

CNMV
28006 Madrid

Barcelona (Spain), July 1st, 2019

RELEVANT FACT

In accordance with the Article 228 of Royal Legislative Decree 4/2015, dated 23 October, which enacts the consolidated text of the Securities Market Act and article 17 of Regulation (EU) 596/2014 on market abuse and related provisions, LABORATORIO REIG JOFRE, S.A. ("Reig Jofre" or "the Company") informs on the following Relevant fact in relation to the Company.

RELEVANT INFORMATION

Reig Jofre acquires Bioibérica's portfolio of finished pharmaceutical and nutraceutical products, representing a turnover of € 26M and establishes a strategic agreement to develop the joint health market

The agreement includes:

1. Reig Jofre acquired Bioibérica's portfolio of specialized joint health finished pharmaceutical products and nutraceuticals for the treatment of arthrosis and other arthropathies. It is also expanding its product portfolio with medicines and health products based on *chondroitin sulfate*, *glucosamine sulfate*, the combination of both and *hyaluronic acid*, among which are **Condrosan** and **Droglican**, the leading brands in the Spanish market and which enjoy a strong presence in European markets such as France, Finland and Portugal.
2. The incorporation of a team consisting of 51 people from the areas of R&D, regulatory, marketing, market access and commercial medical visit network.
3. An agreement by virtue of which Bioibérica will continue to produce and supply the bulk actives and ingredients necessary for the manufacture of the portfolio sold to Reig Jofre.



4. The creation of a strategic agreement to develop the market for prevention and health care in the area of joint pain and to complete the solutions available for the treatment of osteoarticular disease, one of the most prevalent physical complaints in the world: it is estimated that between 5% and 20% of the population suffers from such afflictions, a figure that reaches around 80% in patients aged over 65 in industrialized countries.

With this operation, Reig Jofre diversifies its specialty products division with a new therapeutic area, Joint Health and Pain, a segment which is experiencing growth worldwide and one which will join the existing areas of (i) Skin, Hair and Nails Health; and, (ii) Women's Health.

This acquisition contributes sales of some 26 million euros to Reig Jofre's turnover, of which 24 million euros come from specialty products and 2 million euros from the consumer healthcare area, a segment which will be the focus of future initiatives by both Reig Jofre and Bioibérica. 89% of sales are generated in Spain and the rest in Europe, mainly in Finland, France and Portugal.

Financing of the operation

The cost of the operation is structured at a fixed price of 46 million euros and a variable price linked to sales. This acquisition will be financed by the recently-undertaken capital increase of 24 million euros, bank borrowings of 20 million euros and the rest by resources generated by the business itself.

Reig Jofre has counted on Eurohold as M&A and Financial Advisor, in the identification, valuation and negotiation of the operation. Other advisers who have participated in the operation include been Solventis A.V. and RCD Abogados.

Yours faithfully,

Adolf Rousaud
Secretary of the Board of Directors
Laboratorio Reig Jofre SA