

RESULTS 2019

PHARMA SECTOR





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Past performance is not a reliable indication of future performance.

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01.

LET'S TALK ABOUT
REIG JOFRE
TODAY

REIG JOFRE TODAY

PHARMACEUTICAL COMPANY FOCUSED ON THE RESEARCH, DEVELOPMENT, MANUFACTURE AND MARKETING OF PHARMACEUTICAL PRODUCTS AND NUTRITIONAL SUPPLEMENTS

3 GENERATIONS AT THE HEAD OF THE BUSINESS

1929

Ramon Reig Jofre
Founder

1970

Joan M. Biosca
Founder's son-in-law

2006

Ignasi Biosca
Founder's grandson and current CEO

YEARS SINCE FOUNDING

90

Founded in
Barcelona in 1929

TEAM

1121



58%



42%

TICKER

RJF

Quoted on the Spanish stock
exchange's main market since 2015

PHARMA
SECTOR

SALES

200M€

+11%

EBITDA

19.7M€

+20%

NET
PROFIT

4.9M€

DEBT/
EBITDA

2.67x

EXPANSION
CAPEX

22.2M€

MAIN FIGURES

2019 closing Var. vs 2018



02.

LET'S TALK ABOUT

EVOLUTION OF THE BUSINESS UNITS

BUSINESS UNITS



PHARMACEUTICAL TECHNOLOGIES

Antibiotics
Injectables / lyophilized



50% | 99.5M€
+2%

B2Business

SPECIALTY PHARMACARE

Skin, hair and nails health
Joint health & pain
Women’s health



26% | 51.7M€
+41%

B2Professional

CONSUMER HEALTHCARE

Weight control
Energy
Stress & sleep disorders
Beauty



24% | 49.0M€
+6%

B2Consumer



PHARMACEUTICAL TECHNOLOGIES

1. Key player

- 30% worldwide of remifentanil vials
- 25% beta-lactam antibiotics consumed in Spain

2. Product diversification

- The main molecule (amoxicillin alone or in combination with clavulanic acid), does not concentrate more than 10% of sales

3. Geographic diversification

- 60% international positive evolution in Asia (Japan + 24% in 2019)

25 new commercial authorizations (of about 250 total approx.) of 8 different molecules (of the 80 total approx.) in 20 countries

New line of injectable antibiotics Toledo

- 2020: first full year impact on sales

New lyophilized injectable aseptic production plant Barcelona

- 2021: start operations and sales

SPECIALTY PHARMACARE

Joint health & pain

New therapeutic area integration in S2-19
Impact on sales (+ €13 M) in Spain mainly and Nordic markets

Leading brands

Condrosan
Droglican



Skin, hair and nails health

Main leading brands

Complidermol 5a franchise
Ony-tec
Zalve



CONSUMER HEALTHCARE

Caring vs healing

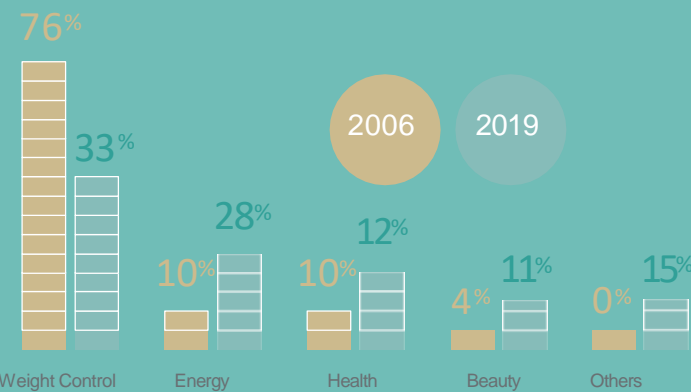
Growth + 9% French market
Historical leadership in weight control, enhanced with growth in new categories:

- Health: probiotics, sleep disorders, ENT
- Drinkable natural energy (+ vitamins)

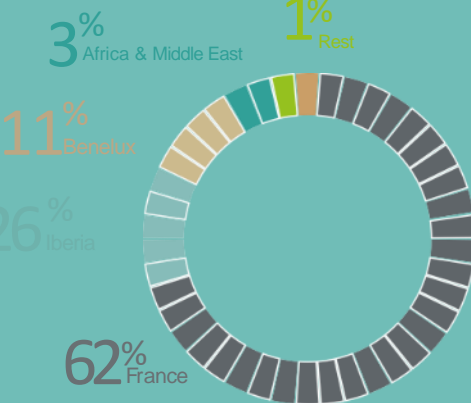


- greater balance of the ranges
- greater geographic diversification

DISTRIBUTION OF PRODUCT RANGE 2006-2019



SALES DISTRIBUTION BY COUNTRIES 2019





03.

LET'S TALK ABOUT

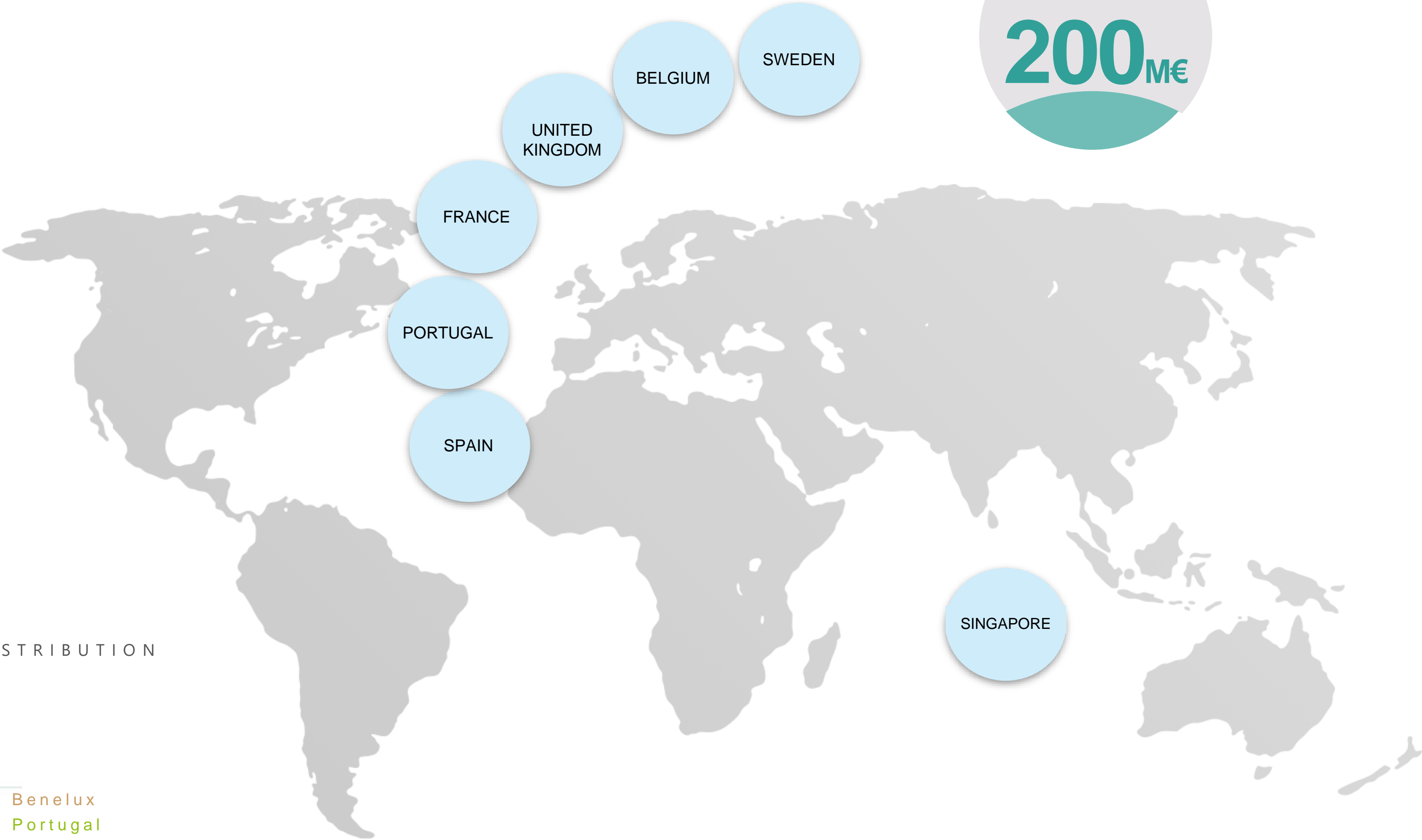
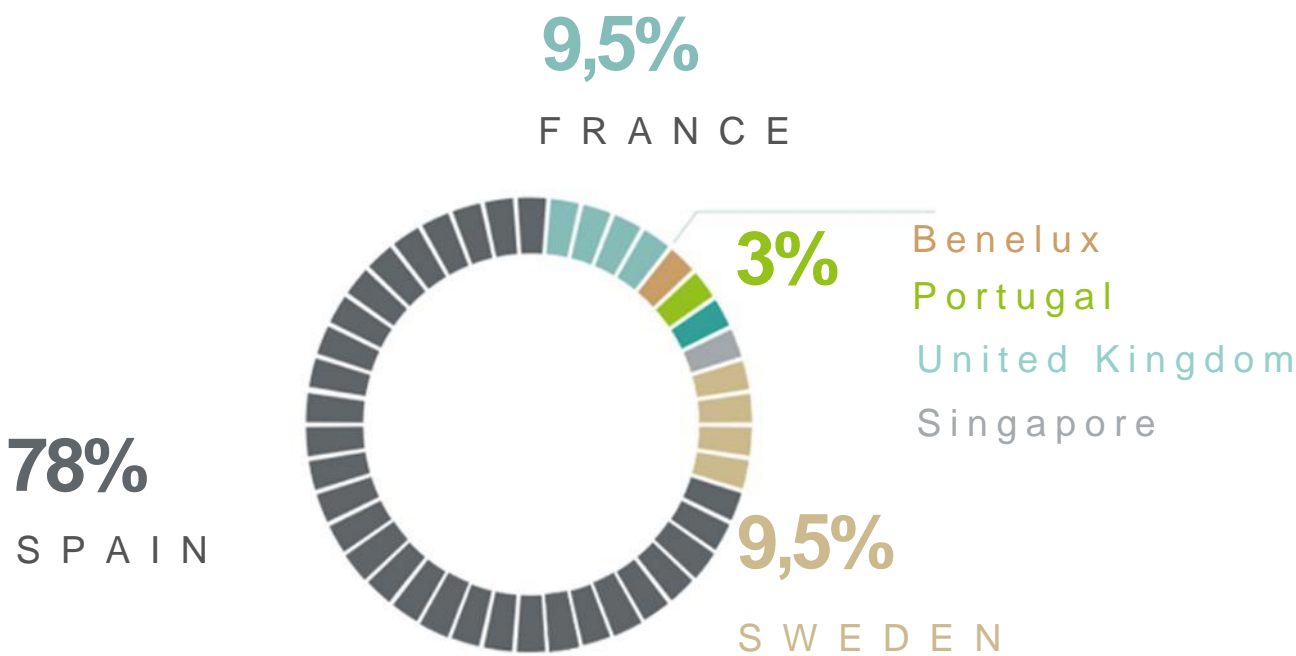
INTERNATIONAL PROGRESS

INTERNATIONAL PROGRESS



120 M€

EMPLOYEE GEOGRAPHICAL DISTRIBUTION



130 BUSINESS PARTNERS

80 M€



45%
S P A I N



45%
R E S T O F
E U R O P E



10%
R E S T O F
T H E W O R L D



04.

LET'S TALK ABOUT

PROFIT & LOSS ACCOUNT

200 million €
Sales

Sales

+11%

Gross
Margin

63%
on Sales

EBITDA

+20%

19,7 million €
EBITDA

P&L

Profit and Loss Account

2019

2018

Turnover	200.207	180.468	11%
Cost of goods	-73.911	-67.619	
Gross Margin	126.296	112.848	12%
Work carried out for fixed assets	5.625	4.824	
Other operating income	94	839	
OPEX	-112.323	-102.119	10%
Personnel expenses	-57.132	-52.140	
Other operating expenses	-55.192	-49.979	
EBITDA	19.691	16.393	20%

P&L 2019 expressed with IFRS 16 application, treatment of leases as asset amortization

19,7 million €
EBITDA

EBITDA

10%
on Sales

Depreciation

6,5%
on Sales

Financial
Result

0,6%
on Sales

5,3 million €
PROFIT
BEFORE TAXES

P&L

Profit and Loss Account

2019

2018

Turnover	200.207	180.468	11%
Cost of goods	-73.911	-67.619	
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Work carried out for fixed assets	5.625	4.824	
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OPEX	-112.323	-102.119	10%
Personnel expenses	-57.132	-52.140	
Other operating expenses	-55.192	-49.979	
EBITDA	19.691	16.393	20%
Depreciation and amortization	-13.148	-7.605	
Financial Result	-1.133	-692	
Other results	-107	1.388	
Profit before Taxes	5.303	9.483	-44%
Income Tax	-364	-231	
Net Profit	4.939	9.253	-47%

Other results include

Allocation of Grants

Impairment and gains or losses on disposals of non-current assets

Results from entities valued using the equity method

Acquisition of Joint Health and Pain Portfolio

Impacts on Profit and Loss Account | 2nd half of 2019

01 Sales

+13,3

million € [1 semester]

Total of 51 people join RJF, P&L impacts in Personnel Expenses, R+D, Salesforce and Marketing.
Overheads Structure is not incorporated

02 Amortization of Intangibles

-2,4

million € [1 semester]

Intangible Assets (brands, products) depreciated over a 10 year period

03 Non recurrent Transaction Costs

-2,3

million €

Integration Operational Expenses, M&A
Advisory, Legal and other Expenses related to
Capital Increase in June 2019

Profitability of the new therapeutic area does not have relevant incremental Overheads associated, thus bringing in higher than average profitability to Reig Jofre as a result.

Intangible assets associated with the products and brands acquired are amortized according to their estimated useful life. Goodwill is not amortized in IFRS

Adjusted P&L

Adjusted Profit and Loss Account

2019

2018

Turnover	200.207	180.468	11%
EBITDA	19.691	16.393	20%
Adjustment for Homogeneous application of NIIF 16		2.400	
Adjustment of non-recurrent transactional costs	2.329		
Adjusted EBITDA	22.020	18.793	17%
Adjusted depreciation (2018)	-13.148	-9.958	32%
Adjusted Financial Result (2018)	-1.133	-804	41%
Other results	-107	1.388	-108%
Adjusted Profit Before Tax	7.632	9.419	-19%

■ NIIF 16 Adjustment

■ Transactional Costs Adjustment

2019 Adjusted

22,0

million €
ADJUSTED EBITDA

7,6

million €
ADJUSTED PROFIT
BEFORE TAX

* INTANGIBLE DEPRECIATION FOR THE NEW PORTFOLIO 2,4 M€

Depreciation Expenses in 2019 include a 2,4 million € impact, related to the half year depreciation of Intangible Assets acquired on July 1th.



05.

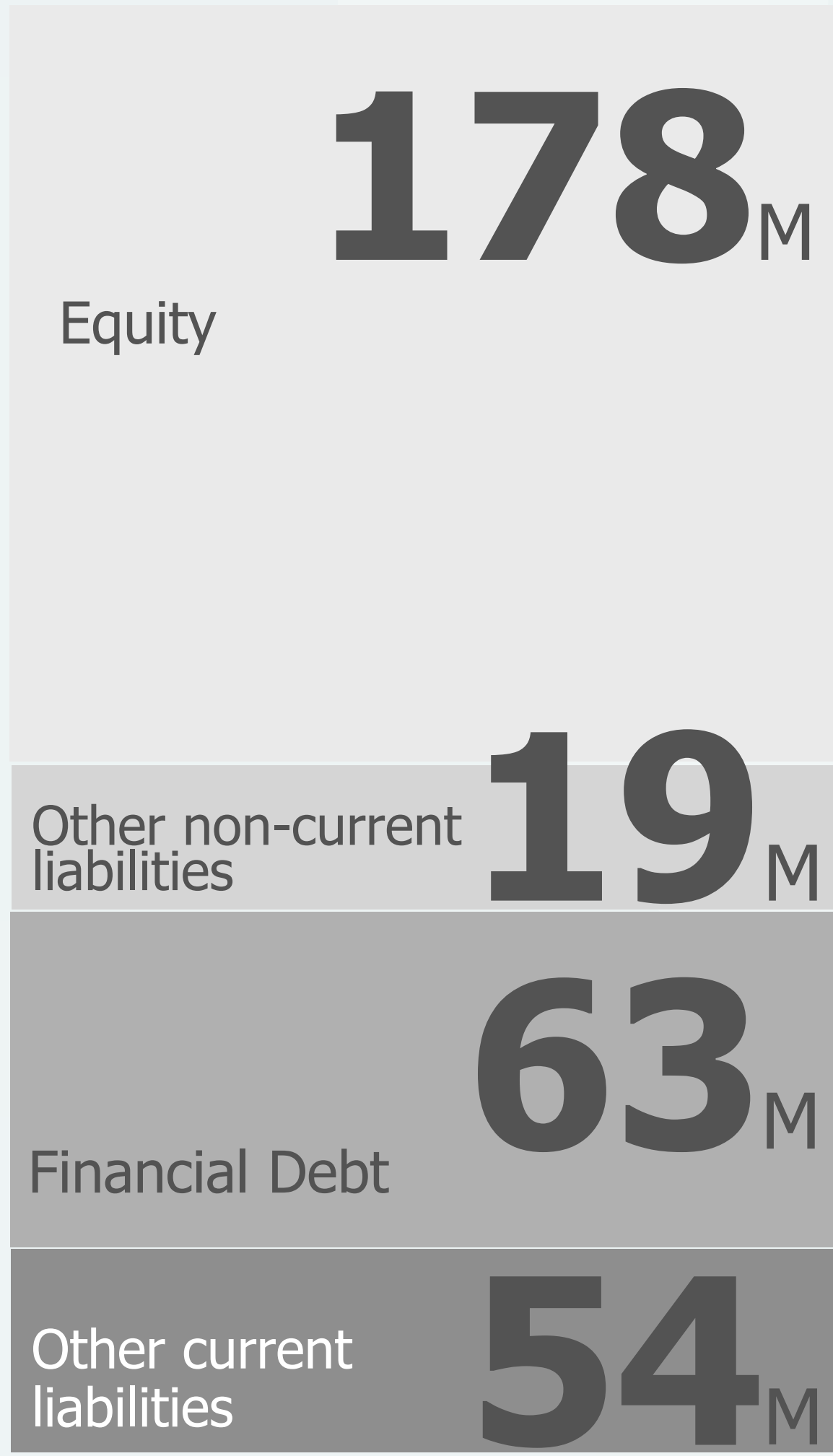
LET'S TALK ABOUT
BALANCE
SHEET

Balance Sheet 2019

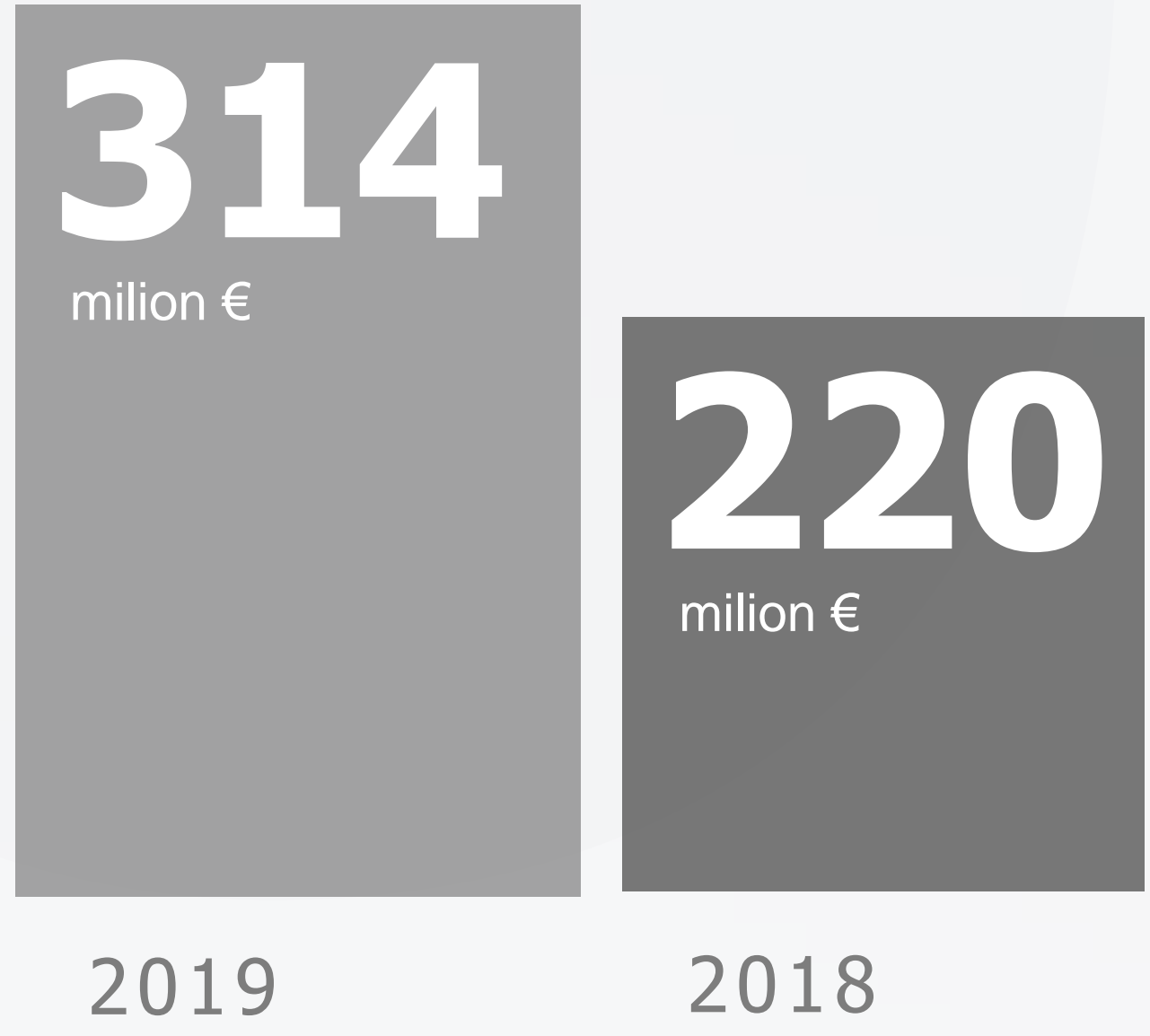
ASSETS



LIABILITIES



TOTAL BALANCE SHEET



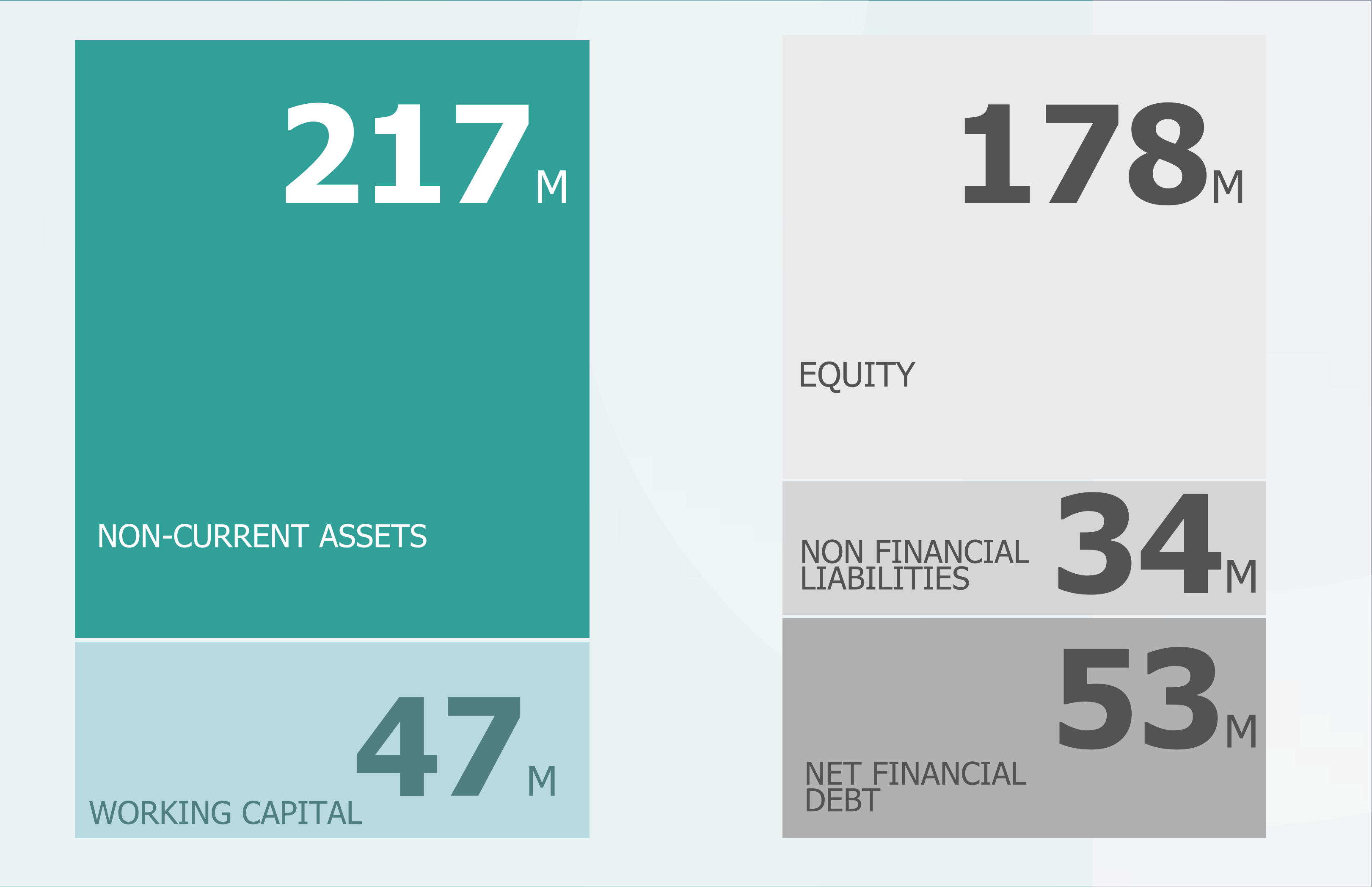
VARIATION
2019 | 2018



Balance Sheet 2019

ASSETS

LIABILITIES



ASSETS

217_M

NON-CURRENT ASSETS

47_M

WORKING CAPITAL

VAR 2019-2018

+79_M
net variation

INVESTMENTS
2019

+71_M

2019 R+D
CAPITALISED

+5,6_M

NIIF 16
IMPACT

+13_M

Investments 2019 71_M

Investment in Financial Assets

1,2 M

CAPEX
New technologies and
increase in capacity

22,2 M

New
Injectable
Plant (17,1M)

Joint Health and
Pain portfolio
acquisition

48,1 M

+5_M

WORKING
CAPITAL/SALES

24%

WORKING CAPITAL
Growth

+11%

SALES
Growth

+11%

LIABILITIES

178_M

EQUITY

NON FINANCIAL
LIABILITIES

34_M

NET FINANCIAL
DEBT

53_M

VAR 2019-2018

Balance Sheet 2019

+28_M
EQUITY

24,5_M

CAPITAL INCR.
CORP. OPERATION
+ CAP. INCREASE
SCRIP [0,5M]

-0,8_M

DIVIDEND
[-359 K€]+
TREASURY STOCK
[-238 k€]

4,1_M

2019 RESULTS +
OTHER

+28_M
NON FINANCIAL
LIABILITIES

2_M

GRANTS
TAXES

26_M

OTHER
LIABILITIES

+28_M
NET
FINANCIAL DEBT

12,8_M

NIIF 16

11,6_M

NON CURRENT
LIABILITIES

5,7_M

CURRENT
LIABILITIES

DEBT/EBITDA

NET FINANCIAL DEBT

53

million €

2019

24

million €

2018

DEBT / EBITDA

2,67

2019

1,49

2018

FINANCIAL DEBT

GROSS
FINANCIAL DEBT

63_M

AVERAGE
MATURITY
3_{years}

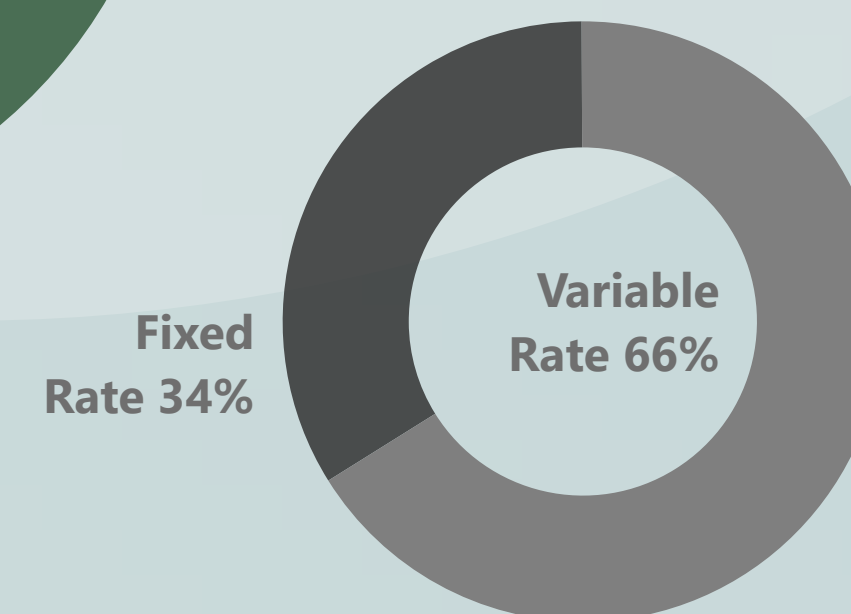
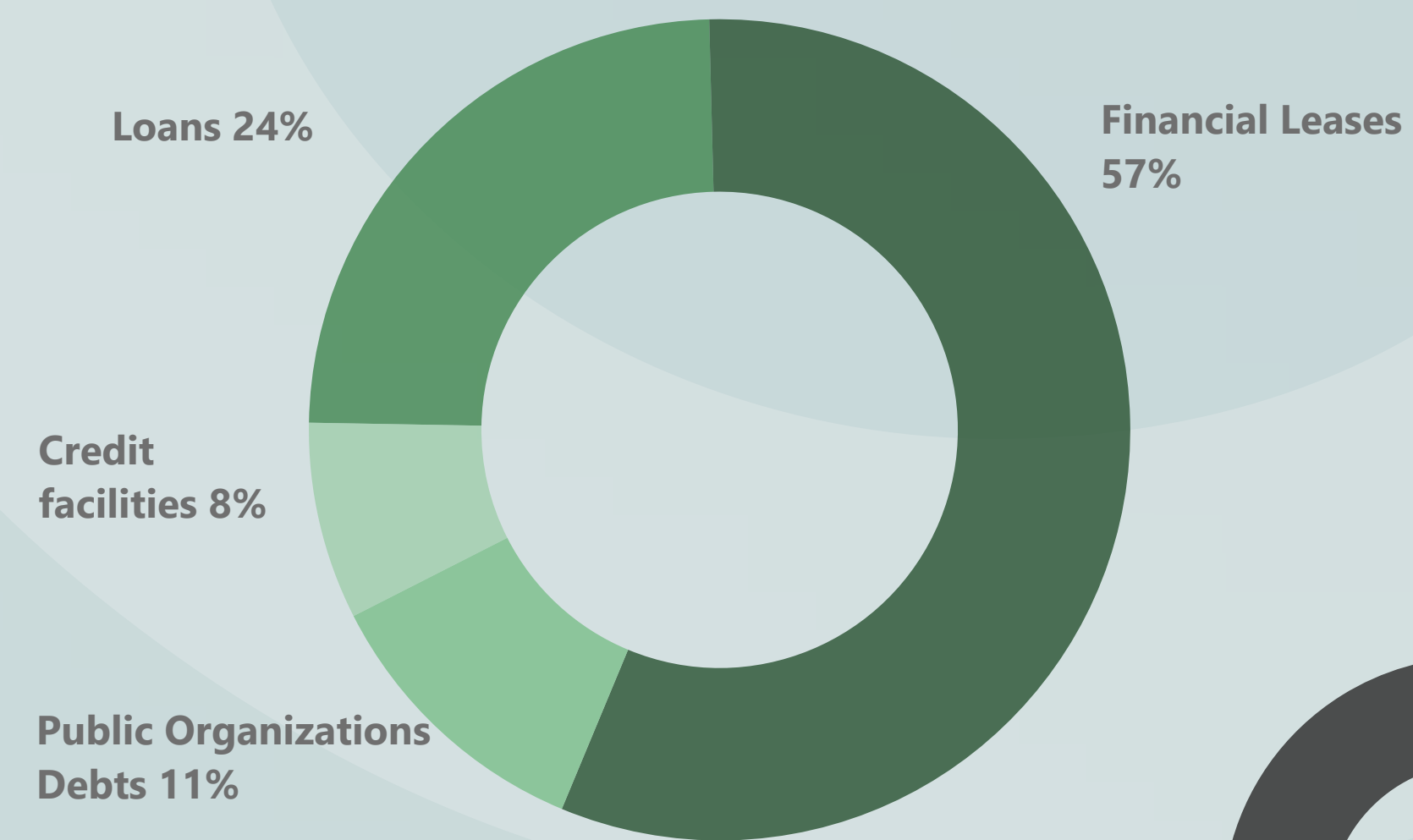
COST OF DEBT
2019
1,95%

LEASE DEBT
APPLICATION OF NIIF 16

13_M

BANK DEBTS

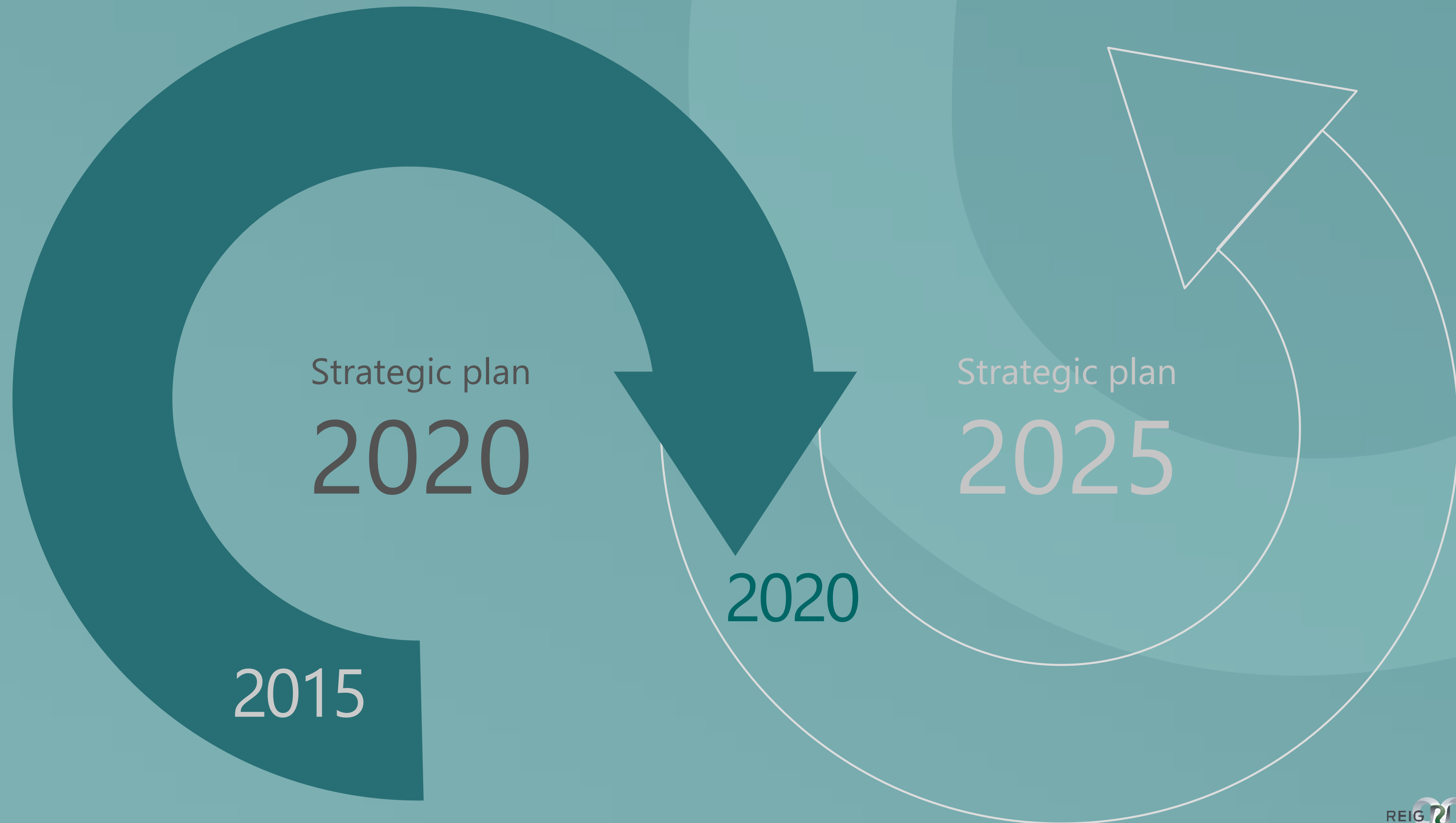
50_M





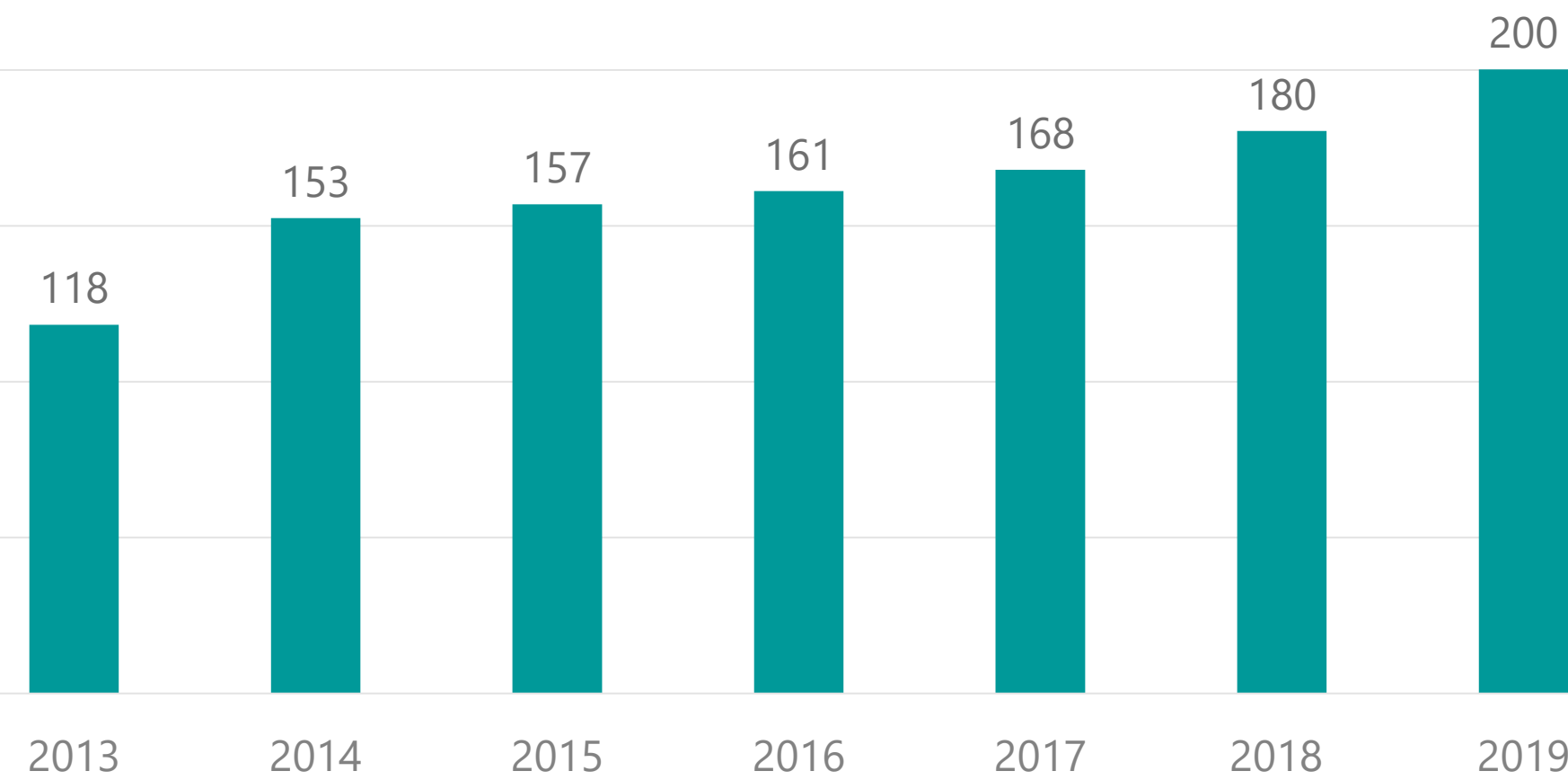
06.
LET'S TALK ABOUT
BUILDING UP
REIG JOFRE 2025

Strategic plan **REIG JOFRE** 2020

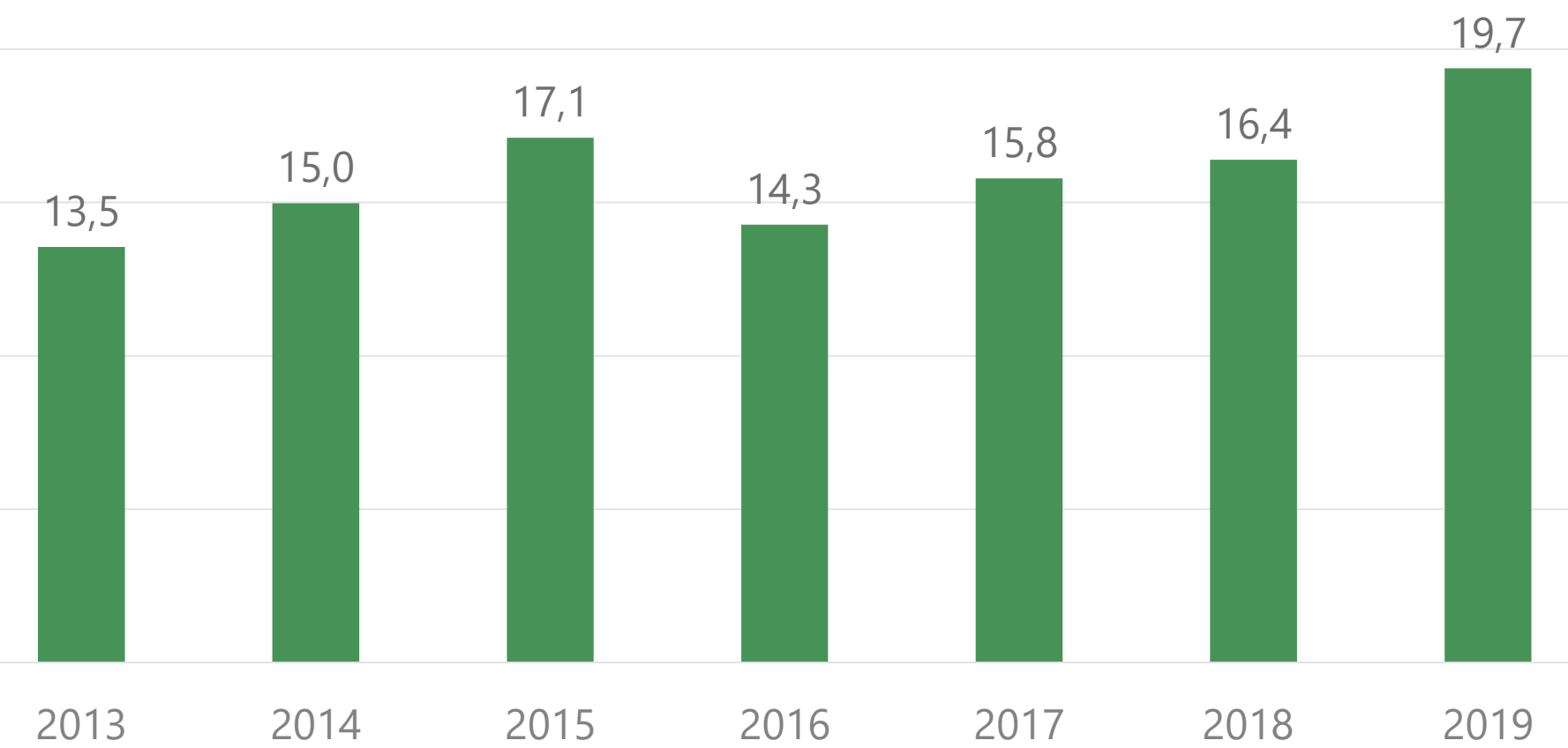


REIG JOFRE 2013 - 2019

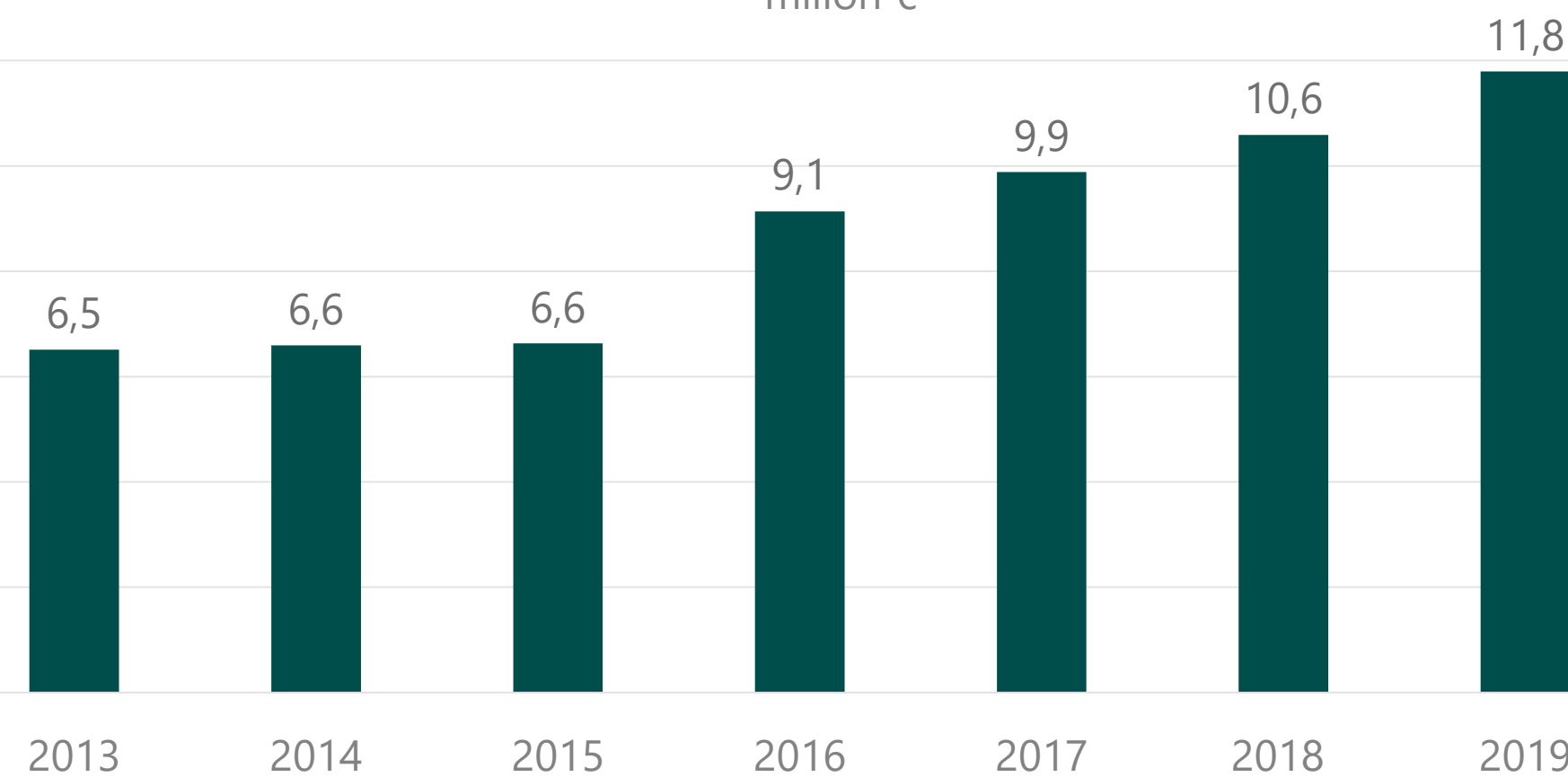
Sales evolution
milion €



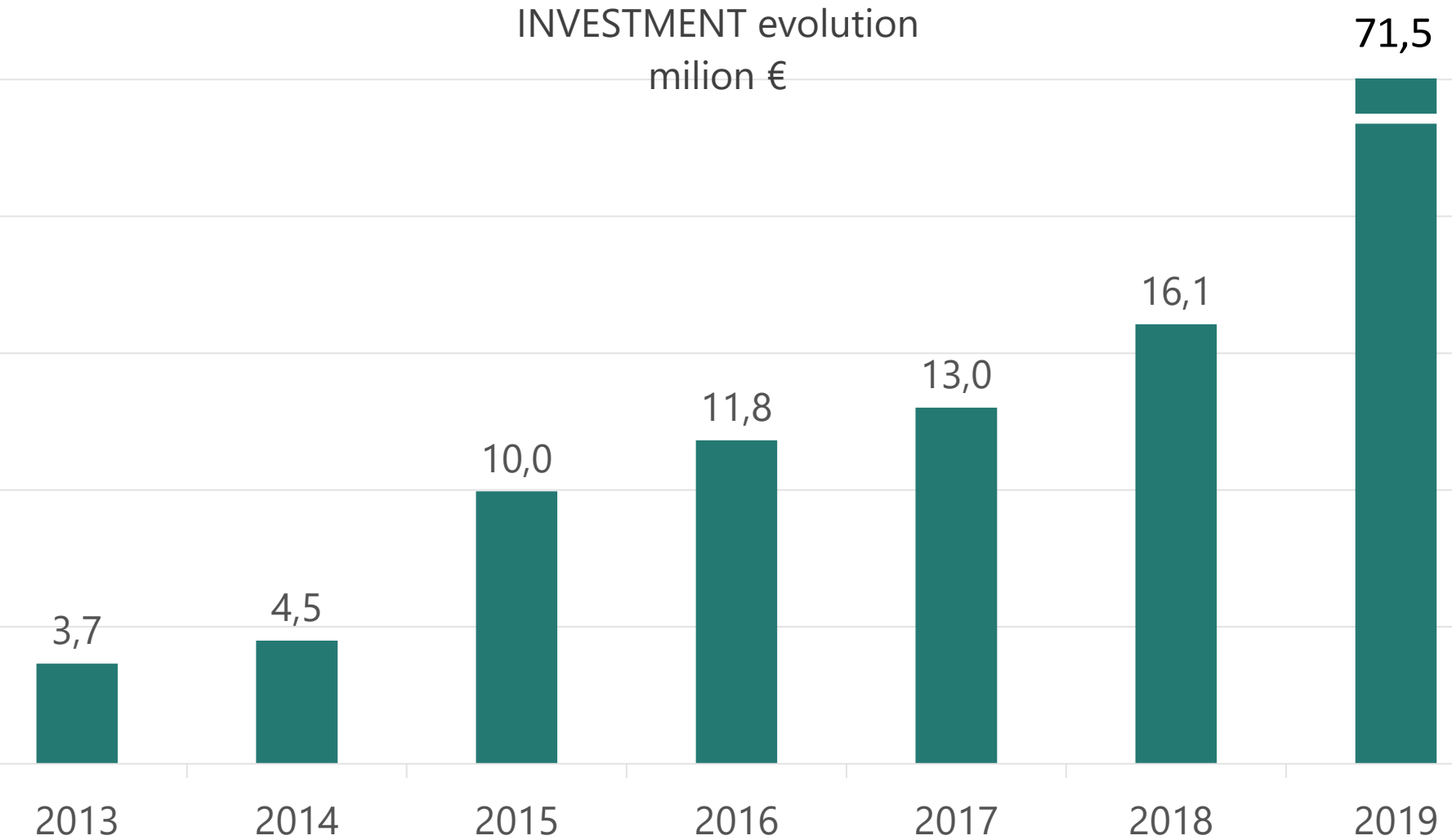
EBITDA evolution
milion €



Expenditure evolution + R+D Investment
milion €



INVESTMENT evolution
milion €



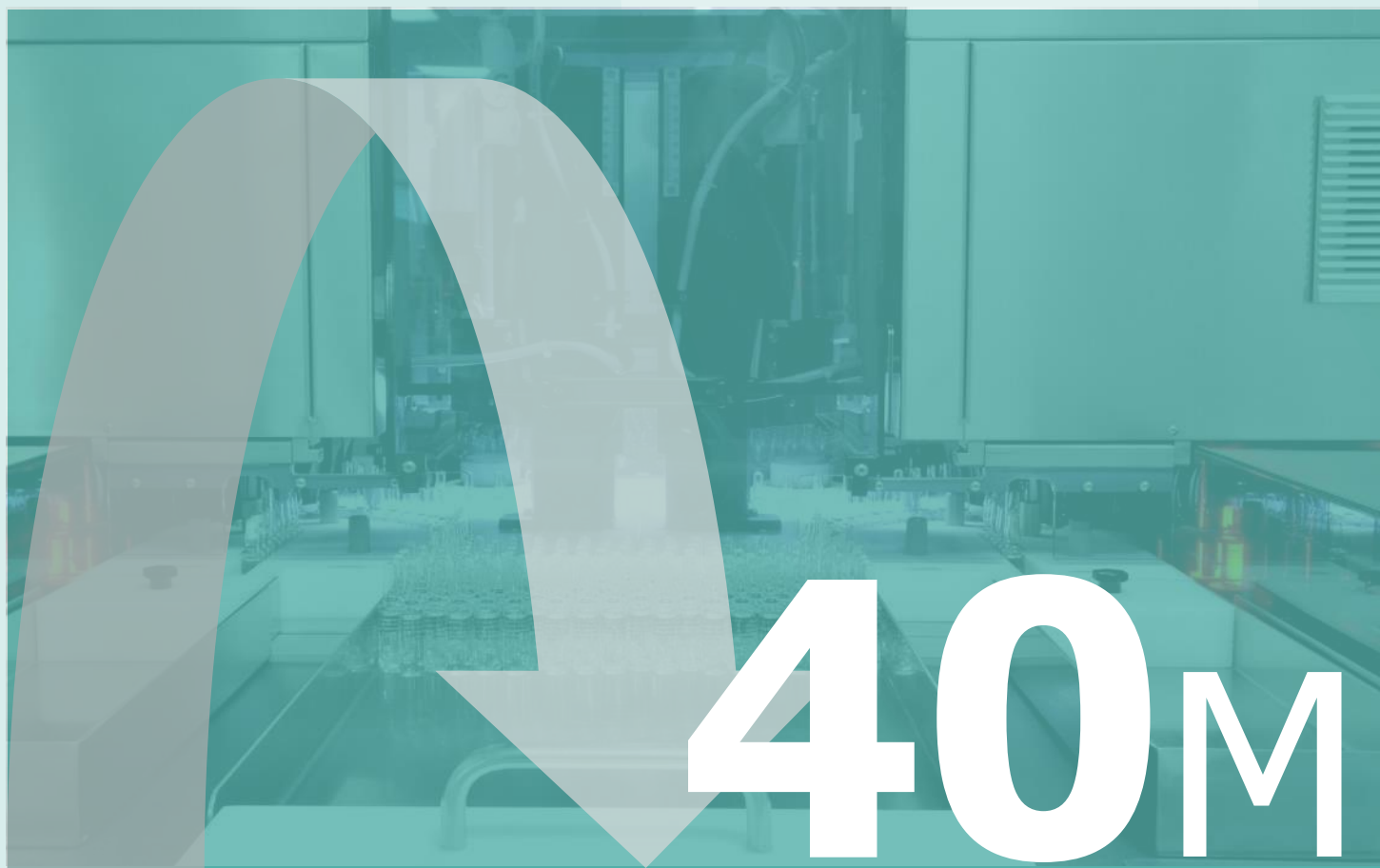
INVESTMENTS 2015-2019

INORGANIC GROWTH | BRANDS



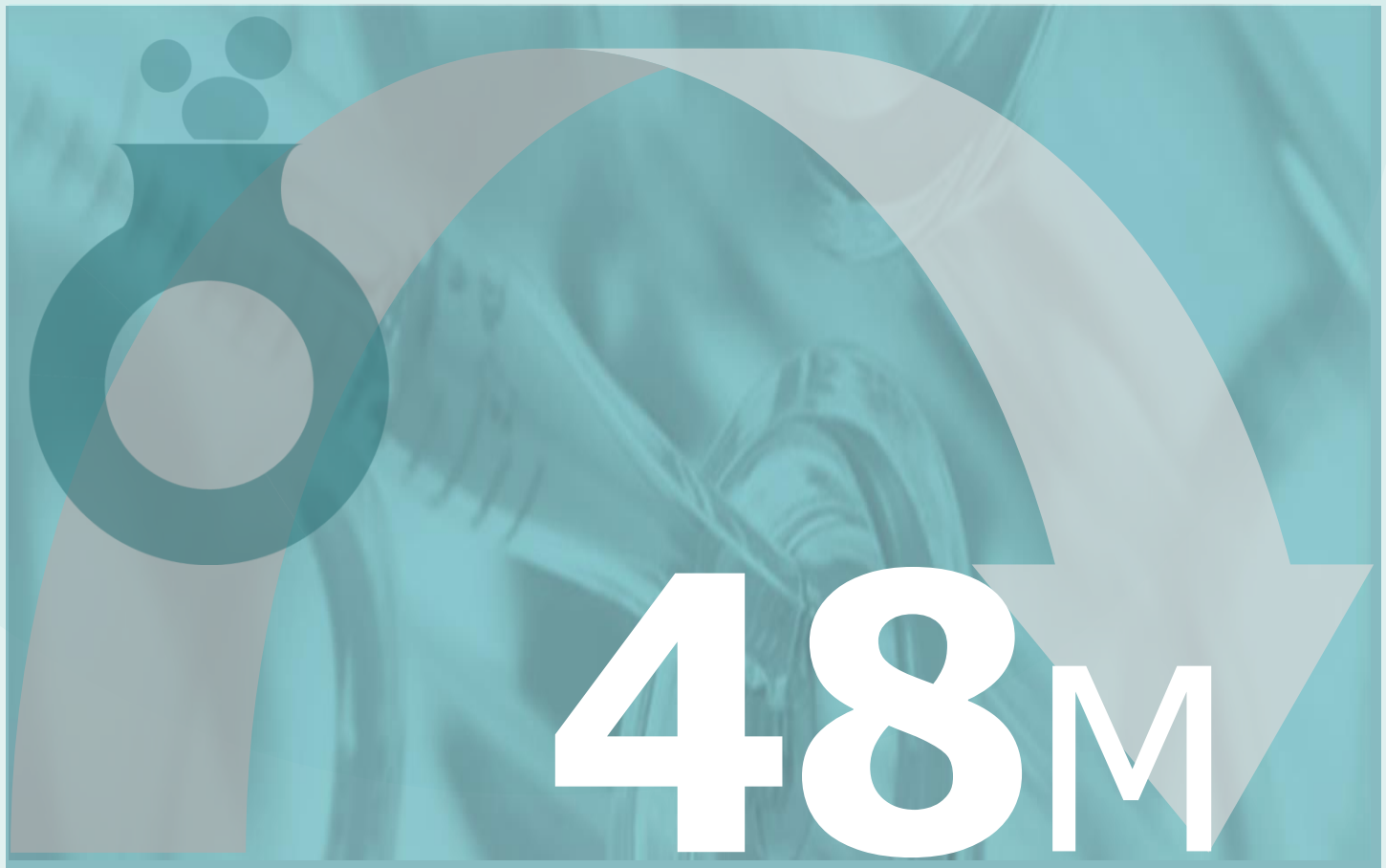
profitability horizon
2020

NEW TECHNOLOGIES AND EXTENSION CAPACITY



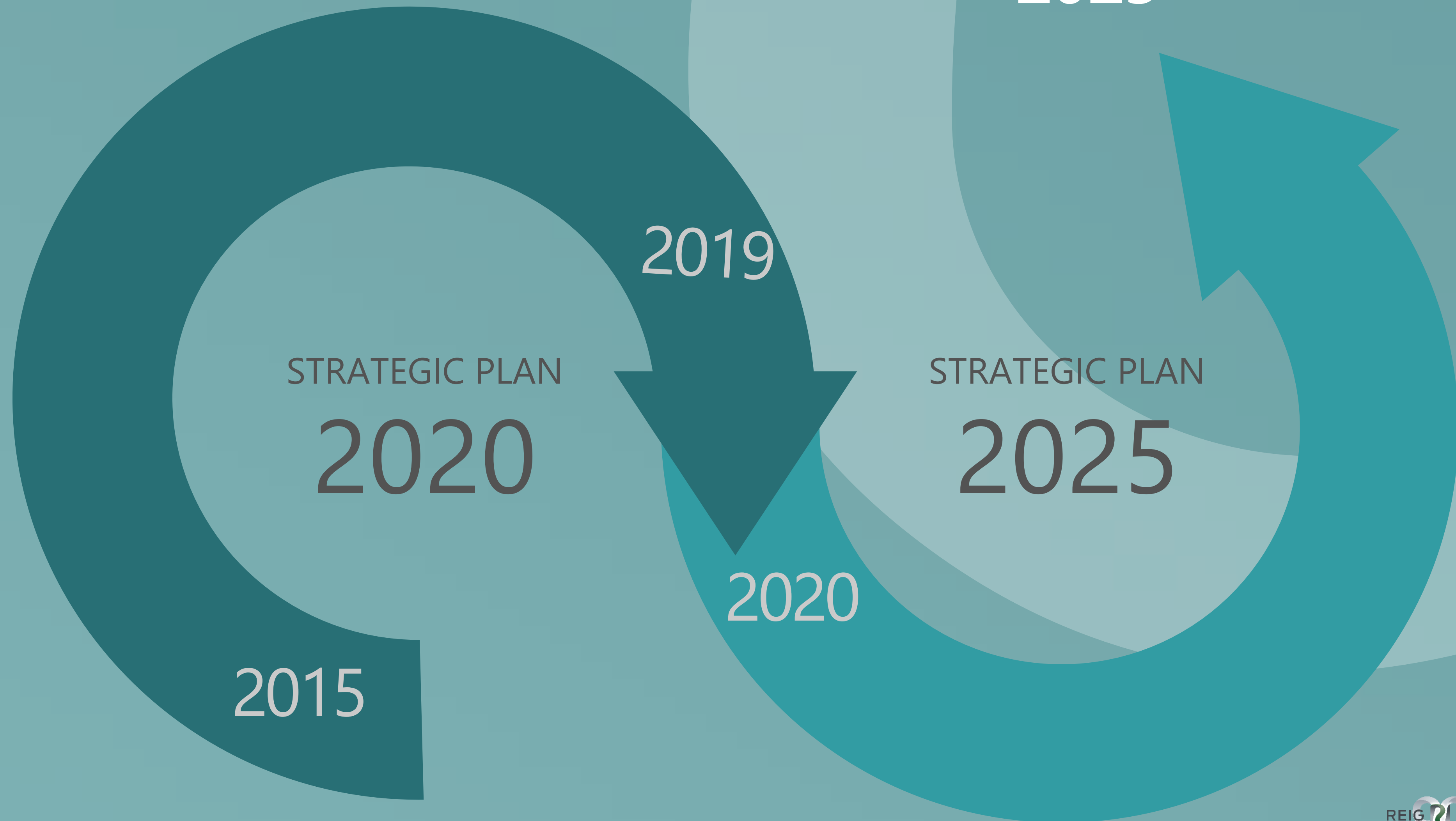
profitability horizon
2020-2023

R&D PROJECTS [EXPENSE + INVESTMENT]



profitability horizon
2021-2025

Building up **REIG JOFRE** 2025



INVESTMENTS 2015-2019

INORGANIC GROWTH BRANDS | JV

1

2014

FORTE PHARMA

2016

RJ UK

2019

JOIN HEALTH

6_M

52_M

NEW TECHNOLOGIES AND EXTENSION CAPACITY

2

NEW ANTIBIOTICS LINE

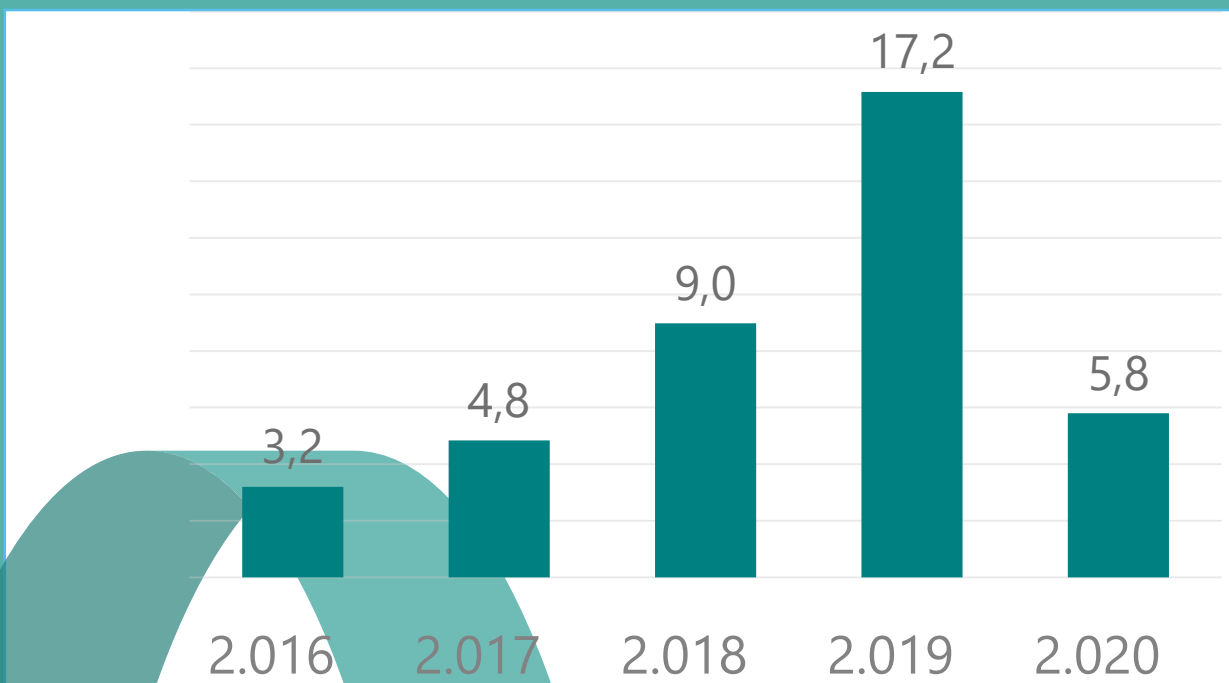
2017-2019

TOLEDO

NEW INJECTABLE PLANT

2018-2020

BARCELONA



40_M

PROJECTS [EXPENSE + INVESTMENT] R&D

3

6%
sales

Consumer
Healthcare

11%

Specialty
Pharmacare

35%

Pharmaceutical
Technologies

54%

48_M

Non-Organic Growth

Acquisition Business Health and Joint Pain

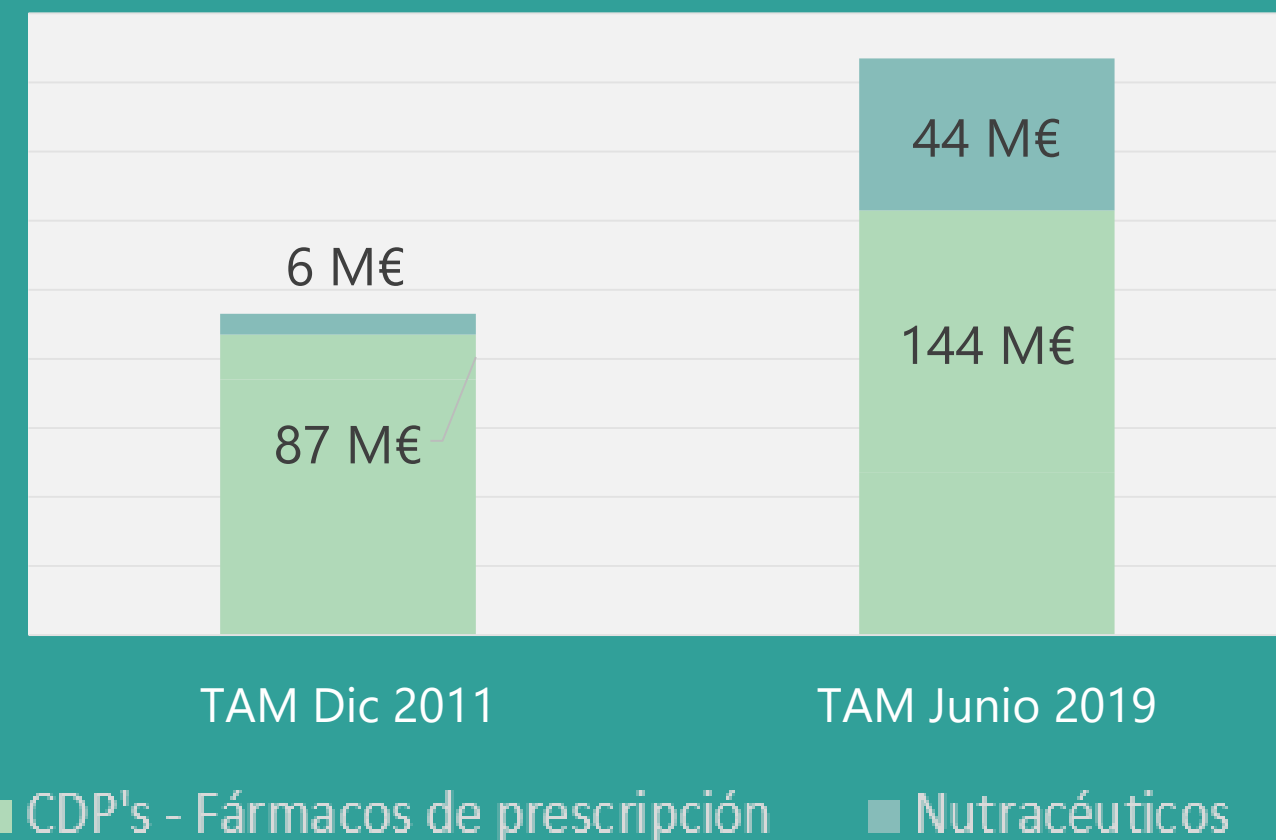
Acquisition July 2019

- ▶ € 26M Annual Sales
- ▶ Medication and Nutrition Supplements Portfolio
- ▶ National 90% International 10%
- ▶ New Therapeutic Area

Opportunity

Growing market

- ✓ Aging
- ✓ Overweight
- ✓ Exercise wear



Strategic fit.

- ▶ New Business Integration Experience
- ▶ Know How in Marketing Product of Medical Visit (professional)
- ▶ Pharmacy (consumer)
- ▶ Capacity of New Developments and solutions in the therapeutic area
- ▶ International Growth, supported by Group Companies and RJF International Partners

2 New Technologies and Capacity Expansion

Plant Extension Toledo antibiotics

Demand

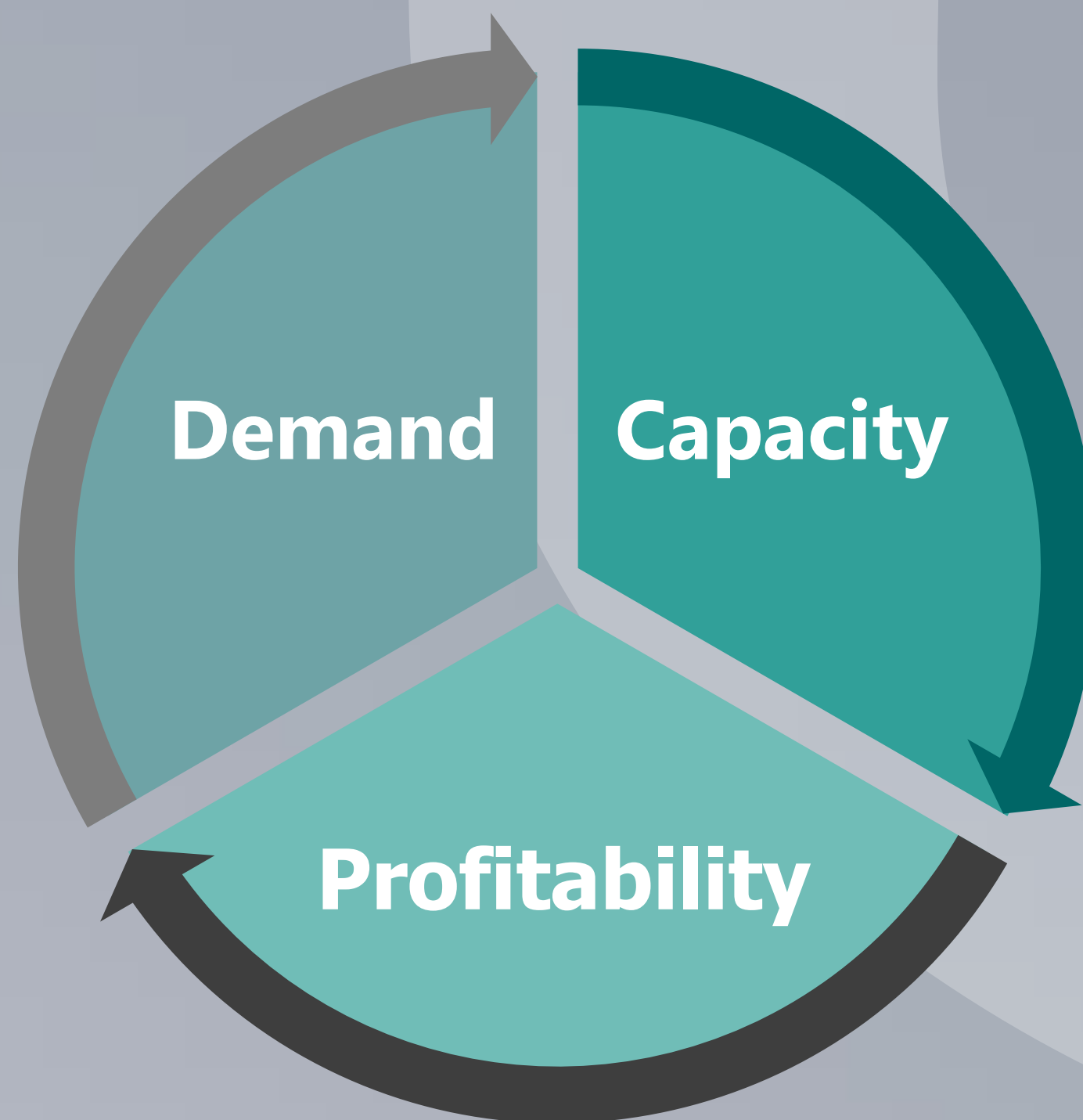
Capacity

- 33% capacity increase
- 25 M annual vials

Specialization

- Compulsory specialization of dedicated plants
- Few world producers
- Global product: International growth platform
- Cutting-edge technology markets with higher profitability

Fully operational 2020



New Plant Lyophilized Injectables Barcelona

Demand

- Access to new markets, new innovative products and non-patent biological or chemical base

Capacity

- 50 M vials at full capacity (vs 15 M in 2016 and 3.5 M in 2008)

Quality

- Aseptic Production
- Insulator Technology, without human contact
- Products with more added value

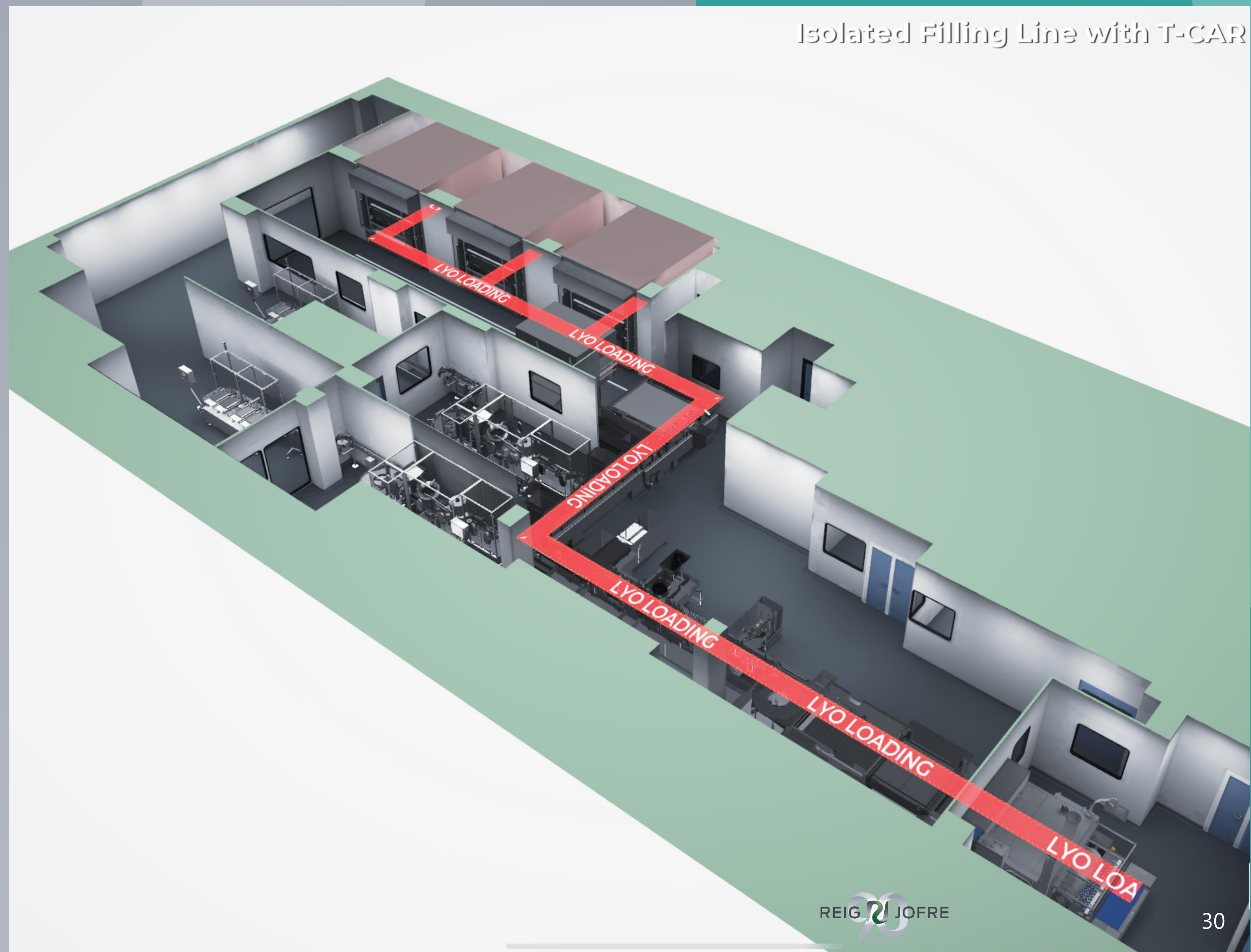
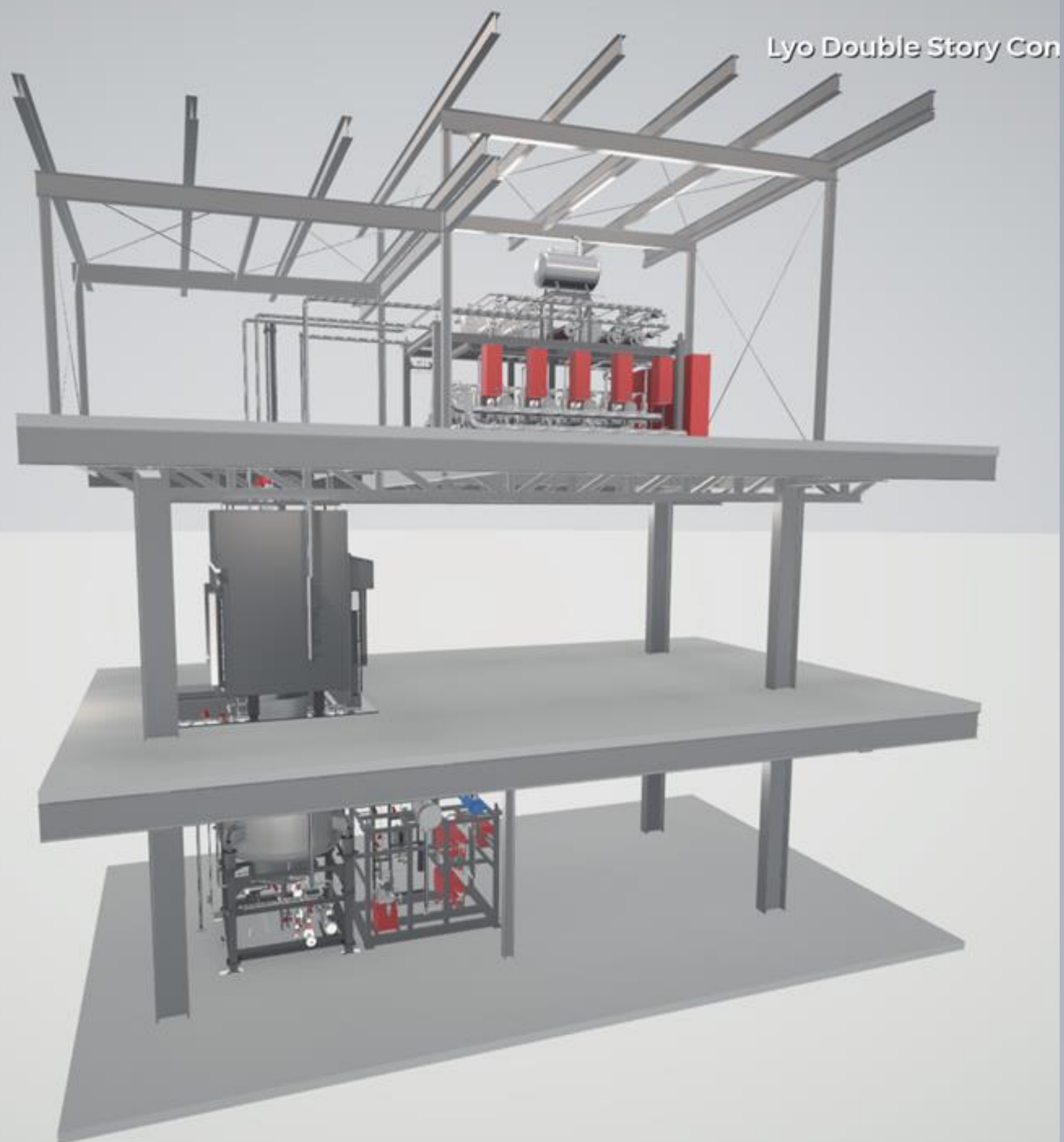
Efficiency

- Automated process
- 20% increase in productivity

Fully operational 2021

New Technologies and Capacity Expansion

New Plant Lyophilized Injectables Barcelona



Strategy and Pipeline R&D

100% RJF In-house



COLLABORATION

RJF +University
+Start-up

PHARMACEUTICALS

(time to market)

- UNDER DEVELOPMENT (>2 years)
 - 3 Injectable/lyophilised
 - 2 β -lactam antibiotic
- PLANNED SUBMISSION (2 years)
 - 1 β -lactam antibiotic
- UNDER SUBMISSION (1 year)
 - 3 Injectable/lyophilised
 - 2 β -lactam antibiotic

PHARMACEUTICALS/MEDICAL DEVICE /FOOD SUPPLEMENT

(time to market)

- UNDER DEVELOPMENT (>2 years)
 - Biosimilar
- CLINICAL DATA PRESENTATION
 - Fungic infection – Phase III (>2 years)
 - Nife-Par – Post Approval
 - GynEC – Post Approval
- UNDER SUBMISSION (1 year)
 - Impetigo
- PRE-MARKET
 - Nail regeneration
 - Men fertiliy
 - Molluscum

Out of patent



INNOVATION



Patented

REIG JOFRE 2020 - 2025

STABILITY
CAPEX

PROFITABILITY
INVESTMENT

Investment effort in
Industrial Capacity
focused on recurring
CAPEX

Generation Business
Investments made
2016-2020



07.

LET'S TALK ABOUT
**SHAREHOLDER
BASE**

SHAREHOLDERS BASE

31/12/2019

REIG JOFRE
90
ANNIVERSARY

REIG JOFRE
INVESTMENTS, S.L.
Investment company of the Reig family

62.7%

KAIZAHARRA
10.1%

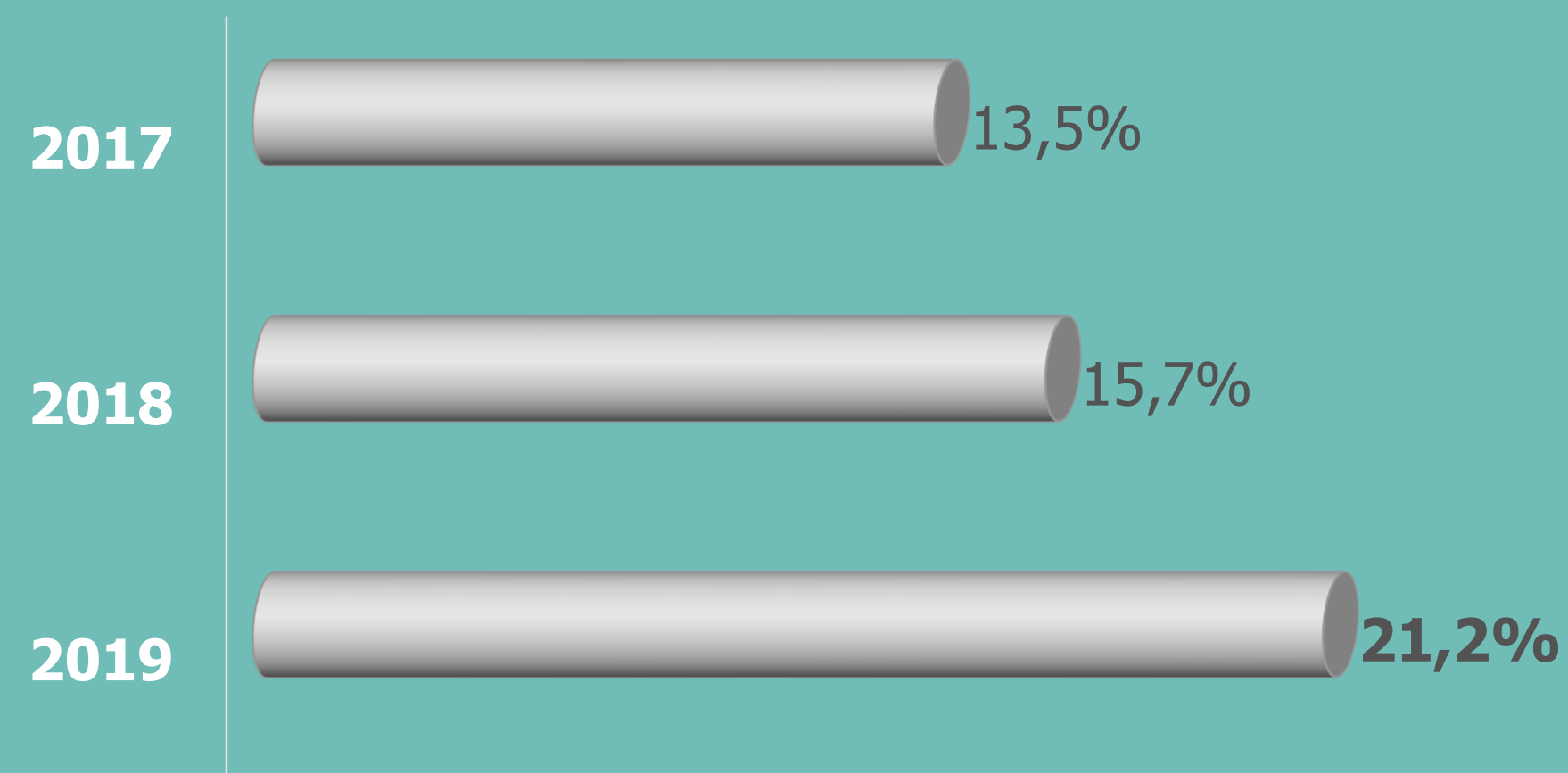
ONCHENA
5.5%

FREE-FLOAT
21.2%

TREASURY STOCK
0.5%

*Food company, quoted on the main market of the Spanish stock Exchange.
Former controlling shareholder in Natraceutical*

Free Float evolution



Scrip Dividend May 2019

Remuneration of 0,045€/share with cash option payment or subscription of new shares. 87,3% of shareholders subscribed the Capital increase. Issued 1M new shares [1,5% Capital]

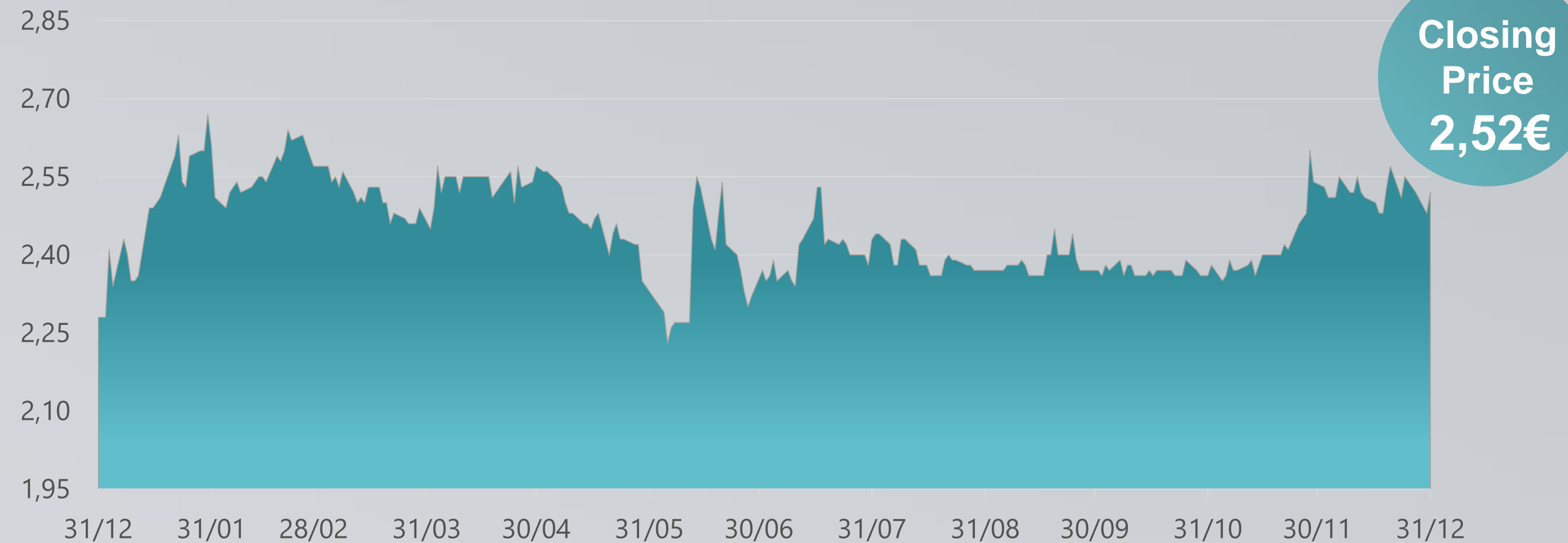
Capital Increase June 2019

Bookbuilding process to Main Investors **24M€**
Issued 10M new shares @ 2,40 €/share.
Entry of new main shareholders: Onchena, Quaero Capital
23% international investors, Mix retail/institutionals

Shareholder change Novembre 2019

Entry of a main shareholder Kaizaharra with 10,1%, due to the acquisition of Natra's stake

RJF share performance in 2019



Share Profitability **10,5%**

Highlights 2019

- ▶ Joint the **IBEX SMALL CAP** December 2019
- ▶ Regular **Roadshows** in Spain, Portugal, France and UK
- ▶ Temporary Share Buy-back Program H2 2019
- ▶ Liquidity Contract January 2020

Analysts Coverage

Solventis

Bankinter

Estrategias de Inversión

Target Value

Estimated by analysts

3,80

€/share

solventis

3,66

€/share

bankinter.



08.

LET'S TALK ABOUT

ADDITIONAL INFORMATION

ASSETS

thousand euros	31/12/2019	31/12/2018
ASSETS		
Goodwill	29.730	27.598
Other intangible assets	85.879	39.121
Property, plant and equipment	83.917	54.728
Investments in equity-accounted investees	1.220	307
Non-current financial assets measured at fair value	1.204	1.167
Other non-current financial assets	658	425
Deferred tax assets	14.585	14.469
TOTAL NON-CURRENT ASSETS	217.193	137.815
Inventories	38.353	34.563
Trade and other receivables	40.542	33.856
Current tax assets	4.144	11
Other current financial assets	924	2.687
Other current assets	2.288	2.474
Cash and cash equivalents	10.171	8.269
TOTAL CURRENT ASSETS	96.422	81.860
TOTAL ASSETS	313.615	219.675

LIABILITIES

thousand euros	31/12/2019	31/12/2018
EQUITY AND LIABILITIES		
Share capital	38.031	32.525
Share Premium	19.000	0
Reserves	118.559	110.183
Treasury shares	-1.138	-900
Own equity instruments	62	34
Profit attributable to the parent company	4.942	9.266
Exchange differences	-1.146	-1.193
Other comprehensive income	-110	-115
Equity attributable to parent company	178.200	149.800
Non-controlling interests	-62	-59
TOTAL EQUITY	178.138	149.741
Capital grants	1.729	105
Provisions	897	803
Financial liabilities with credit institutions	8.893	7.020
Lease liabilities	33.603	14.036
Other financial liabilities	5.681	5.683
Deferred tax liabilities	3.103	3.242
Other non current liabilities	13.000	0
TOTAL NON-CURRENT LIABILITIES	66.907	30.889
Provisions	82	45
Financial liabilities with credit institutions	6.518	3.649
Lease liabilities	7.582	1.536
Other financial liabilities	542	808
Trade and other payables	36.241	29.911
Current tax liabilities	2.508	902
Other current liabilities	15.098	2.194
TOTAL CURRENT LIABILITIES	68.571	39.045
TOTAL EQUITY AND LIABILITIES	313.615	219.675

P ROFIT & LOSS

thousand euros	31/12/2019	31/12/2018
Turnover	200.207	180.468
Procurements	-75.426	-70.267
Changes in inventories	1.515	2.648
Gross margin	126.296	112.848
Work carried out for fixed assets	5.625	4.824
Other operating income	94	839
Personnel expenses	-57.132	-52.140
Other operating expenses	-55.192	-49.979
EBITDA	19.691	16.393
Depreciation and amortization	-13.148	-7.605
Government grants for non-financial assets and others	23	40
Impairment and results on disposals	-243	1.192
Operating income	6.323	10.020
Financial expenses	-1.048	-768
Other financial income–expenses	-85	76
Financial result	-1.133	-692
Results from entities accounted by the equity method	113	155
Profit before taxes	5.303	9.483
Income tax	-364	-231
Net result	4.939	9.252
Adjusted EBITDA (IFRS 16 + Transaction Costs)	19.284	16.393

LINKS TO ADDITIONAL INFORMATION

LAST NEWS

www.reigjofre.com/en/news

WEBCAST OF RESULTS

<http://www.reigjofre.com/en/investors/webcasts>

SUBSCRIPTION CENTER

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