

2Q

RESULTS

Second Quarter 2023





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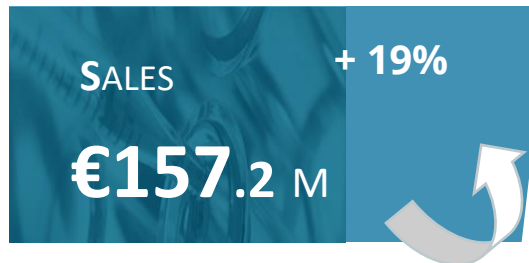
04 RJF SHARE TRENDS

2Q 2023
RESULTS

01

EARNINGS SECOND QUARTER 2023

REIG JOFRE increased 19% in revenue and 25% in EBITDA in the first half of 2023



- The sales figure for the first half of 2023 reaches 157 million euros, 19% above the same period of 2022. The medicinal products division, Specialty Pharmacare, leads this growth, followed by the Pharmaceutical Technologies and Consumer Healthcare divisions.
- Spain represents 46% of revenues, with a sales growth at an exceptional rate of 25%. This is due to the increased manufacturing capacity in injectables, the growth of the Osteoarticular range, and the progression of OTC products in Consumer Healthcare.
- The Specialty Pharmacare division shows the highest growth, 31%, especially driven by the progression of the Osteoarticular range in Europe. The growth of the other two divisions, Pharmaceutical Technologies and Consumer Healthcare, both with a revenue growth of 14%, is also notable.
- Reig Jofre achieved an excellent result in the first half of 2023 with a consolidated EBITDA of 17.9 million euros, 25% above the same period of the previous year.
- Investments in technology have an impact on higher depreciation, mainly due to the new plant in Barcelona.
- The good financial result, and the contribution of earnings from investee companies allow the Consolidated Earnings to be placed at 5.7 million euros, which represents an increase of 57% compared to 2022.
- In the first half of 2023, the industrial investments were made for 4 million euros. After capacity expansions in recent years at the Swedish plant, the construction of the new plant in Barcelona and an additional production line in Toledo, the industrial area is now concentrating on technological improvements and the quality and efficiency of processes.

INCOME BY BUSINESS UNIT

PHARMACEUTICAL TECHNOLOGIES



Antibiotics
Injectables / Lyophilised Products

46%

72,1
Millions of €
+14%

SPECIALTY PHARMACARE



Osteoarticular
Dermatology

31%

48,5
Millions of €
+31%

CONSUMER HEALTHCARE



OTC
Energy
Stress and sleep
Weight control
Beauty

23%

36,6
Millions of €
+14%

- The hospital product division grew by 14%, driven both by Spain and by international markets, and especially by Asian countries.
- Moderate growth of antibiotics, 6%, after a year 2022 in which they grew at double digits.
- The new injectable plant in Barcelona grew in manufacturing volume, both in its own products and in manufacturing projects for CMO contracts, which allowed it to reach 21% in injectables.

- The prescription product division managed to grow 31% in the first half of 2023 (it grew 7% in 2022), standing out as the division with the greatest progression.
- With a 40% increase in sales, the growth engine is the Osteoarticular range, as well as the CMO activity for the manufacture of enteral gels in the Swedish plant. On its part, Dermatology grew by 7%.
- On a geographical level, the highest growth continues to occur in Europe and, above all, in Poland, where Reig Jofre created its subsidiary in 2021.

- The Consumer Healthcare division maintained good progress. Spain continued to grow above 20% as in the previous year, and France, its main geographic market, grew by 10%.
- The Forté Pharma brand of Food Supplements represents more than 80% of revenue. Overall, it grew by 12% in the first semester in its main markets (France, Belgium and Spain), and in online channels.
- OTC products, in the respiratory and ENT product ranges, grew by 29%, after 2022 in which they grew by 21%.

% International sales

PHARMACEUTICAL TECHNOLOGIES

57%
International

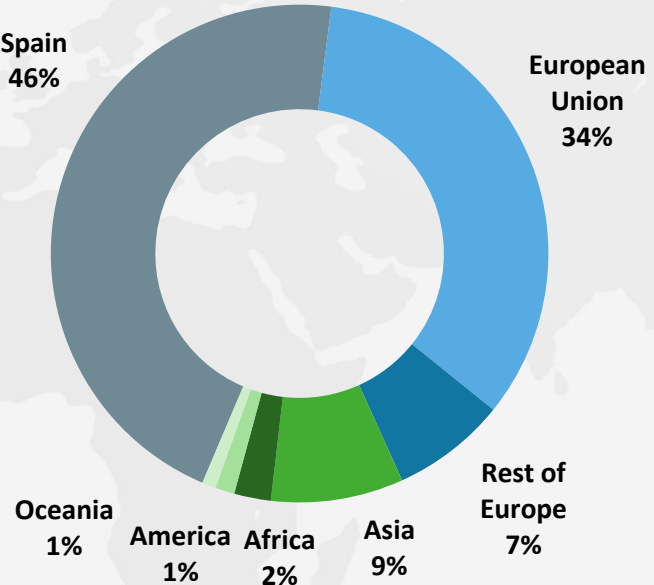
SPECIALTY PHARMACARE

38%
International

CONSUMER HEALTHCARE

71%
International

SALES BY GEOGRAPHICAL AREA



+ 25%



+ 7%



+ 45%

- The Spanish market accelerated growth to 25% from the 12% it reached in 2022. The increased manufacturing capacity of injectables at the new plant in Barcelona, the growth in osteoarticular products and the excellent performance of OTC products, allowed revenue closing at exceptional growth rates.
- The rest of the European markets, with a growth of 7%, owe their growth especially to our subsidiaries in the UK and Poland. In this country, a portfolio of dermatological products has been added to the Osteoarticular product range acquired in Poland and with the potential for launching in other European countries.
- Sales in the rest of the world increased by 45%, after 2022 when they experienced a decline of 13%. The Asian markets have been the main drivers of this progression.

13% | CDMO

Contract Development Manufacturing Organization (Manufacture for third parties)

INCOME STATEMENT AND BALANCE

02

INCOME STATEMENT

2Q 2023

thousand euros	30/06/2023	30/06/2022
Turnover	157.191	132.556
Procurements	-71.710	-59.830
Changes in inventories	7.656	5.767
Gross margin	93.136	78.492
Work carried out for fixed assets	941	1.733
Other operating income	178	65
Personnel expenses	-38.781	-35.017
Other operating expenses	-37.684	-31.088
EBITDA	17.791	14.186
Depreciation and amortization	-11.627	-9.384
Govern. grants for non-financial assets and others	116	11
Impairment and results on disposals	-326	4
Operating income	5.954	4.817
Financial result	-410	-682
Results from entities accounted by the equity method	1.134	119
Profit before taxes	6.678	4.254
Income tax	-1.002	-638
NET RESULT	5.676	3.616

- The 19% growth in Sales is associated with an improvement in gross margin. This stands at 59% in the first semester, compared to 58% in which it closed the previous year. The greater weight of Specialty Pharmicare products and injectable products in Pharmaceutical Technologies could offset the significant increase in costs affecting raw materials and active ingredients.
- The activation level of R&D (work carried out for fixed assets) is practically half the figure for the previous year. Despite this, total R&D spending remains at the level of previous periods.
- Personnel expenses showed a growth of 11% due to the increase in technical personnel linked to increased industrial activity and the growth of commercial networks in Europe.
- Other operating expenses increased by 21%, mainly due to increased industrial activity, and the increase in energy costs and other production expenses. Sales and marketing actions are also growing in the areas of Specialty Pharmicare and Consumer Healthcare.
- EBITDA reached 17.8 million euros, which represents a growth of 25% over the previous year. This growth in earnings above the increase in sales allowed the EBITDA/Sales ratio to improve, which stood at 11.3% of sales, compared to 10.7% in the first half of 2022.
- The depreciation expense grew by 24% due to the fact that the lines of the new plant in Barcelona have been fully operational since the second half of 2022.
- The better financial result due to the positive progress of the exchange rate and the incorporation of 50% of the profit of JV Syna Therapeutics in the first semester also had a positive impact on the earnings of the semester.
- The earnings before taxes thus reaches 6.7 million euros, which represents an exceptional increase of 57%.

BALANCE

2Q 2023

thousand euros	6/30/2023	6/30/2022
ASSETS		
Goodwill	28,651	29,574
Other intangible assets	66,906	74,780
Property, plant and equipment	89,944	91,235
Investments in equity-accounted investees	4,675	1,978
Non-current financial assets measured at fair value	1,220	1,202
Other non-current financial assets	387	417
Deferred tax assets	10,680	12,618
TOTAL NON-CURRENT ASSETS	202,463	211,804
Inventories	61,105	50,117
Trade and other receivables	61,567	51,316
Current tax assets	3,448	6,048
Other current financial assets	295	952
Other current assets	2,336	5,019
Cash and cash equivalents	6,261	3,541
TOTAL CURRENT ASSETS	135,012	116,993
TOTAL ASSETS	337,475	328,797

- As in previous closings, the drop in non-current assets in 2022 reflects a more moderate level of investment and increasing depreciation of both property, plant and equipment and intangible assets (brands and products acquired, as well as R&D projects).
- The levels of inventories and trade receivables grew as a result of the growth in sales, an effect that is offset by greater financing from suppliers.
- The working capital was at levels of 22% of the sale compared to 20% at the end of 2022.

INVESTMENT 2023

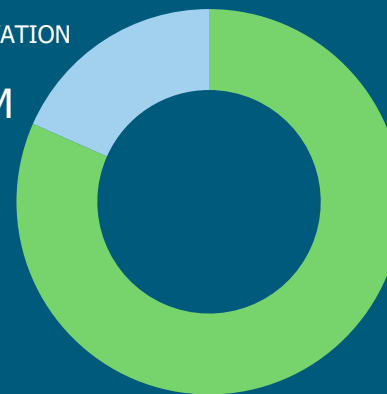
4,9
Millions of €

R&D ACTIVATION

0.9 M

CAPEX INDUSTRIAL

4.0 M



- The **industrial investments** in technology and capacity increase are reduced compared to previous years, as planned, to reach the necessary recurring capex level, around 8 million euros/year.
- The **R&D projects** have been activated for a value of 0.9 million euros, although the total expense dedicated by the Group remains above 5% of consolidated income.

BALANCE

2Q 2023

thousand euros	6/30/2023	6/30/2022
TOTAL EQUITY	1,99,595	1,91,062
Capital grants	3,525	3,040
Provisions	183	201
Financial liabilities with credit institutions	20,156	31,685
Lease liabilities	10,487	13,453
Other financial liabilities	6,750	6,093
Deferred tax liabilities	2,651	2,916
TOTAL NON-CURRENT LIABILITIES	43,752	57,388
Provisions	0	15
Financial liabilities with credit institutions	24,887	16,952
Lease liabilities	4,462	4,670
Other financial liabilities	934	545
Liabilities from contracts with customers	4,538	8,971
Trade and other payables	55,629	43,609
Current tax liabilities	3,517	3,502
Other current liabilities	161	2,083
TOTAL CURRENT LIABILITIES	94,128	80,347
TOTAL EQUITY AND LIABILITIES	3,37,475	3,28,797

- Non-current liabilities decreased due to the reduction in the residual term of the debt. This debt is mainly linked to inorganic growth and the new injectables plant.
- Current liabilities increased compared to the closing of the previous year. The increase in sales and manufacturing levels implies a growth in working capital that also entails greater financing from suppliers.

NET FINANCIAL DEBT

closing
2Q23

61,4 Millions of €

closing
2022

62,3 Millions of €

Debt|EBITDA

closing
2Q23

1,8

closing
2022

2,0

FINANCIAL
DEBT
67.7M

LEASE DEBT APPLICATION

IFRS 16

9.5M

DEBT FROM CREDIT
INSTITUTIONS AND
OTHERS

58.2M

- The **Net Financial Debt** continued to decrease, as it did in the two previous quarters, standing at 61.4 million euros compared to 69.0 million euros at the end of 2021. The **Debt|EBITDA** ratio stands at 1.8, compared to the ratio of 2.0 at which it closed in 2022.
- The repayment of debt associated with the investments made between 2018 and 2021, and the moderation of investment levels made it possible to reach this low level of indebtedness, which will help face the financing of new growth projects.

PERSPECTIVES

2023

03

2023 Perspectives

REIG JOFRE closed the first semester with a 19% increase in revenue, and a 25% increase in EBITDA. Investments in recent years allowed this growth, which we hope can be maintained.

In a context in which raw material and manufacturing costs have increased notably, REIG JOFRE is growing at rates of 20% in sales and results. This is possible due to the greater manufacturing capacity in the new injectables plant in Barcelona, the good performance of the Specialty Pharmicare ranges, especially in the Osteoarticular area, and the development of subsidiaries in Europe.

The **PHARMACEUTICAL TECHNOLOGIES** division (46% of revenues) has managed to grow 14% after a year 2022 in which it obtained an exceptional growth of 20% due to the recovery of the antibiotics market. The growth of the Spanish market is joined by an exceptional progression in Asian countries, which benefit from the largest industrial manufacturing capacity for injectables.

The agreement that REIG JOFRE signed with the European Union to reserve vaccine manufacturing capacity in case of emergency was announced in June. This agreement, signed for an initial period of four years, will impact revenue from the second half of 2023 and, in the event of activation, it can temporarily occupy up to 30% of the maximum capacity of the Barcelona injectables plant.

The **SPECIALTY PHARMACARE** division (31% of revenues) leads growth trends, with an exceptional 31% in sales. The sale of newly launched products in dermatology and the growth in the osteoarticular range, as well as the increase in the volume of manufacture of enteral gels in the CMO regimen, are the main reasons for this progression.

CONSUMER HEALTHCARE (23% of revenue) also showed a good progression in sales with 14%. Forté Pharma brand products continue to grow strongly, especially in the Spanish market and online channels. OTC products and especially those indicated for respiratory and ENT conditions maintained growth above 20%, a level already achieved in 2022.

REIG JOFRE expects to maintain both the growth in sales and the improvement in EBITDA and profitability during 2023. This, added to the impact of the signing the agreement to reserve vaccine manufacturing capacity in the EU in case of emergency, should make it possible to reach revenues of over 300 million euros and EBITDA of over 35 million euros per year.

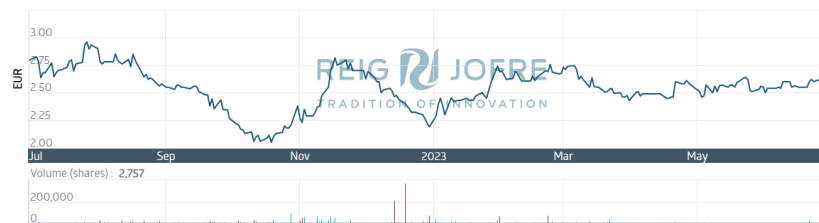
Market Cap
208 M €

30 Jun 2023

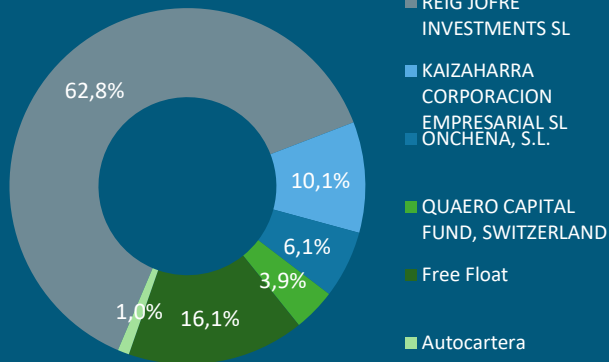
Price 2.61€ <small>30/06/23</small>	High 2.96€	Low 2.02 €
Volume 13.6 k <small>Daily average</small>	High 371.5 k	Cash 33.8K€ <small>Daily average</small>

01/07/2022 - 30/06/2023

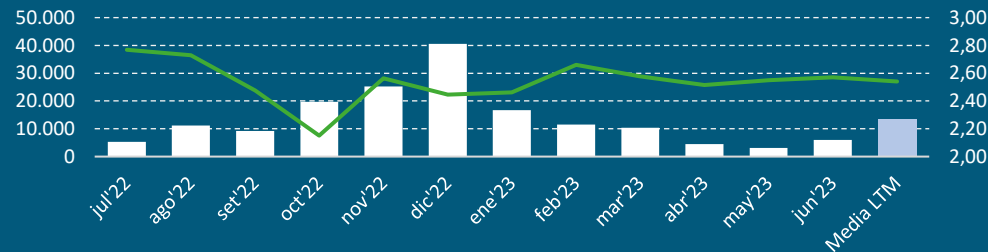
■ Reig Jofre (MSE) Open: 2.78 | High: 2.96 | Low: 2.05 | Close: 2.61



SHAREHOLDERS



VOLUME (SHARES) AND PRICE (€) DAILY AVERAGE



ANALYSTS THAT COVER THE VALUE



SCRIP DIVIDEND 2022

- Remuneration €0.04/right cash or shares
- 97.47% shareholders opt for shares
- Issuance of 1,213,328 shares (1.52% capital)

OTHER ACTIVITIES

- 2022: 1H Liquidity Program + 2H Temporary Share Repurchase Program.
- 2023: Liquidity Program (1H and extended to 2H).

LINKS AND ADDITIONAL INFORMATION

LAST NEWS

www.reigjofre.com/es/noticias

WEBCAST DE RESULTADOS

<http://www.reigjofre.com/es/inversores/webcasts>

SUBSCRIPTION CENTRE

<http://www.reigjofre.com/es/noticias/centro-suscripcion>

REIG  JOFRE

TRADITION OF INNOVATION

2Q

Thank you

Av. de les Flors
08970 Sant Joan Despí, Barcelona, Spain
Tel: +34 93 480 67 10

www.reigjofre.com

Investor Relations
investors@reigjofre.com

