REIG JOFRE

Time to deliver on investments

- **Reig Jofre at a glance.** Reig Jofre (RJF) is a family-owned pharma group (€337m sales, €29m EBITDA in 2026E) generating ~60% of sales outside Spain. It operates through Pharma Tech (41% of sales; antibiotics, injectables and CDMO), Specialty Pharma (36%; osteoarticular and derma products) and Consumer (22%; OTC supplements). RJF differentiates itself through complex manufacturing, incremental innovation and established brands, and is now investing in biosimilars.

- **Light at the end of the tunnel.** EBITDA has fallen by 20% over 2024 and 2026 (from €38m to €30m), with operations impacted by upgrades at Toledo/Barcelona plants, and a fire-related disruption at Consumer. Toledo's new antibiotic line is ramping up since 2Q26, with more capacity, improved productivity and better mix. Barcelona's new line has just received approval and should also unlock more injectable capacity, while Consumer sales are rapidly back to normal. We expect EBITDA to recover from €29m in 2026 to €45m in 2029, surpassing its previous 2024 peak.

- **Biotech: LT opportunity.** RJF has vertically integrated into biologics via LeanBio (drug substance) and Syna (biosimilar development). LeanBio targets >€25m sales by 2032 (approval due in 2027), at ~2X group's EBITDA margin (€5–6m EBITDA; ~20% of the current group's). Syna is longer-dated, with a clinical readout in 1H27. It holds a commercial agreement with Accord, with a 20% target penetration of a ~$1bn TAM. Both offer margin-accretive growth once ramped up (2028+).

- **Our estimates.** We forecast 6% sales CAGR to €423m by 2029 (vs 2025), with EBITDA reaching €45m (~11% margin; 10% CAGR). Growth is driven by Toledo's recovery, higher utilization at Barcelona, growth in Specialty, while LeanBio is a detractor in 2027 pre-ramp up. As capex normalises to <€20m p.a. from >€30m in 2026, FCF should improve despite ongoing biotech investment, allowing net debt to fall from €126m in 2026 (4.4X EBITDA) to €99m (2.2X) by 2029.

- **Our view.** We value RJF at €2.75-3.35ps (5-28% upside), trading at ~15X EV/EBIT on normalised 2029 earnings (in line with the peer average). The investment case rests on the recovery of the traditional business from 2027, with improving margins and FCF, while Biotech adds longer-term optionality. Key hurdles are Toledo and Barcelona's ramp, LeanBio's contribution and Syna's first biosimilar readout, high leverage, and the potential non-renewal of EU FAB revenues from mid-2027.

Financial Ratios	FY23	FY24	FY25	FY26E	FY27E	FY28E
EBITDA (€m)	35	38	30	29	32	38
Net profit (€m)	9	10	5	3	0	4
EPS (€)	0.12	0.13	0.06	0.04	0.00	0.04
Adj. EPS (€)	0.19	0.21	0.13	0.07	0.05	0.09
P/E (x)	21.1	20.6	46.0	73.1	n.m.	60.9
P/E Adj. (x)	13.2	13.0	22.5	36.3	55.4	28.1
EV/EBITDA (x)	7.1	6.7	10.7	11.7	10.3	8.6
Debt/EBITDA (x)	1.6	1.5	3.3	4.4	3.7	3.0
P/BV (x)	1.0	1.0	1.0	1.0	1.0	1.0
ROE (%)	7.4	7.7	4.6	2.7	1.8	3.4
DPS (€)	0.04	0.04	0.04	0.02	0.00	0.03
Dividend yield (%)	1.6	1.5	1.4	0.9	0.0	1.1

(*) Historical multiples based on average share price of the year

SPONSORED

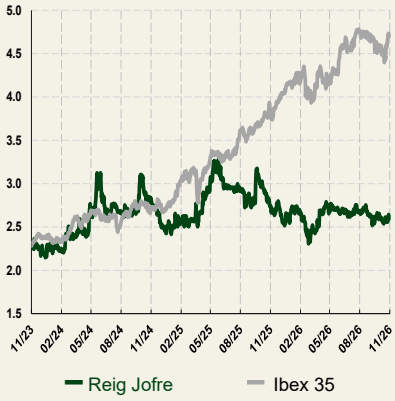
Share Price (*)	€ 2.62

*Share price at the close of 20 November 2026

RJF.MC / RJF SM

Market Cap	€ 214 m
Enterprise Value	€ 297 m
Free Float	€ 30 m
Nº Shares	82 m
Average Daily Volume	€23 k

Performance	1m	3m	12m
Absolute %	0.8	-1.5	-2.3
Relative %	1.9	4.2	-20.2



Shareholders

Reig family 62.8%, Kaizaharra 10.1%, Onchena 6%, L'Olivera 6%, treasury 1%, free float 14%

Analyst

Álvaro Bernal
abernal@alantraequities.com
+34 91 550 8715

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Key Data

P&L account (€ m)	FY24	FY25	FY26E	FY27E	FY28E	FY29E
Revenue	339	331	337	374	400	423
COGS	(140)	(135)	(138)	(151)	(161)	(168)
Gross Profit	**199**	**196**	**199**	**223**	**239**	**255**
Opex	(161)	(165)	(170)	(190)	(201)	(211)
EBITDA adj.	**38**	**30**	**29**	**32**	**38**	**45**
D&A	(17)	(19)	(21)	(22)	(23)	(24)
EBIT adj.	**21**	**11**	**8**	**10**	**15**	**21**
PPA amortization	(6)	(6)	(5)	(6)	(6)	(6)
Non-recurring items	(2)	(1)	-	(1)	(1)	(1)
EBIT	**13**	**4**	**3**	**4**	**8**	**14**
Net interest	(2)	(2)	(3)	(4)	(3)	(3)
Other non-operating results	1	4	-	-	-	-
EBT	**12**	**6**	**(1)**	**0**	**4**	**11**
Income tax expense	(1)	(1)	4	(0)	(1)	(2)
Minorities	-	-	-	-	-	-
Net profit, reported	**10**	**5**	**3**	**0**	**4**	**9**
Adjustments	6	5	3	4	4	4
Net profit adjusted	**16**	**10**	**6**	**4**	**8**	**13**

Cash flow (€ m)	FY24	FY25	FY26E	FY27E	FY28E	FY29E
Net profit	10	5	3	0	4	9
Depreciation	23	25	26	28	29	30
Minorities	-	-	-	-	-	-
Non-cash adjustments	(2)	(7)	(3)	(3)	(3)	(3)
Total cash-flow (CF)	**32**	**23**	**26**	**25**	**29**	**35**
Capex	(26)	(19)	(34)	(22)	(21)	(16)
Working capital investment	(4)	(14)	(17)	4	(4)	(4)
Operating FCF	**2**	**(10)**	**(25)**	**7**	**4**	**16**
Financial investments	-	-	-	-	-	-
Disposals (acquisitions)	(7)	(27)	-	-	-	-
Rights issues	-	-	-	-	-	-
Others	5	(8)	-	-	-	-
FCF before dividends	**1**	**(44)**	**(25)**	**7**	**4**	**16**
Dividends paid	(0)	(0)	(0)	(0)	(0)	(0)
Free-cash-flow (FCF)	**1**	**(44)**	**(25)**	**7**	**4**	**15**
Share buybacks	-	-	-	-	-	-
FCF after buy backs	**1**	**(44)**	**(25)**	**7**	**4**	**15**

Nº of shares (m)	81	82	83	83	84	86
Nº of shares adjusted (m)	80	82	83	83	83	85
Treasury stock (m)	1	1	1	1	1	1

YoY Growth	FY24	FY25	FY26E	FY27E	FY28E	FY29E
Sales	7.2%	(2.3%)	1.7%	11.1%	6.9%	5.9%
EBITDA adjusted	8.4%	(20.0%)	(5.3%)	11.5%	17.5%	18.5%
EBIT adjusted	15.1%	(45.9%)	(31.7%)	32.8%	44.4%	42.9%
Net profit, reported	10.2%	(51.8%)	(40.8%)	(99.2%)	n.m.	142.4%

Revenues by division	FY24	FY25	FY26E	FY27E	FY28E	FY29E
Pharmaceutical Tech	45%	41%	42%	42%	42%	42%
Specialty Pharma	34%	36%	39%	37%	36%	36%
Consumer Healthcare	21%	22%	19%	20%	20%	20%
LeanBio	-	-	-	1%	2%	2%

Revenues by geography	FY24	FY25	FY26E	FY27E	FY28E	FY29E
Spain	41%	41%	-	-	-	-
Rest of EU	47%	47%	-	-	-	-
Rest of World	11%	11%	-	-	-	-

Per share data	FY24	FY25	FY26E	FY27E	FY28E	FY29E
EPS	0.13	0.06	0.04	0.00	0.04	0.10
EPS adjusted	0.21	0.13	0.07	0.05	0.09	0.15
CFPS	0.40	0.29	0.32	0.30	0.35	0.41
FCFPS	0.01	(0.54)	(0.30)	0.08	0.05	0.18
BVPS	2.67	2.70	2.70	2.69	2.72	2.78
DPS	0.04	0.04	0.02	0.00	0.03	0.07

Balance sheet (€ m)	FY24	FY25	FY26E	FY27E	FY28E	FY29E
Shareholders' equity	214	220	223	223	227	236
Minority interests	-	-	-	-	-	-
Provisions and other liabilities	7	9	9	9	9	9
Net debt	57	101	126	119	114	99
Capital invested	**277**	**330**	**358**	**351**	**350**	**343**
Goodwill & PPA intangibles	123	132	127	121	115	109
Fixed operating assets	56	94	109	112	112	108
Non-operating assets	30	25	25	25	25	25
Working capital	68	80	98	94	98	102
Capital employed	**277**	**330**	**358**	**351**	**350**	**343**
Working capital/sales	20.0%	24.2%	29.0%	25.0%	24.5%	24.0%

Financial ratios	FY24	FY25	FY26E	FY27E	FY28E	FY29E
Net debt/EBITDA	1.5X	3.3X	4.4X	3.7X	3.0X	2.2X
Net debt adjusted(*)/EBITDA	1.5X	3.3X	4.4X	3.7X	3.0X	2.2X
Gearing	26.6%	45.9%	56.3%	53.2%	50.4%	42.1%
Interest cover	7.5X	2.6X	0.8X	1.0X	2.2X	4.5X

Margins & ratios	FY24	FY25	FY26E	FY27E	FY28E	FY29E
EBITDA adj. margin	11.2%	9.2%	8.6%	8.6%	9.5%	10.6%
EBIT adj. margin	6.1%	3.4%	2.3%	2.7%	3.7%	5.0%
Effective tax rate	12.3%	20.9%	n.m.	15.0%	15.0%	20.0%
Pay-out	31.0%	65.3%	65.0%	65.0%	65.0%	65.0%
ROCE (EBT/CE)	7.5%	3.4%	2.1%	2.9%	4.2%	6.1%
ROE	7.7%	4.6%	2.7%	1.8%	3.4%	5.5%

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I. At a glance

A diversified pharma group built on complex manufacturing, incremental innovation, and established brands

Reig Jofre is a family-controlled (63%) Spanish pharmaceutical company. It develops and commercializes a diversified portfolio of medicines, primarily on established molecules, alongside patented products developed through incremental innovation, and provides specialist manufacturing, including contract development and manufacturing (CDMO) services. Unlike traditional specialty pharma companies, it competes less on intellectual property than on what its three divisions offer: complex industrial processes (Pharma Tech), incremental innovation (Specialty Pharma), and established brands (Consumer Healthcare).

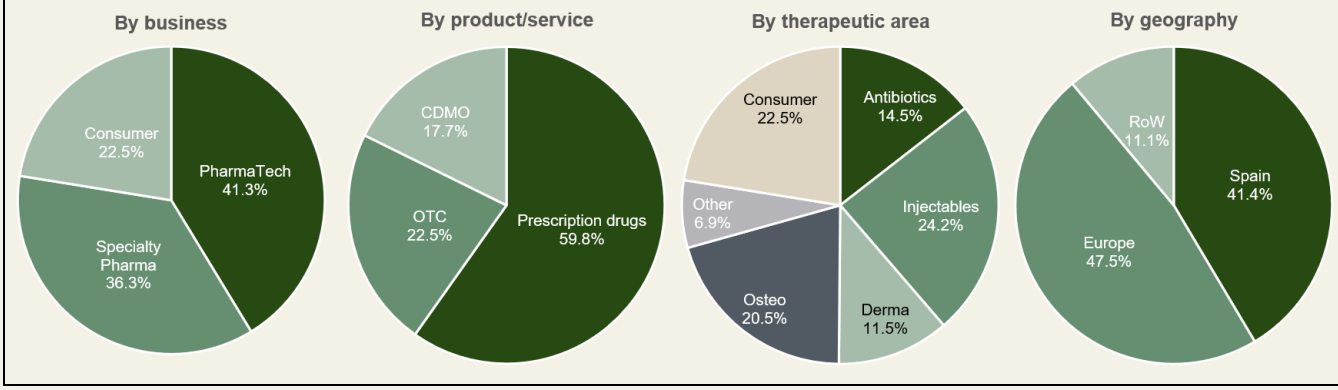
1) **Pharma Tech (41% of group sales)** manufactures antibiotics, injectables, and lyophilized (freeze-dried) products at its plants in Barcelona and Toledo. CDMO services account for 27% of its sales; the rest is sold B2B, mainly to hospitals.

2) **Specialty Pharma (36%)** focuses on prescription medicines for osteoarticular (bone and joint) health and dermatology. CDMO services, provided from its Barcelona and Malmö plants, account for 17% of its sales; the rest is sold B2B, directly to pharmacies.

3) **Consumer Healthcare (22%)** markets over-the-counter products and food supplements, mainly under the Forté Pharma brand in France and Belgium, which make up ~70% of the division's sales. Spain accounts for just ~25%.

Reig Jofre sells in more than 70 countries and earns 59% of its revenues outside Spain, combining its European commercial network with licensing, distribution, and manufacturing agreements. Revenues were €331m in 2025, broken down below by business, product, therapeutic area, and geography.

REIG JOFRE: 2025 SALES BY TYPE

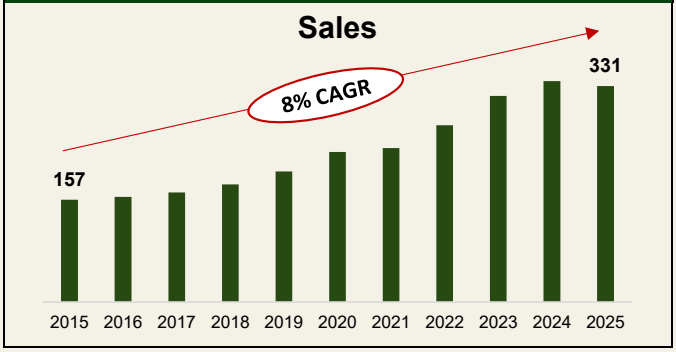


Source: Alantra Equities

8% sales and 6% EBITDA CAGR over the past decade

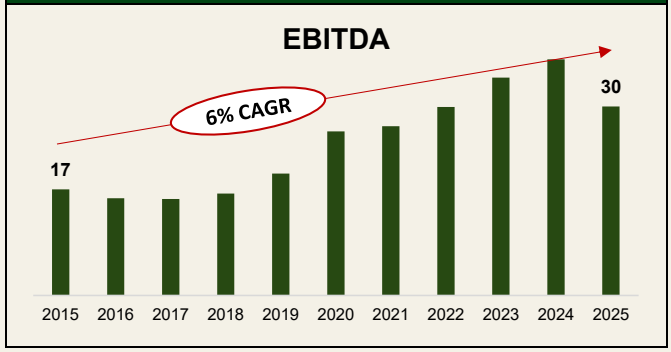
Over the past decade, Reig Jofre has grown sales at an 8% CAGR and EBITDA at 6%. Growth stalled in 2025 and should stay subdued in 2026, largely because of specific operational disruptions rather than structural weaknesses. We expect growth to resume from 2027, supported by a return to normal operations and the payoff from recent investments.

REIG JOFRE: SALES GROWTH



Source: Alantra Equities

REIG JOFRE: EBITDA GROWTH



Source: Alantra Equities

II. 2025–26: a costly but necessary transition

1) 2025: hit by specific, mostly temporary setbacks

Toledo upgrade and Condrosan's price cut took €14m off 2025 EBITDA

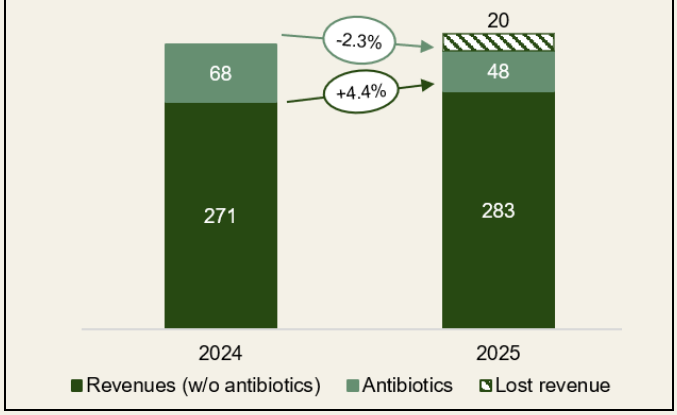
After growing sales and EBITDA at a 12% CAGR over 2022–24, Reig Jofre had a weak 2025. Revenues fell 2% to €331m and EBITDA dropped 20% to ~€30m, cutting the margin to 9.2% from 11.2% in 2024.

The main setback was the upgrade of its plants to meet European Good Manufacturing Practice (GMP) requirements. It mostly affected Toledo, where Reig Jofre replaced ageing antibiotic production lines to improve capacity, productivity, and compliance. Production fell ~30%, and antibiotic revenues dropped €20m to €48m. Management estimates the disruption cut group EBITDA by ~€10m, or 25% of the 2024 figure.

Pricing pressure in Specialty Pharma made things worse. Condrosan, one of its main osteoarticular products, was hit by a 25% regulated price cut in Spain after generics entered the market in 3Q24. The cut affected most of 2025, and management estimates it took a further ~€4m off EBITDA. Unlike the Toledo disruption, it is structural, not temporary. But individual products do not represent more than 10% of Reig Jofre's total portfolio.

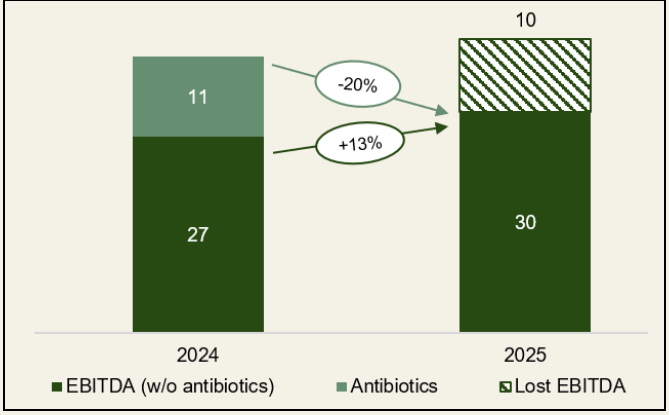
Excluding antibiotics, the group performed well. Revenues grew 4% in 2025: injectables rose 4%, Specialty Pharma 4%, and Consumer Healthcare 3%. Management estimates that this underlying growth added €4m to EBITDA, partly offsetting the headwinds. So 2025 was a weak year, but because of specific disruptions rather than weaker demand.

REIG JOFRE: SALES



Source: Alantra Equities

REIG JOFRE: EBITDA



Source: Alantra Equities

2) 2026: lingering disruption, but first signs of recovery

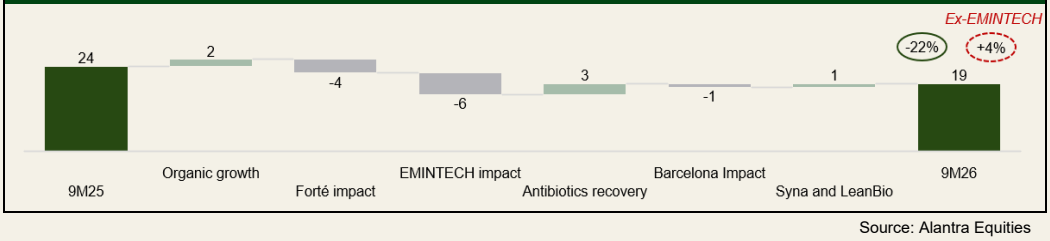
9M26 sales were flat but EBITDA fell 22%...

9M26 showed the first signs of recovery, although the turnaround is incomplete. Revenues were flattish at €241m and EBITDA fell 22% to ~€19m. Specialty Pharma sustained sales, up 10%, while Pharma Tech and Consumer Healthcare fell 2% and 12%. This should change for Q4.

… yet EBITDA excluding EMINTECH rose 4%

The 22% EBITDA decline largely reflects EMINTECH, an R&D project. It caused a €6m negative swing YoY, because 2025 benefited from grants covering prior-year expenses. Excluding EMINTECH, EBITDA rose ~4% (+€1m), as the recovery in antibiotics (+€3m) and underlying growth (+€2m) offset disruptions at Forté Pharma (-€4m) and Barcelona (-€1m). EMINTECH ends in 2026, half of its €5m net cost in 9M26 should disappear in 2027.

REIG JOFRE: 9M26 EBITDA BRIDGE



Source: Alantra Equities

In Pharma Tech, Toledo's new antibiotic line won regulatory approval in June, so commercial batches should resume. Antibiotic sales were still down 1% in 9M26 but returned to growth in Q3 despite being seasonally weak (+3% year on year). In Barcelona, upgrading the second sterile production line temporarily limited injectable capacity, but demand for the recently launched dalbavancin, an injectable antibiotic, helped revenues sustain just a 2% decline. The works at Barcelona are now finished, having received regulatory approval November 5, with full production expected to ramp up during 2027, although Q4 should already show some recovery.

Specialty Pharma (+10%) benefited from an easier comparison, now that Condrosan's price cut is in the base, and from continued international expansion. Osteoarticular products did particularly well in Poland (+29% 9M26), and the recently established Czech subsidiary (+51%) kept gaining traction. While CMO services through Bioglan (its Malmö plant), grew 36%.

In Consumer Healthcare, a fire disrupted Forté Pharma's supply chain in France and Belgium from mid-March, causing product shortages and leading to a 15% fall in supplement revenues (Forté) as of 9M26. Distribution returned to normal in June, but the hit to customer orders and restocking should impact 2026's sales print. A recovery is expected from Q4, as Reig is preparing an aggressive campaign, and into 2027.

REIG JOFRE: 9M26 SALES BY DIVISION

9M26	€m	YoY		€m	YoY		€m	YoY
Pharma Tech	**96**	**(2%)**	**Specialty Pharm**	**95**	**10%**	**Consumer**	**50**	**(12%)**
o/w Antibiotics	35	(1%)	o/w derma	27	1%	o/w ORL RJ	10	-
o/w Injectables	55	(2%)	o/w osteo	54	9%	o/w Forté Pharma	40	(15%)
			o/w other	14	36%			

Source: Alantra Equities

3) Weak operations meet heavy investment

Heavy investment and weak cash generation pushed leverage to 4.8X by 9M26

These operational setbacks were largely a result of the heavy investment cycle that spanned its traditional plants, plus the group's expansion into biotechnology.

1) **Traditional investments.** Reig Jofre invested €17m in industrial assets in 2024, ~€19m in 2025, and ~€10m in 9M26, mainly to bring Toledo and Barcelona up to GMP standards, and also in digitalization.

2) **LeanBio and Syna.** Reig Jofre invested ~€7m in a new biotechnology platform (LeanBio and Syna) in 2024. In 2025, it raised its stake in LeanBio to ~85% and, as a result, fully consolidated LeanBio and Syna Therapeutics, which added €25m to group net debt. It invested a further ~€13m in the two businesses in 9M26, to complete LeanBio's new GMP manufacturing facility and advance Syna's first biosimilar (see Chapter IV).

Weaker operations and heavy investment have hit cash generation hard. Operating cash flow fell from €31m in 2024 to just €1.5m in 2025, while net debt rose from €57m at end-2024 to €101m at end-2025 and €122m at end-September 2026. As a result, leverage rose to 4.8X EBITDA, from 1.5X at end-2024.

REIG JOFRE: CASH FLOW METRICS

(€ m)	2022	2023	2024	2025	9M26
EBITDA	30	35	38	30	19
Operating cash flow (*)	16	19	31	2	n.a.
% conversion	53%	54%	82%	5%	n.a.
Capex	12	13	26	19	25
% to sales	3.7%	3.9%	7.8%	5.6%	10.5%
Net debt	62	58	57	101	122
Leverage	2.0	1.6	1.5	3.3	4.8

(*) Pre-capex, as per the cashflow statement

Source: Alantra Equities

As the main investments in the traditional plants near completion, the focus shifts from adding capacity to restoring production, improving efficiency, and earning a return on the larger asset base. Operating cash flow should therefore recover in 2027, helping the group to deleverage despite continued biotechnology investment.

III. 2027–28: a recovery in the traditional business

1) Sales set to grow 11% in 2027

Sales should rebound 11% in 2027 as the traditional business recover

After two hard years of disruption and heavy investment, we expect Reig Jofre's traditional businesses to recover in 2027–28, as production normalizes and recent industrial investments start to contribute to profit. We forecast group revenues to grow 11% to €374m in 2027 and 7% to €400m in 2028, driven mainly by antibiotics and injectables (both in Pharma Tech) and by Consumer Healthcare. Specialty Pharma should add further growth through international expansion. The opportunity goes beyond recovering lost revenues: greater automation, higher capacity utilization, and a more profitable product mix should also support operating leverage.

REIG JOFRE: SALES ESTIMATES

(€ m)	2024	YoY%	2025	YoY%	2026E	YoY%	2027E	YoY%	2028E	YoY%	2029E
Sales	**339**	**(2%)**	**331**	**2%**	**337**	**11%**	**374**	**7%**	**400**	**6%**	**423**
PharmaTech	**151**	**(10%)**	**137**	**3%**	**141**	**12%**	**157**	**7%**	**169**	**6%**	**178**
Antibiotics	68	(29%)	48	7%	51	22%	63	10%	69	8%	74
Injectables	77	4%	80	1%	81	6%	86	6%	91	4%	94
Other	6	44%	9	2%	9	2%	9	2%	9	2%	9
Specialty Pharmacare	**115**	**4%**	**120**	**8%**	**130**	**6%**	**138**	**5%**	**145**	**5%**	**152**
Dermatology	32	18%	38	-	38	5%	40	5%	42	5%	44
Osteoarticular	70	(3%)	68	8%	73	8%	79	5%	83	5%	87
Others	13	11%	14	33%	19	3%	19	3%	20	3%	20
Consumer Healthcare	**72**	**3%**	**74**	**(12%)**	**65**	**15%**	**75**	**6%**	**80**	**5%**	**84**
LeanBio	**-**	**n.m.**	**-**	**n.m.**	**-**	**n.m.**	**3**	**100%**	**6**	**60%**	**10**

Source: Alantra Equities

2) Antibiotics: more capacity, better margins

Toledo's new line should lift antibiotic sales 22% in 2027, at better margins

Toledo's new line should be one of the main drivers. It was approved in June 2026, and although uptake was limited in Q3 for seasonal reasons, management expects antibiotic sales to recover close to 2024 levels in 2027, supported by existing customer demand and the extra capacity. Beyond volumes, the investment will improve profitability in three ways:

- **Higher production capacity.** The new line can manufacture 3–4X as many units than the older lines it replaces. Greater automation and higher output should spread fixed costs over more units, cutting unit costs as production ramps up.
- **More profitable product mix.** Reig Jofre is simplifying production by replacing ageing lines and prioritizing higher-margin products. This will make the portfolio more profitable while it recovers lost volumes.
- **Higher selling prices.** In January 2026, the Spanish government approved a price increase for amoxicillin, Toledo's main molecule. The effect should be modest and gradual, but it adds a further margin tailwind.

Antibiotics is a high-volume, relatively low-margin business, so even modest gains in unit profitability could matter for group EBITDA. Nearly returning to 2024 sales of €68m in 2027, at €63m, would mean a 22% year-on-year growth in the category, or ~4pp of the 10% group growth we forecast for 2027. Lower unit costs and a better mix leave room for further EBITDA gains beyond the volume recovery.

REIG JOFRE: ANTIBIOTICS SALES ESTIMATES

(€ m)	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	26-29 CAGR
Antibiotics sales	55	45	55	60	68	48	51	63	69	74	13%
YoY		(18%)	23%	8%	14%	(29%)	7%	22%	10%	8%	n.a.
% of group sales	24%	19%	20%	19%	20%	14%	15%	17%	18%	18%	n.a.

Source: Alantra Equities

3) Injectables: Barcelona returns to full production

Barcelona's upgraded line, approved in November, should restore injectable volumes from 2027

Barcelona should provide the second leg of the Pharma Tech recovery. Its upgraded second sterile line (see Chapter II) received regulatory approval November 5. The plant should now recover the volumes it lost, and 2027 is likely to be the first full year of normal operations. It should also benefit from the growing contribution of dalbavancin, a recently launched injectable antibiotic that is selling well, and from additional CDMO opportunities.

Injectable sales are holding up well in 2026 (+1% estimated) despite the downtime, because of the dalbavancin launch. As the line comes back on stream, we expect growth to pick up to 6% in 2027 and 2028 and moderate thereafter as utilization rises.

REIG JOFRE: INJECTABLE SALES ESTIMATES

(€ m)	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	26-29 CAGR
Injectables sales	50	52	63	67	77	80	81	86	91	94	5%
YoY		4%	20%	7%	16%	4%	1%	6%	6%	4%	n.a.
% of group sales	22%	22%	23%	21%	23%	24%	24%	23%	23%	23%	n.a.

Source: Alantra Equities

EU FAB non-renewal puts up to €6.6m of annual EBITDA at risk

The main risk to Barcelona's recovery is the non-renewal of the EU FAB contract. Awarded in June 2023, it is part of the EU's strategy to secure vaccine manufacturing capacity for another health emergency. Reig Jofre must reserve up to 30% of Barcelona's production capacity but can keep making other products in normal conditions. In return, it receives capacity reservation fees, which carry high margins because the extra costs are small. The initial four-year contract expires in June 2027, and renewal is not guaranteed.

According to European Commission disclosures, the European Health and Digital Executive Agency (HaDEA) awarded the CZ Vaccines–Reig Jofre consortium €17.6m a year in 2023 and 2024. CZ Vaccines is responsible for the drug substance and Reig Jofre for fill-and-finish. Assuming a 50/50 split, which is not disclosed, that implies ~€9m of annual revenues for Reig Jofre, and we assume similar terms for 2025–26. Non-renewal could hit EBITDA materially: at a 75% EBITDA conversion, we estimate ~€6.6m of annual EBITDA is at risk. That is €3.3m in 2027, given the June expiry, or 10% of our estimate, and 17% of our 2028 estimate. Management has identified alternative CDMO opportunities, but replacing this profit could take time.

REIG JOFRE: EU FAB RISK

Share of contract (€8.8m p.a.)	Implied annual Revenues (€m)	EBITDA margin conversion (€m) 50%	75%	90%
25%	4.4	2.2	3.3	4.0
50%	8.8	4.4	6.6	7.9
75%	13.2	6.6	9.9	11.9

Central scenario — 50% share @ 75% margin	2027E	2028E
EBITDA at risk (€m)	3.3	6.6
Group EBITDA estimate (€m)	32.2	37.8
Potential impact (% of EBITDA)	10%	17%

Source: Alantra Equities

4) Consumer Healthcare: growing again after a supply setback

Restored supply and a commercial push should lift Consumer sales back above 2025 levels in 2027

Consumer Healthcare sales should fall in 2026 (-12% estimated) after the Forté Pharma fire (see Chapter II). Reig Jofre confirmed that distribution was restored in June, but the disruption also hit the orders customers place at the start of the year, which determine restocking sales for the rest of it, so the effect lasted into Q3.

The case for a recovery in 2027 is fairly straightforward. With distribution restored, Reig Jofre is preparing a commercial push in late 2026 and early 2027 to win back lost orders. Forté Pharma's brand remains well placed: it ranks among France's top 12 food supplement brands (stated on Reig Jofre's 2025 annual report), and its products are recommended on Amazon France. The supplements French market is relatively mature (~3% growth in 2025), but Forté Pharma has typically outgrown it (+5% in 2025). That supports our forecast of 15% growth in 2027, which implies sales only 1% above 2025.

REIG JOFRE: CONSUMER SALES ESTIMATES											
(€ m)	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**	**2029E**	**26-29 CAGR**
Consumer healthcare	**52**	**57**	**66**	**72**	**72**	**74**	**65**	**75**	**80**	**84**	**9%**
YoY		8%	16%	10%	0%	3%	(12%)	15%	6%	5%	n.a.
% of group sales	23%	24%	24%	23%	21%	22%	19%	20%	20%	20%	n.a.

Source: Alantra Equities

5) Specialty Pharma: growth from new countries

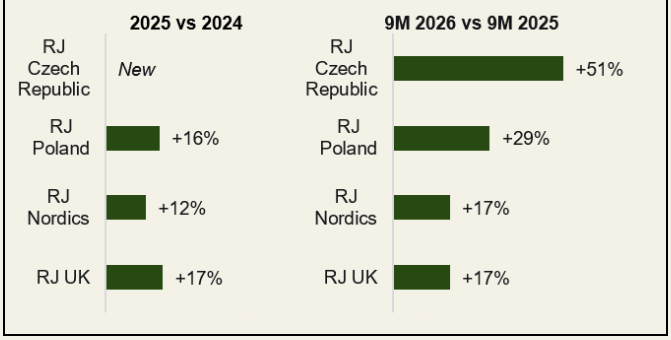
International expansion supporting growth, with Poland and Czech Republic up 29% and 51% in 9M26

Unlike in the other divisions, growth in Specialty Pharma depends on taking its existing portfolio into new markets and not on recovering lost business. Reig Jofre typically enters a country through distributors, selling a limited range to establish demand before committing to its own sales force. Once it has enough scale, it expands its commercial presence and adds products, so the same infrastructure supports more revenue and generates operating leverage.

The strategy has worked in Poland, where Reig Jofre set up a subsidiary in 2021 and has steadily expanded its osteoarticular range; sales there grew 29% year on year in 9M26. The Czech Republic is following a similar path (+51% 9M26): Reig Jofre opened a subsidiary in 2024 and has introduced both osteoarticular and dermatology products. Both markets still offer room to grow.

Reig Jofre could replicate this model in France, the UK, where it already has a commercial presence but remains underpenetrated. Germany and Italy are longer-term opportunities, and management has hinted at M&A as a possible way in. We expect Specialty Pharma revenues to rise from €130m in 2026 to €138m in 2027 and €152m by 2029, supported mainly by osteoarticular products and wider international distribution.

REIG JOFRE: SALES IN POLAND AND THE CZECH REPUBLIC



Source: Alantra Equities

REIG JOFRE: SPECIALTY SALES ESTIMATES						
(€m)	**2024**	**2025**	**2026E**	**2027E**	**2028E**	**2029E**
Specialty Pharma	**115**	**120**	**130**	**138**	**145**	**152**
Dermatology	32	38	38	40	42	44
Osteoarticular	70	68	73	79	83	87
Others	13	14	19	19	20	20
% YoY	**10%**	**4%**	**8%**	**6%**	**5%**	**5%**
Dermatology	23%	18%	-	5%	5%	5%
Osteoarticular	5%	(3%)	8%	8%	5%	5%
Others	10%	11%	33%	3%	3%	3%

Source: Alantra Equities

IV. Beyond 2028: LeanBio and Syna

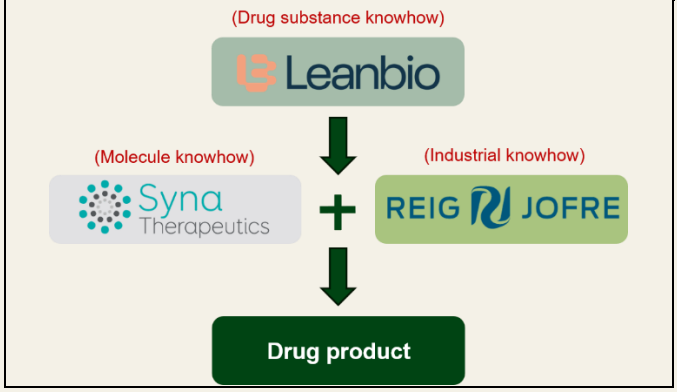
1) The path to vertical integration

Vertical integration into drug substance and biosimilar development

Reig Jofre's Pharma Tech division has historically specialized in developing and manufacturing finished pharmaceutical products (drug product), particularly sterile injectables and lyophilized medicines. That is changing, as Reig Jofre has pursued vertical integration over the past few years. By acquiring LeanBio in 2025, it is moving into biological active ingredients (drug substance), so it can supply its own production and offer pharmaceutical companies a more integrated service.

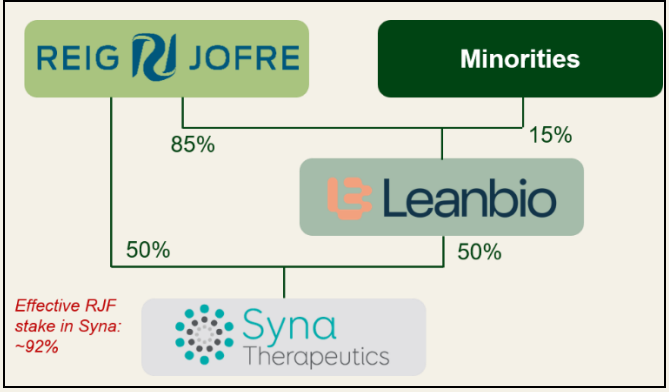
The strategy has developed gradually since 2018, when Reig Jofre and LeanBio set up Syna Therapeutics together, a 50/50 joint venture focused on biosimilars. In 2024, Reig Jofre invested €6.6m in LeanBio to help build its new manufacturing facility. In December 2025, it paid €3.5m to raise its stake in LeanBio from 47% to ~85%. As a result, it now fully consolidates both LeanBio and Syna, in which its effective economic interest is ~92%, along with €25m of net debt.

REIG JOFRE: KNOWHOW



Source: Alantra Equities

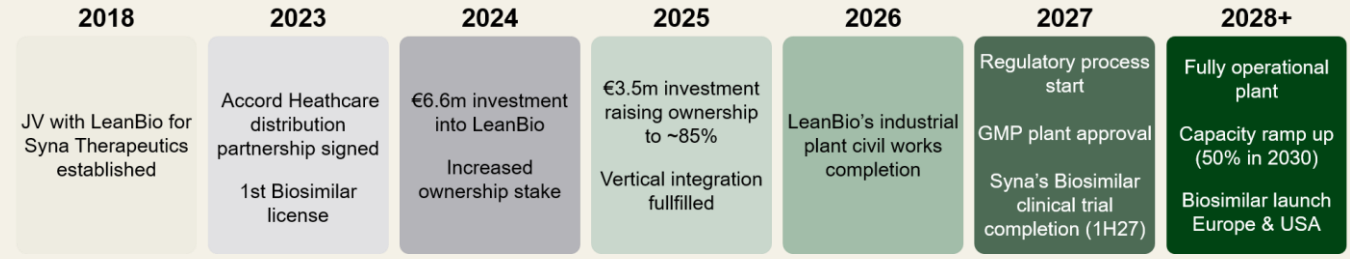
REIG JOFRE: OWNERSHIP STRUCTURE



Source: Alantra Equities

Development lead times are long. Eight years after Syna was created, LeanBio's new plant is built and awaiting regulatory certification, and Syna's clinical readout is expected in 1H27. Syna's regulatory submissions and LeanBio's GMP certification should progress through 2027, which could allow full-year commercial operations from 2028, ten years after the start.

REIG JOFRE: LEANBIO AND SYNA TIMELINE



Source: Alantra Equities

2) LeanBio: building a biologics platform

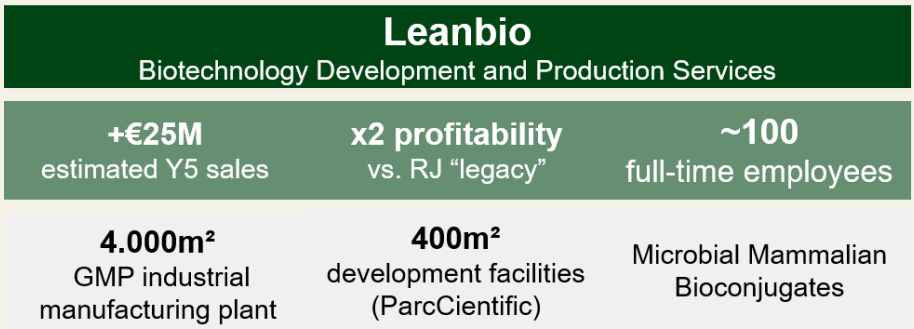
LeanBio targets >€25m sales by 2032 at roughly twice the group's EBITDA margin

Founded in 2014, LeanBio develops and produces biological active ingredients (drug substance), including recombinant proteins, monoclonal antibodies, bioconjugates, and RNA-based technologies. It operates from a development facility in Barcelona and already provides some services to biotech and pharma companies.

LeanBio's new 4,000m² GMP manufacturing facility in Barcelona, which Reig Jofre's investment helped fund, is designed to take it from development-scale work to industrial production for commercial supply. The plant has three specialized production platforms, for mammalian cells, microbial cultures, and advanced technologies such as mRNA. Construction is largely finished, but GMP approvals must follow; the company expects to apply for and obtain them during 2027. Operations may start in late 2027, but 2028 is likely to be the plant's first full year.

Management targets >€25m of annual sales by the fifth year of operations (we estimate 2032). It expects capacity utilization of ~50% by 2030, which would imply ~€13m of sales on a proportional ramp-up. Management expects EBITDA margins of ~2X those of Reig Jofre's traditional business (20–24% vs 10–12%), so LeanBio should lift the group margin as its share of sales grows.

REIG JOFRE: LEANBIO



Source: Reig Jofre

3) Syna: developing Reig Jofre's first biosimilar

Syna's first biosimilar readout in 1H27 could unlock additional upside

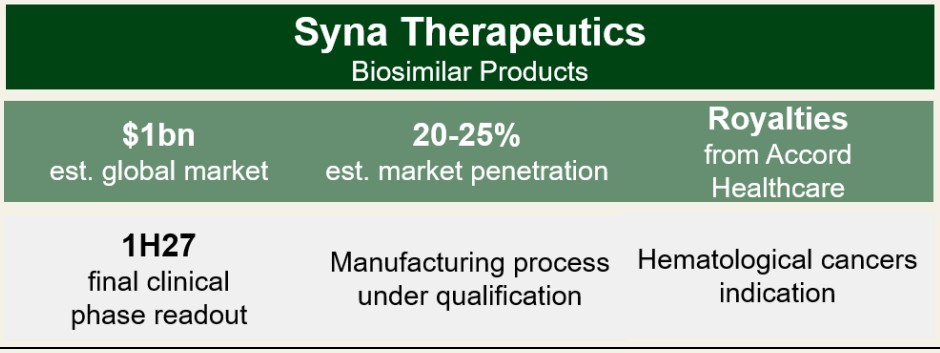
Syna offers a different opportunity: developing its own biosimilars, biological medicines whose reference products are approaching or have reached patent expiry. Because biosimilars follow an established reference molecule, the science is less uncertain than in innovative drug development, but clinical, manufacturing, and regulatory risks remain.

Its lead product is a biosimilar for treating haematological cancer. In November 2022, Syna signed an exclusive worldwide licensing agreement with Accord Healthcare, which will commercialize it. Accord has an established international sales network focused on biosimilars, so Reig Jofre can use it instead of building its own.

Syna's biosimilar entered late-stage clinical trials in 2025. Management aims to complete them in 1H27. Regulatory submissions should follow, which could allow launches in Europe and the US from 2028, subject to approval.

Reig Jofre discloses little, but from what they have said, we know that no competing products are in development, that the drug's market is worth $1bn, and that the estimated market share is 20–25%. That implies $200–250m of annual revenues, but we do not know how much of this will flow to Reig Jofre. For that reason, we do not include it within estimates nor valuation, expecting more disclosure after a positive clinical readout.

REIG JOFRE: SYNA



Source: Reig Jofre

V. A stretched balance sheet after the investment wave

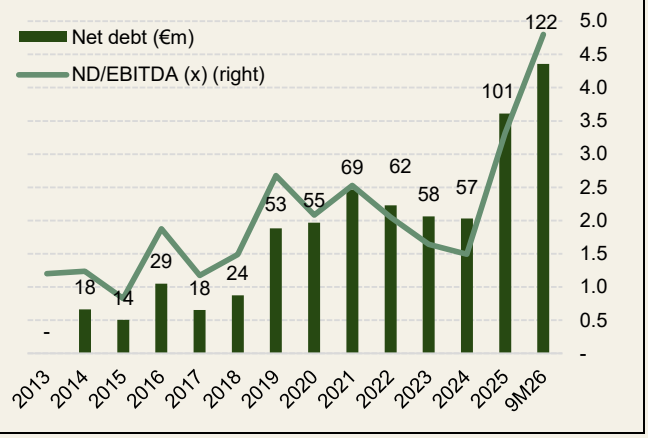
1) Leverage is high, but the debt is well structured

Leverage should peak at 4.8X in 9M26

Reig Jofre's balance sheet has weakened after two years of heavy investment (>€50m of capex in 2025–26) and the consolidation of LeanBio and Syna (€25m of added debt). Net debt rose from €57m at YE24 to €101m at YE25, reaching €122m at end-September 2026, or 4.8X EBITDA. We expect leverage to stand at 4.4X by end-2026.

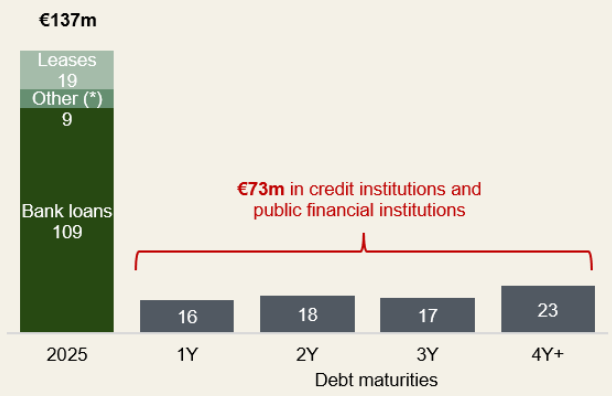
Despite the high leverage, the debt is relatively diversified across bank loans, public financing, lease liabilities, and other financial obligations. Only €16m needs refinancing in the near term, which is manageable. Leverage should decline gradually as the traditional business recovers (a 16% EBITDA CAGR over 2026–29) and capex normalizes (~€12m of maintenance capex plus further investment in LeanBio and Syna, vs >€30m spent in 2026).

REIG JOFRE: NET DEBT AND LEVERAGE



Source: Alantra Equities

REIG JOFRE: DEBT STRUCTURE



Source: Alantra Equities

2) Return on capital must and will improve

RoCE should gradually recover to >6% by 2029

Weaker earnings and a larger asset base, after the investments in Toledo, Barcelona, and biotechnology, have reduced Reig Jofre's returns on capital. RoCE fell from 7.5% in 2024 to 3.4% in 2025, and we expect just 2.1% in 2026. RoIC follows a similar pattern, dropping from 5.6% to 1.6% over the same period.

As production recovers and the investments start to contribute, we expect returns to improve gradually. We forecast adjusted EBIT rising from €8m in 2026 to €21m by 2029, on capital employed that stays broadly stable at €340–350m. That would take RoCE to 2.9% in 2027, 4.2% in 2028, and 6.1% by 2029, and RoIC to 4.6%. These returns are still below our estimated cost of capital of 9–10%, but the contribution from LeanBio and Syna is still minimal throughout 2026–29.

REIG JOFRE: RETURN ON CAPITAL ESTIMATES

(€ m)	2024	2025	2026E	2027E	2028E	2029E
Equity	214	220	223	223	227	236
Capital employed	277	330	358	351	350	343
Adj. EBIT (*)	21	11	8	10	15	21
NOPAT	16	8	6	8	11	16
Adj. net profit (*)	10	5	6	4	8	13
RoCE (%)	7.5%	3.4%	2.1%	2.9%	4.2%	6.1%
Marginal RoCE (%)	31.8%	(17.9%)	(12.9%)	(36.4%)	496.4%	92.3%
RoIC (%)	5.6%	2.5%	1.6%	2.2%	3.1%	4.6%
RoE (%)	4.8%	2.3%	2.7%	1.8%	3.4%	5.5%

(*) Excluding PPA

Source: Alantra Equities

VI. Estimates

1) P&L estimates

EBITDA to recover from €29m in 2026 to €45m in 2029, a ~16% CAGR

We expect Reig Jofre's earnings to recover gradually: 2026 is still a transition year, and growth strengthens in 2027–29. We forecast sales to rise 2% to €337m in 2026 and 11% to €374m in 2027, as production normalizes at Toledo and Barcelona and Consumer Healthcare recovers. Growth should then moderate to 7% in 2028 and 6% in 2029, taking sales to €423m.

EBITDA should fall 5% to €29m in 2026, broadly matching 2025, thus expecting a major pickup in Q4 (helped by a restart at Barcelona), as EBITDA stands -22% YoY as of 9M26. It should then recover 12% to €32m in 2027 and grow 17–19% a year to €45m in 2029. That implies an EBITDA margin of 10.6% in 2029 (vs >11% in 2024), up from 8.6% in 2026. Reported EBIT should rise from €3m to €16m over the same period, and we expect net profit to stay at €0–3m in 2026–27 before recovering to €5m in 2028 and €10m in 2029.

Excluding LeanBio, underlying EBITDA should rise more in 2027 and grow more modestly in 2028–29. That is because LeanBio is a detractor while it ramps up. So, the turnaround in the existing businesses would be more evident early on, if LeanBio is excluded.

REIG JOFRE: P&L ESTIMATES

(€ m)	2024	YoY%	2025	YoY%	2026E	YoY%	2027E	YoY%	2028E	YoY%	2029E
Sales	339	(2%)	331	2%	337	11%	374	7%	400	6%	423
EBITDA	38	(20%)	30	(5%)	29	12%	32	17%	38	19%	45
EBIT, adjusted*	21	(46%)	11	(32%)	8	33%	10	44%	15	43%	21
EBIT	13	(66%)	4	(37%)	3	38%	4	109%	8	82%	14
Net profit	10	(52%)	5	(41%)	3	n.m.	0	n.m.	4	142%	9
EPS (€)	0.13	(53%)	0.06	(42%)	0.04	n.m.	0.00	n.m.	0.04	138%	0.10
Net profit, adjusted*	16	(38%)	10	(42%)	6	(34%)	4	98%	8	66%	13
EPS, adjusted* (€)	0.21	(39%)	0.13	(43%)	0.07	(34%)	0.05	97%	0.09	63%	0.15

(*) Adjusted for PPA amortization

Source: Alantra Equities

- **Pharma Tech.** We forecast revenues up 3% to €141m in 2026 and 12% to €157m in 2027. Antibiotics should account for most of the recovery with injectables growing as Barcelona's capacity returns to normal. We then expect growth of 7% in 2028 and 6% in 2029, to €178m.

- **Specialty Pharma.** We forecast 8% growth to €130m in 2026 and a further 6% to €138m in 2027, supported by osteoarticular products and international expansion. Revenues should reach €152m in 2029, implying ~5% annual growth in 2028–29.

- **Consumer Healthcare.** We expect revenues to fall 12% to €65m in 2026 after the Forté Pharma supply disruption, then rebound 15% to €75m in 2027 as distribution returns to normal. We then assume 5–6% annual growth, taking sales to €84m by 2029.

REIG JOFRE: SALES ESTIMATES

(€ m)	2024	YoY%	2025	YoY%	2026E	YoY%	2027E	YoY%	2028E	YoY%	2029E
Sales	**339**	**(2%)**	**331**	**2%**	**337**	**11%**	**374**	**7%**	**400**	**6%**	**423**
PharmaTech	151	(10%)	137	3%	141	12%	157	7%	169	6%	178
Specialty Pharmacare	115	4%	120	8%	130	6%	138	5%	145	5%	152
Consumer Healthcare	72	3%	74	(12%)	65	15%	75	6%	80	5%	84
LeanBio	-	n.m.	-	n.m.	-	n.m.	3	100%	6	60%	10

Source: Alantra Equities

Efficiency gains and a better mix should lift margins

We expect the gross margin to stay broadly stable at ~59% in 2026–27 and improve to 60.3% in 2029, supported by more efficient production and a better sales mix. Gross profit should therefore rise from €199m in 2026 to €255m in 2029, a 7% CAGR. We expect the EBITDA margin to stay flat at 8.6% in 2026 and 2027, and rise to 9.5% in 2028, and 10.6% in 2029. Adjusted EBIT should recover from €8m in 2026 to €21m in 2029, lifting the adjusted EBIT margin from 2.3% to 5.0%.

REIG JOFRE: MARGINS AND OPERATING RESULT ESTIMATES							
(€ m)	**2024**	**2025**	**2026E**	**2027E**	**2028E**	**2029E**	**29/25 CAGR**
Sales	**339**	**331**	**337**	**374**	**400**	**423**	**6%**
CoGS	(140)	(135)	(138)	(151)	(161)	(168)	6%
Gross profit	**199**	**196**	**199**	**223**	**239**	**255**	**7%**
Opex	(161)	(165)	(170)	(190)	(201)	(211)	6%
EBITDA	**38**	**30**	**29**	**32**	**38**	**45**	**10%**
D&A	(17)	(19)	(21)	(22)	(23)	(24)	5%
EBIT, adjusted	**21**	**11**	**8**	**10**	**15**	**21**	**17%**
PPA amortization	(6)	(6)	(5)	(6)	(6)	(6)	2%
Non-recurring items	(2)	(1)	-	(1)	(1)	(1)	(9%)
EBIT, reported	**13**	**4**	**3**	**4**	**8**	**14**	**35%**
Margins							
Gross margin	58.6%	59.1%	59.0%	59.5%	59.8%	60.3%	
EBITDA margin	11.2%	9.2%	8.6%	8.6%	9.5%	10.6%	
EBIT margin, adjusted	6.1%	3.4%	2.3%	2.7%	3.7%	5.0%	
EBIT margin, reported	3.7%	1.3%	0.8%	1.0%	1.9%	3.3%	
Growth							
Sales	7%	(2%)	2%	11%	7%	6%	
Gross profit	9%	(1%)	1%	12%	7%	7%	
EBITDA	8%	(20%)	(5%)	12%	17%	19%	
EBIT, adjusted	15%	(46%)	(32%)	33%	44%	43%	
EBIT, reported	20%	(66%)	(37%)	38%	109%	82%	

Source: Alantra Equities

Below EBIT, we expect financial expenses to increase with the higher debt. Net interest costs should rise from €1.7m in 2025 to ~€3m per year in 2026–29. We apply a 15–20% tax rate to pre-tax earnings from 2027 and recognize tax credits in loss-making years. We forecast a net profit of €3m in 2026, on tax income, and breakeven in 2027, and a return to profit in 2028 (€4m) and 2029 (€9m). Adjusted net profit, which excludes purchase price allocation (PPA) amortization and other modelled adjustments, should rise from €6m in 2026 to €13m by 2029.

REIG JOFRE: NET PROFIT AND EPS ESTIMATES											
(€ m)	**2024**	**YoY%**	**2025**	**YoY%**	**2026E**	**YoY%**	**2027E**	**YoY%**	**2028E**	**YoY%**	**2029E**
EBIT	**13**	**(66%)**	**4**	**(37%)**	**3**	**38%**	**4**	**109%**	**8**	**82%**	**14**
Net interest	(2)	(2%)	(2)	106%	(3)	7%	(4)	(5%)	(3)	(10%)	(3)
Other results	1	n.m.	4	n.m.	-	-	-	-	-	-	-
Pretax profit	**12**	**(47%)**	**6**	**(112%)**	**(1)**	**(104%)**	**0**	**n.m.**	**4**	**158%**	**11**
Income taxes	(1)	(9%)	(1)	n.m.	4	(100%)	(0)	n.m.	(1)	243%	(2)
Net profit	**10**	**(52%)**	**5**	**(41%)**	**3**	**(99%)**	**0**	**n.m.**	**4**	**142%**	**9**
EPS (€)	**0.13**	**(53%)**	**0.06**	**(42%)**	**0.04**	**(99%)**	**0.00**	**n.m.**	**0.04**	**138%**	**0.10**
Net profit, adjusted*	**16**	**(38%)**	**10**	**(42%)**	**6**	**(34%)**	**4**	**98%**	**8**	**66%**	**13**
EPS, adjusted* (€)	**0.21**	**(39%)**	**0.13**	**(43%)**	**0.07**	**(34%)**	**0.05**	**97%**	**0.09**	**63%**	**0.15**
Average cost of debt	3.0%		2.1%		3.0%		3.0%		3.0%		3.0%
Tax rate	12.3%		20.9%		n.m.		15.0%		15.0%		20.0%

* Adjusted for PPA amortization

Source: Alantra Equities

Lower capex should restore positive FCF from 2027 and cut net debt to €97m by 2029

2) Cash flow, debt, and leverage estimates

We expect free cash flow to stay negative in 2026, reflecting the final phase of the group's industrial and biotechnology investment programme. After that, lower capex and recovering profits should support a gradual return to positive cash flow, although working capital will keep absorbing part of the extra operating cash flow.

Capex estimates

We forecast total capex of €34m in 2026, or 10% of sales, up from €19m in 2025 (~6%). Of this, ~€20m is growth, for LeanBio and Syna, and €13m is to refurbish traditional assets, for the final works at Toledo and Barcelona. We expect capex to remain above €20m in 2027–28, as investments in LeanBio's plant and Syna's development still weigh, and then normalize to €16m in 2029. Maintenance capex should settle at ~€12m a year, and we assume less growth investment beyond 2027. Total capex should therefore fall to <4% of sales by 2029.

REIG JOFRE: CAPEX ESTIMATES

(€ m)	2024	2025	2026E	2027E	2028E	2029E
Capex, maintenance	16	9	13	10	13	12
Capex, growth	10	10	20	11	8	3
Total capex	**26**	**19**	**34**	**22**	**21**	**16**
Capex to sales	7.6%	5.7%	10.0%	5.8%	5.2%	3.8%

Source: Alantra Equities

Working capital estimates

We expect working-capital requirements to grow as sales recover, particularly as antibiotic production normalizes and the group rebuilds inventories. We forecast a €17m working-capital outflow in 2026, on Consumer inventory build given the supply disruption. This should reverse in 2027 as inventory normalizes, and then we model an annual outflow of €4m per year in 2028–29, as working capital stabilizes.

REIG JOFRE: WORKING CAPITAL ESTIMATES

(€ m)	2024	2025	2026E	2027E	2028E	2029E
Working capital	68	80	98	94	98	102
Working capital to sales	20.0%	24.2%	29.0%	25.0%	24.5%	24.0%
Working capital investment	(4)	(14)	(17)	4	(4)	(4)

Source: Alantra Equities

Free cash flow and deleveraging

We forecast negative free cash flow of €25m in 2026: €26m of cash flow before capex and working capital, less €34m of capex and a €17m working-capital outflow. We expect positive free cash flow from 2027, as capex and working capital normalize and operating earnings recover.

REIG JOFRE: CASH FLOW ESTIMATES

(€ m)	2024	2025	2026E	2027E	2028E	2029E	26-29E
Net profit	10	5	3	0	4	9	15
D&A (*)	23	25	26	28	29	30	113
Non-cash items	(2)	(7)	(3)	(3)	(3)	(3)	(12)
Total cash flow	**32**	**23**	**26**	**25**	**29**	**35**	**116**
Capex	(26)	(19)	(34)	(22)	(21)	(16)	(92)
Working capital	(4)	(14)	(17)	4	(4)	(4)	(22)
Operating FCF	**2**	**(10)**	**(25)**	**7**	**4**	**16**	**2**
Acquisitions	(7)	(27)	-	-	-	-	-
Others	5	(8)	-	-	-	-	-
Free cash flow	**1**	**(44)**	**(25)**	**7**	**4**	**16**	**2**
Dividends	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Change in net debt	**1**	**(44)**	**(25)**	**7**	**4**	**15**	**2**

(*) D&A and PPA amortization

Source: Alantra Equities

Net debt should therefore peak at €126m in 2026, up from €101m in 2025, and fall to €119m in 2027, €114m in 2028 and €99m by 2029. As EBITDA grows, we expect net debt/EBITDA to fall from 4.4X in 2026 to 3.7X in 2027, 3.0X in 2028, and 2.2X by 2029.

REIG JOFRE: NET DEBT AND LEVERAGE ESTIMATES

(€ m)	2024	2025	2026E	2027E	2028E	2029E
Net debt	57	101	126	119	114	99
EBITDA	38	30	29	32	38	45
Net debt/EBITDA (x)	**1.5**	**3.3**	**4.4**	**3.7**	**3.0**	**2.2**

Source: Alantra Equities

VII. Valuation: a €2.75–3.35 target-price range

DCF yields €2.75–3.35 per share, implying 5–28% upside

We value Reig Jofré at €2.75–3.35/share through a DCF under conservative and optimistic scenarios, implying 5–28% upside from the current share price of €2.62. Our DCF yields an enterprise value of €326–375m. We do not assign any value to the Syna Therapeutics portfolio. We then deduct €119m of net debt at 2027 close, add €26m of non-operating assets and €2m of treasury shares, and subtract €5m of LeanBio minorities. That results in an equity value of €230–279m.

REIG JOFRE: DCF VALUATION SCENARIOS

	Conservative			Optimistic		
(€ m)	**€ m**	**€ p.s.**	**% EV**	**€ m**	**€ p.s.**	**% EV**
EV	**326**	**3.9**	**100%**	**375**	**4.5**	**100%**
Net debt	(119)	(1.4)	(36%)	(119)	(1.4)	(32%)
Non-operating assets/liabilities	26	0.3	8%	26	0.3	7%
Minorities (LeanBio)	(5)	(0.1)	(2%)	(5)	(0.1)	(1%)
Treasury shares	2	0.0	1%	2	0.0	1%
Equity value	**230**	**2.8**	**71%**	**279**	**3.4**	**74%**
Number of shares (m)	83			83		
TP (€ p.s.)	**2.75**			**3.35**		
Current price (€ p.s.)	2.62			2.62		
Upside	**5%**			**28%**		

Source: Alantra Equities

Our DCF valuation is based on common assumptions across both scenarios, including a 9.4% WACC (11.5% cost of equity, 6.0% pre-tax cost of debt and 25% tax rate), a 2% terminal growth rate and a 10% terminal RoIC. For 2030–35, our conservative scenario assumes 5% sales CAGR and a 12.5% EBITDA margin and D&A/capex at 4.5%/3.5% of sales. Our optimistic scenario assumes 6.0% sales CAGR and a 14.5% EBITDA margin and D&A/capex at 5%/5% of sales.

REIG JOFRÉ: WACC & VALUATION ASSUMPTIONS

Common terminal assumptions	
Cost of equity	11.5%
Cost of debt (pretax)	6.0%
WACC	9.4%
Terminal growth rate (g)	2.0%

	Conservative	**Optimistic**
Sales CAGR	5.0%	6.0%
EBITDA margin	12.5%	14.5%
D&A to sales	4.5%	5.0%
Capex to sales	3.5%	5.0%

Source: Alantra Equities

Shares trade at 10X 2027 EV/EBITDA

At market prices, Reig Jofré trades at 10X 2027 EV/EBITDA, declining to 8–9X in 2028, as earnings recover. Correspondingly, adjusted P/E at a high 36X in 2026, 55X in 2027 and 28X in 2028. Reig Jofre has historically traded at 11X EV/EBITDA and 21X P/E.

REIG JOFRE: MARKET MULTIPLES

(X)	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
EV/EBITDA	8.5	12.9	12.6	11.1	12.5	12.0	16.0	9.1	7.1	6.7	10.7	11.7	10.3	8.6
EV/EBIT	12.2	19.4	17.6	15.5	16.3	16.1	24.5	14.1	11.0	10.3	20.5	43.9	32.4	22.2
Adj. P/E	16.4	30.6	18.7	16.9	21.3	24.1	37.9	16.4	13.2	13.0	22.5	36.3	55.4	28.1

Source: Alantra Equities

Valuation remains demanding on near-term earnings, reflecting the group's depressed profitability following recent industrial investments and the integration of LeanBio and Syna. But from 2027 onwards, we should see multiples meaningfully compress year by year as operations scale.

We value the shares at 10–12X 2027 EV/EBITDA

We value Reig Jofre at market multiples in our downside scenario (10X EV/EBITDA and 59X P/E in 2027), and at a more benign 12X EV/EBITDA and 71X P/E in 2027 in our optimistic valuation. The optimistic valuation is supported by a 21–22X P/E in 2029, a more normalized year, which sits

in line with historical trading multiples. We add that these multiples do not reflect the incremental earnings achieved from LeanBio given its low contribution over 2027–29.

REIG JOFRE: IMPLIED VALUATION MULTIPLES

	Conservative			Optimistic		
(X)	2027E	2028E	2029E	2027E	2028E	2029E
EV/Sales	0.9	0.8	0.8	1.0	0.9	0.9
EV/EBITDA	10.1	8.6	7.3	11.7	9.9	8.4
EV/EBIT	32.0	22.2	15.5	36.9	25.5	17.9
P/E	58.6	29.5	17.8	71.1	35.8	21.6

Source: Alantra Equities

Reig Jofre trades at a discount to peers at EV/EBITDA, but above in EV/EBIT. Net earnings remain subdued, explaining Reig Jofre's high P/E multiples, and are therefore not a good comparison.

REIG JOFRE: MEDIAN PEERS MULTIPLES

	P/E		EV/EBITDA		EV/EBIT		Leverage	EV/Sales	
(X)	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E	FY27E	FY27E	FY28E
Specialty Pharma	19.8	20.1	14.3	11.8	15.8	13.6	(0.5)	4.2	4.2
CDMO / CRO	17.0	15.0	11.3	10.4	15.0	14.8	1.4	2.4	2.2
Generics	19.8	9.3	10.6	8.0	14.3	12.4	1.1	2.7	2.3
Consumer Healthcare	25.3	21.4	16.0	13.7	17.7	15.0	(0.2)	4.4	3.9
Healthcare average	**19.8**	**16.8**	**11.8**	**10.7**	**15.8**	**13.6**	**1.0**	**3.3**	**3.4**
Reig Jofre	55.4	28.1	10.3	8.6	32.4	22.2	3.7	0.9	0.8
Premium (discount)	180%	67%	-13%	-19%	105%	63%	n.a.	-73%	-76%

Source: Refinitiv, Alantra Equities

€3.80 per share on industry multiples

We include a sum-of-the-parts valuation based on EV/Sales multiples. Given that Reig's EBIT margin is roughly 1/3 of its peers, and our view that EBIT is the best proxy for normalised unlevered CF generation, we slash comparable EV/sales multiples by 3. This yields an implied EV valuation of €413m. After subtracting net debt and others, we arrive at a €317m equity value, equivalent to €3.80p.s., which offers a 45% upside to current market prices.

REIG JOFRE: EV/SALES MULTIPLES-BASED SUM-OF-THE-PARTS VALUATION

(€ m)	Sales FY27E (**)	Industry Multiple (*)	Implied Valuation
PharmaTech (Generics ex-CDMO)	126	0.8	96
CDMO	31	0.7	24
Specialty Pharma (ex-CDMO)	138	1.4	196
Consumer Healthcare	75	1.3	97
Total EV	**371**	**1.1**	**413**
Net debt			(119)
Others			23
Equity Value			**317**
Number of shares (m)			83
Equity value per share (€)			**3.80**
Current share price (€)			2.62
Upside			**45%**

(*) We have slashed industry multiples by 3; (**) excl. LeanBio

Source: Alantra Equities

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