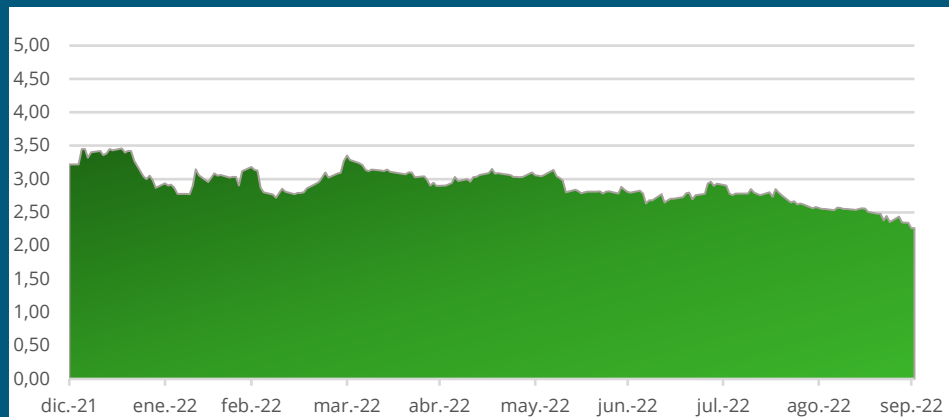
solventis

OTHER ACTIVITIES

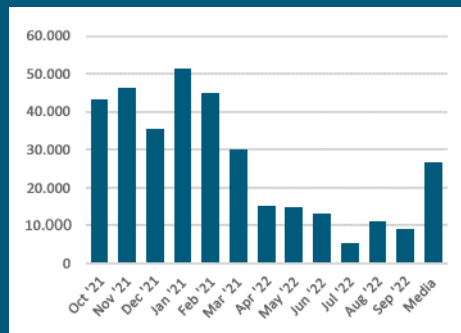
- Liquidity Programme 1H 2022
- Temporary Share Buy-Back Programme 2H 2022

MARKET CAPITALISATION €178 million

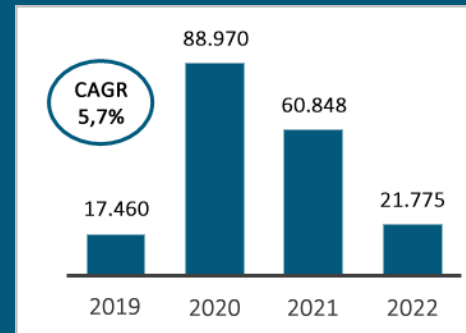
Data as at 30 September 2022



AVERAGE DAILY VOLUME (YoY)



AVERAGE DAILY VOLUME (2019-2022)



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REIG  JOFRE

TRADITION OF INNOVATION

3Q

Thank you

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