Source: Reig Jofre

I Executive summary

I DESCRIPTION OF THE COMPANY

Laboratorio Reig Jofre, S.A. is a company with over 95 years of history that **researches, develops, manufactures, and markets essential pharmaceutical products** for people's health, with a **presence in more than 70 countries** (59% of sales outside Spain). The company has **four production centres**: one in Barcelona (**aseptic production of** chemical and biological **injectable products**), two in Toledo (**penicillin-derived antibiotics** that require segregated plants due to their potential allergenic effects), and one in Malmö, Sweden (**semi-solid** products, **topical** products, and technologically advanced formulations such as **enteral gels**). The company plans to open its **fifth production center in Barcelona by the end of 2026** to supply biological raw materials. It also has a logistics center in Toledo.

Reig Jofre specialises in **niche services with high demand**, with a focus on **profitable growth** and **cash generation**.

Internationalisation strategy with low capital requirements. Its entry into more than eight countries through its own sales teams or through distribution or licensing agreements (reaching more than 70 countries) ensures strong growth for the coming years after having proven successful in the early stages of its international expansion. This reinforces the company's commitment to ensuring access to essential and innovative solutions globally. Reig Jofre has always had the development, manufacturing, and marketing of pharmaceuticals in its DNA and believes in the value of having a European industrial network in healthcare that is technological, sustainable, with a high level of training, a creator of quality jobs, and an exporter.

High returns on new investment projects. We estimate that the return on capital employed (ROCE) of the major initiatives recently undertaken, in terms of expansion projects, is highly attractive and will be reflected in the coming fiscal years.

Past and future growth. Reig Jofre has managed to grow its sales at an annual rate of 9% from 2019 to 2025. During this period, EBITDA remained relatively stable as a percentage of sales, although in 2025 it was slightly impacted by the temporary reduction in antibiotic production capacity at the Toledo plant. The highest value-added services and products are experiencing the most growth, such as the osteoarticular area, which has a very high market share in its main markets, and the CDMO area, despite the temporary decrease.

We believe the company will continue to achieve high growth rates and that, at current prices, share appreciation will be in line with operating profit growth over the medium and long term.

II MAIN BUSINESS UNITS

Reig Jofre has three business units:

1. **Pharmaceutical Technologies - PHT** (41% of sales in 2025)
2. **Specialty Pharmacare – SPC** (36%)
3. **Consumer Healthcare – CHC** (23%)

PHT

Injectables – 58% of sales
Antibiotics – 35% of sales

PLANTS: Toledo and Barcelona

This business unit **specialises in technology for the manufacturing of sterile, lyophilised injectables and antibiotics**, particularly beta-lactams. Its **objective is to guarantee hospitals' access to essential medicines, relying on advanced industrial capabilities and specialised development teams**. This allows it to offer a portfolio of essential medicines for hospitals, backed by expertise in advanced pharmaceutical technologies that contribute to health through high-value products and an international commercial capacity that facilitates global access.

The global CDMO services market is highly concentrated, with a relatively small number of competitors capable of offering production capacities aligned with demanding industry standards. Among the most notable competitors are Lonza, Catalent (owned by Novo Holdings A/S), Thermo Fisher Scientific, Samsung Biologics, and ROVI. In this context, Reig Jofre is focusing its strategy on specific, high-value-added niches where it can offer differentiated support to its clients, further emphasizing its competitive advantage based on a complete service cycle that encompasses everything from biological raw materials to finished products in commercial batches.

Regarding its production capacity, investments in Barcelona have been maintained in 2025 to comply with the latest regulatory requirements, including a new injectable and lyophilized product line designed to improve productivity and achieve the highest standards of operational excellence, which is scheduled to be commissioned in 2026. On the other hand, the reduction in antibiotic sales in 2025 is due, as mentioned, to the impact of the temporary decrease in production capacity at the Toledo plant, resulting from planned shutdowns of two production lines to adapt them to the new GMP regulations, as well as investments aimed at improving productivity, efficiency, processes, and digitalization, expanding production capacity, and complying with regulatory requirements. The objective is to reduce unit costs from 2026 onward and mitigate the risk of supply shortages in Europe.

The CAGR for the business unit has been 5% from 2019 to 2025.

SPC

Osteoarticular – 57% of sales
Dermatology – 32% of sales

PLANTS: Malmö and Barcelona

It focuses on the therapeutic areas of osteoarticular and dermatology, offering **essential products for joint pain, tendonitis, and joint problems**, as well as **innovative solutions for onychomycosis, alopecia, and acne**. The strategy for this business unit is to create products through incremental innovation that provides value to the consumer or the system (patient and physician).

The company is working on the internationalisation of its products through the expansion of subsidiaries and distribution and licensing agreements. Reig Jofre has experienced significant growth driven by the expansion of its CDMO services and products focused on the production of enteral gel and semi-solid medications with advanced formulations.

The osteoarticular business, acquired in 2019, maintains a solid growth trajectory, with a particularly strong increase in market share in Poland. Meanwhile, the Dermatology division continues to consolidate its expansion, driven by the strong performance of recent launches such as Dexulac®, Regenail®, and Vincobiosis, innovative treatments targeting onychomycosis, nail structural abnormalities, and acne.

The business unit's CAGR is projected at 15% from 2019 to 2025.

CHC

Forté Pharma Dietary Supplements – 82% of sales
ENT (Ear, Nose, and Throat) RJ – 18% of sales

This unit strategically focuses on the **OTC ENT segment (ear, larynx, and disinfection)**, as well as on the **development of the Forté Pharma brand**, specialising in **products aimed at comprehensive well-being** (sleep, stress management, general health, energy, and weight control, among others). This unit adopts a holistic approach that is aligned with growing consumer demands for prevention and self-care. During the year, the unit maintained a solid growth trajectory in its key segments, driven by both consistent demand for OTC ENT products and sustained growth in sales of Forté Pharma brand nutritional supplements. This occurred within a context of a reduction in the weight management range and portfolio diversification in line with market trends and consumer preferences.

The business unit's CAGR is projected at 7% from 2019 to 2025.

III VALUE PROPOSITION

Reig Jofre's purpose is to universalise essential science-based health solutions from conception, design, scientific development, technological production, and direct and indirect marketing worldwide. It is always based on both science and technology.

1. Internationalisation: **an essential pillar of the company's growth strategy**, aligned with its purpose of offering essential therapeutic solutions to as many people as possible around the world. This commitment is realised through a **scalable expansion model with attractive profitability**.

60% of international revenue comes from its direct sales network in Europe (Spain, France, Portugal, Belgium, Sweden, the United

Kingdom, Poland, and the Czech Republic). This structure is complemented by an extensive network of 185 business partners in more than 70 countries, reinforcing its global reach.

New subsidiary in the Czech Republic: Reig Jofre announced the opening of its subsidiary RJ Czech Republic in 2024, with 2025 being the first year in which it generated revenue. It operates in collaboration with a local partner (LERAM Pharma) and has a sales team specializing in the marketing of products from the SPC unit. The subsidiary will progressively expand its portfolio with products from the CHC unit, and in the medium to long term, it will incorporate hospital injectables from the PHT unit, subject to obtaining the necessary licenses. This expansion reaffirms Reig Jofre's scalable and profitable internationalization model in Europe.

2. Continued investment in proprietary product manufacturing capacity and CDMO: **Increasing productivity, capacity, and efficiency.**

In 2025, the company allocated €21.2 million to industrial capital expenditures (Capex), primarily aimed at strengthening its manufacturing capacity. This investment was concentrated in Toledo, with the goal of improving productivity and ensuring regulatory compliance in the antibiotic sector, and in Barcelona, where progress was made in developing a new injectable and lyophilized product line, as well as in upgrading the sterile area, which is scheduled to be operational by the second quarter of 2026. These actions complement the initiatives aimed at improving process efficiency and quality.

3. Profitable growth: **The company is focusing its strategy on developing high value-added services and products, prioritizing those lines with the highest margins.**

This evolution will foster a progressive expansion of margins, while strengthening its competitive position.

4. Leanbio Consolidation: **Vertical integration in the development, characterization, and production of biotechnology-based active ingredients.**

Reig Jofre strengthens its position in the biotechnology sector by consolidating Leanbio, completing its vertical integration in the development and production of recombinant proteins, antibodies, and advanced therapies, providing industrial capacity for third parties and its own product.

During 2025, the Group executed the conversion of the convertible loan into shares, increasing its stake to 84.69% through acquisition, with the remaining 15% held by the founding team and specialized shareholders. Furthermore, progress continues on the construction of the biotechnological active pharmaceutical ingredient (API) manufacturing facility in Sant Quirze del Vallès (Barcelona), with a total planned investment of €35 million in three phases. This facility is expected to increase the company's installed capacity tenfold (current: 400 m²; future: 4,000 m²).

Following the increase in its stake in Leanbio, Reig Jofre also controls and consolidates Syna Therapeutics with a total stake (direct and indirect) of 92.35%. Syna Therapeutics is a company dedicated to the development of biosimilars and innovative molecules. It is worth noting that Reig Jofre began this vertical integration strategy in 2018 through the joint venture with Leanbio. Syna has established an international distribution agreement for its biosimilar, intended for the treatment of hematological disorders, with Intas Pharmaceutical (Accord Healthcare), a company with a presence in 85 countries. This agreement will cover marketing costs, while Reig Jofre will contribute its expertise in the development and stabilization of the finished pharmaceutical product, as well as its world-class global production capacity. This drug is currently in Phase 3 clinical trials.

5. Innovation: **A dual approach in product and industrial technology for the development and production of niche drugs.**

Reig Jofre structures its commitment to research, development, and innovation along two complementary lines. On the one hand, it focuses on specialized industrial technology, geared towards a more profitable business through advanced CDMO services and finished products, vertical integration with the development and production of biotechnological APIs and biosimilars, as well as the incorporation of new technologies and advanced therapies. On the other hand, it focuses on product development, with an approach that encompasses both evidence-based healthcare products and advanced generics. to drugs based on incremental innovation and, progressively, disruptive innovation and innovative drugs, aligning these developments across different time horizons.

IV MANAGEMENT TEAM FOCUSED ON VALUE CREATION

- **Focus on generating operating cash flow** to reinvest in **projects that offer attractive returns**.

- The company prefers **to maintain a low debt structure**, which gives it **flexibility to take advantage of potential inorganic growth opportunities**. Although Reig Jofre's growth is not based on a build-up expansion model, it is attentive to inorganic growth opportunities. In the past, in 2009-2010, its first acquisition was in Sweden, when it acquired Bioglan AB (today a key pillar of its growth) for €7 million, an investment that has generated a significant operating profit. In 2015, it carried out a reverse merger with Natraceutical, which allowed for its entry into the stock market and the acquisition of Forté Pharma's business, which has more than doubled its value in the last 10 years. Finally, in 2019, Reig Jofre acquired Bioibérica's pharmaceutical assets for €46 million, a business that has expanded internationally, driving significant growth in its line of osteoarticular products.

V FINANCIAL DATA

- During the period from 2019 to 2025, the company's total revenue registered a compound annual growth (CAGR) of 9%. Although all three business units contributed positively to this growth, the performance of the SPC division is particularly noteworthy, showing a significant increase of 15% annually, driven primarily by expansion in the osteoarticular and dermatology product lines. The projections[1] by the business unit for the 2026–2032 horizon maintain a trajectory consistent with historical growth rates, with a significant boost from CMO/CDMO services and injectables and the strong performance of the osteoarticular, dermatology, and Forté Pharma products.

- Regarding EBITDA, an improvement in the operating margin is estimated, driven by investments focused on production efficiency and optimisation of the product and customer mix, which would allow a margin of 15% to be achieved by the end of the forecast period. Financial costs remain stable compared to 2024 levels, and the highest historical average corporate tax rate has been applied.

Considering the current price[2] and assuming an EV/EBIT multiple of 14x in 2032, an Internal Rate of Return (IRR)[3] is estimated at 22%.

NOTES:
1. The projections presented are based on internal estimates prepared by Tenvalue and do not represent official company communications except where expressly stated otherwise.
2. Share price €2.71 - date June 11, 2026.
3. Adjusted for net debt and associates.