LIGHTHOUSE
INSTITUTO ESPAÑOL DE ANALISTAS

Laboratorio Reig Jofre

EQUITY - SPAIN
Sector: Pharmaceuticals

Closing price: EUR 2.96 (25 Jul 2025)
Report date: 28 Jul 2025 (13:40h)

6m Results 2025
Independent Equity Research

6m Results 2025
Opinion [(1)]: Below expectations
Impact [(1)]: We will have to lower our estimates

Daniel Gandoy López– lighthouse@institutodeanalistas.com
Alfredo Echevarría Otegui – alfredo.echevarria@institutodeanalistas.com
+34 915 631 972

Business description

Laboratorio Reig Jofre (RJF) a pharmaceutical company headquartered in Barcelona (Spain) specialised in research, manufacturing, and marketing of pharmaceutical products (injectables and generic antibiotics) and food supplements at its development and logistics centres (Barcelona, Toledo and Malmö). With an international footprint (> 50% of revenue). Managed and controlled by the Reig family (63% of share capital).

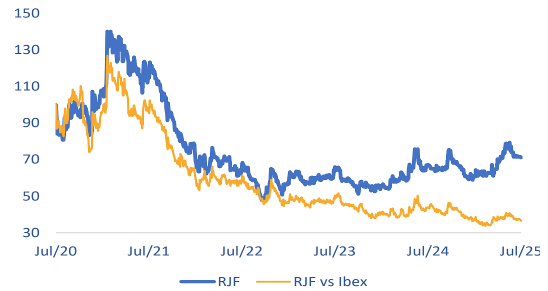
Market Data

Market Cap (Mn EUR and USD)	243.4	285.5
EV (Mn EUR and USD) [(2)]	302.1	354.4
Shares Outstanding (Mn)	82.2	
-12m (Max/Med/Mín EUR)	3.31 / 2.78 / 2.45	
Daily Avg volume (-12m Mn EUR)	0.07	
Rotation[(3)]	7.7	
Factset / Bloomberg	RJF-ES / RJF SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

Reig Jofre Investments	62.8
Kaizaharra Corp	10.1
Onchena	6.1
Treasury stock	1.0
Free Float	20.0

Relative performance (Base 100)



Stock performance (%)

	-1m	-3m	-12m	-5Y
Absolute	-1.0	2.7	6.7	-28.9
vs Ibex 35	-4.0	-3.6	-16.4	-63.6
vs Ibex Small Cap Index	-4.7	-6.7	-10.2	-56.6
vs Eurostoxx 50	-2.9	-1.1	-4.0	-56.0
vs Sector benchmark[(4)]	-2.9	0.0	23.0	-38.1

(1) The opinion regarding the results is on reported EBITDA with respect to our estimate for the year (12m). The impact reflects whether, due to the results, we envisage a significant revision (>5% - 10%, depending on the sector) of our EBITDA estimate (for any of the estimated years).
(2) Please refer to Appendix 2.
(3) Rotation is the % of the capitalisation traded - 12m.
(4) vs Stoxx Europe 600 Health Care.

(*) Unless otherwise indicated, all the information contained in this report is based on: The Company, Factset and Lighthouse.

1H25 Results: 3% decline in revenues and 35% in Rec. EBITDA on lower production in the Toledo plant

3% DECLINE IN REVENUE. RJF closed 6M25 with revenue of EUR 167.4Mn (vs. EUR 172.7Mn in 6M24). This represents a reversal in its growth trend, reflecting a transitional first half focused on operational optimization aimed at improving profitability and future global expansion. International sales (57% of total) fell by -1.6% (+11% in 1Q25). Domestic revenue (43% of total) dropped by -5.0% (-10% in 1Q25). CDMO (Contract Development and Manufacturing Organization), or third-party production, reached EUR 28Mn (+17% vs. 6M24).

By business line, Pharma Technologies saw a -10% decline vs. 6M24, due to a -32% drop in antibiotic sales resulting from an internal production optimization process, partially offset by an +8% increase in non-antibiotic injectables. Specialty Pharma grew +2.0% vs. 6M24, driven by dermatology sales (+22.0%), led by Ciclo-Tech sales in Spain and the initial sales of Vincobiosis, launched in 1Q25. However, osteoarticular sales fell by -4% (a 25% price drop for Condrosan in Spain due to generic competition). In Consumer Healthcare (+4% vs. 6M24), after a year of strategic changes in 2024, revenue resumed its growth trajectory, with the proprietary brand Forté Pharma growing by +6%. It's notable that Belgium saw +13% growth and France +5%, solidifying market shares.

RECURRING EBITDA DECLINES 35.3% VS. 6M24. RJF reported a flat gross margin (59.6% vs. 59.7% in 6M24). However, increased personnel expenses (+4%) and other operating expenses (+3%) explain the 35.3% drop in recurring EBITDA (EUR 12.3Mn vs. EUR 19.1Mn in 6M24). Net Debt (EUR 57.1Mn) increased by 17.8% quarter-over-quarter, reflecting increased investment in the Toledo plant to boost productivity and antibiotic manufacturing capacity.

FOLLOWING THESE RESULTS, WE WILL NEED TO ADJUST OUR ESTIMATES DOWNWARD. Our expected recurring EBITDA growth of 9.6% for 2025 is clearly very optimistic given the 35.3% decline reported in the first half. RJF's CFO commented during the earnings presentation that in the second half of the year, we should expect revenue growth and an EBITDA recovery compared to the first half's performance. If we assume an EBITDA decline for the full year 2025 between 18-27%, and take the midpoint of that range, the resulting 2025e EV/EBITDA would be 10.2x. This represents a premium compared to the generic and injectables sector (8.7x) and consumer healthcare (6.1x), but would be in line with global players (10.0x).

REGAINING GROWTH TRAJECTORY AND PROFITABILITY IMPROVEMENT ARE KEY FOR 2026. RJF's management acknowledges that 2025 is a transition year due to the strategic decision to implement an optimization process and expand production capacity at the Toledo antibiotic manufacturing plant to make it more efficient and profitable, which leads to lower production in 2025. It's about taking a step back to gain momentum and improve future profitability. With our current 2026e EBITDA estimate of EUR 44.6Mn (EUR 35.6Mn in 2024), RJF's 2026e EV/EBITDA of 6.8x compares favorably to the 9.2x at which the sector is currently trading.

Appendix 1. Results table

EUR Mn	6m25 Real	6m24	6m25 Real vs 6m24	2025e	2025e vs 2024
Total Revenues	**167.4**	**172.7**	**-3.1%**	**366.7**	**7.6%**
Pharma Technologies	70.4	78.4	-10.2%	148.1	-2.2%
Speciality Pharma	59.0	57.5	2.6%	123.5	6.6%
Consumer healthcare	38.0	36.6	3.7%	77.0	6.2%
Recurrent EBITDA[(1)]	**12.3**	**19.1**	**-35.3%**	**39.1**	**8.8%**
Rec. EBITDA/Revenues	*7.4%*	*11.0%*	*-3.7 p.p.*	*10.7%*	*0.0 p.p.*
EBITDA[(1)]	**12.3**	**19.2**	**-35.7%**	**39.1**	**8.8%**
EBITDA/Revenues	*7.4%*	*11.1%*	*-3.7 p.p.*	*10.7%*	*0.0 p.p.*
EBIT	**1.9**	**7.7**	**-75.6%**	**14.7**	**14.2%**
PBT	**1.3**	**6.5**	**-79.3%**	**14.6**	**19.2%**
NP	**1.5**	**5.5**	**-72.6%**	**12.4**	**15.8%**
	6m25	**12m24**			
Net Debt[(2)]	57.1	45.3	26.1%	38.7	-15%

1) Recurring EBITDA and Adjusted EBITDA to exclude the impact of activations.
2) Net Debt adjusted to exclude the impact of IFRS 16.

Appendix 2. EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	243.4	
+ Minority Interests	-	6m Results 2025
+ Provisions & Other L/T Liabilities	18.0	6m Results 2025
+ Net financial debt	57.1	6m Results 2025
- Financial Investments	16.4	6m Results 2025
+/- Others		
Enterprise Value (EV)	**302.1**	

Appendix 3. Main peers (2025e)

		Generics and Injectables				Specialty Pharma				Cosumer Healthcare			Global Players			
	EUR Mn	Viatris	Teva	Sandoz	Average	Incyte Corporation	Eli Lilly	Novartis	Average	Herbalife	HAIN Celestial	Average	Abbvie	Sanofi	Pfizer	Average
Market data	Ticker (Factset)	VTRS-US	TEVA-US	SDZ-CH		INCY-US	LLY-US	NOVN-CH		HLF-US	HAIN-US		ABBV-US	SAN-FR	PFE-US	
	Country	USA	Israel	Switzerland		USA	USA	Switzerland		USA	USA		USA	France	USA	
	Market cap	9,415.1	16,035.3	22,176.3		11,584.0	656,592.0	209,883.6		846.5	143.9		286,527.6	104,494.3	120,148.5	
	Enterprise value (EV)	21,022.0	29,034.7	25,275.3		9,567.4	686,750.6	214,236.2		2,609.7	769.0		341,729.3	114,383.5	158,587.7	
Basic financial information	Total Revenues	11,773.7	14,439.5	9,323.2		4,023.8	51,345.8	46,604.4		4,230.8	1,338.6		51,188.6	45,359.7	53,352.2	
	Total Revenues growth	-6.1%	2.6%	-4.5%	-2.7%	11.3%	33.7%	-1.7%	14.4%	-0.6%	-9.6%	-5.1%	6.6%	10.4%	-1.6%	5.1%
	2y CAGR (2025e - 2027e)	1.6%	1.7%	5.9%	3.0%	9.7%	18.6%	2.8%	10.4%	6.0%	0.3%	3.1%	7.6%	6.6%	-1.2%	4.3%
	EBITDA	3,449.1	4,153.7	1,951.5		961.7	22,422.1	19,208.8		548.3	104.6		24,073.8	14,130.8	20,971.4	
	EBITDA growth	-11.5%	11.0%	1.2%	0.3%	566.0%	39.9%	-5.2%	200.2%	12.5%	-9.9%	1.3%	12.9%	7.6%	4.7%	8.4%
	2y CAGR (2025e - 2027e)	4.7%	7.1%	12.7%	8.2%	34.6%	26.5%	2.6%	21.2%	10.9%	8.2%	9.5%	11.0%	5.4%	-0.8%	5.2%
	EBITDA/Revenues	29.3%	28.8%	20.9%	26.3%	23.9%	43.7%	41.2%	36.3%	13.0%	7.8%	10.4%	47.0%	31.2%	39.3%	39.2%
	EBIT	3,129.9	3,769.6	1,682.2		1,191.4	20,797.2	18,396.2		422.0	58.6		23,356.6	12,319.2	18,668.2	
	EBIT growth	97.3%	32.8%	15.6%	48.6%	n.a.	43.2%	26.5%	34.9%	9.9%	-28.4%	-9.3%	64.8%	29.6%	32.9%	42.4%
	2y CAGR (2025e - 2027e)	5.5%	8.0%	13.4%	9.0%	21.1%	27.5%	3.1%	17.2%	15.2%	7.9%	11.6%	12.5%	6.8%	0.2%	6.5%
	EBIT/Revenues	26.6%	26.1%	18.0%	23.6%	29.6%	40.5%	39.5%	36.5%	10.0%	4.4%	7.2%	45.6%	27.2%	35.0%	35.9%
	Net Profit	2,267.6	2,508.9	844.6		989.3	16,833.4	14,758.6		171.7	10.8		18,038.5	9,765.6	14,745.5	
	Net Profit growth	519.4%	279.6%	n.a.	399.5%	n.a.	86.5%	31.2%	58.8%	-20.8%	116.9%	48.1%	399.3%	77.7%	115.7%	197.6%
	2y CAGR (2025e - 2027e)	6.2%	11.8%	26.8%	14.9%	21.0%	29.7%	4.6%	18.4%	35.7%	38.4%	37.1%	14.2%	7.1%	1.3%	7.5%
	CAPEX/Sales %	2.8%	2.7%	5.7%	3.7%	1.1%	9.5%	4.3%	4.9%	n.a.	2.3%	2.3%	1.5%	5.6%	4.3%	3.8%
	Free Cash Flow	1,670.0	1,505.1	382.6		792.7	9,997.4	13,243.7		n.a.	41.5		16,555.5	9,331.3	16,574.0	
	Net financial debt	10,939.2	10,911.6	3,011.4		(2,776.6)	21,501.3	13,748.4		n.a.	578.8		45,953.9	5,651.7	40,183.7	
	ND/EBITDA (x)	3.2	2.6	1.5	2.4	n.a.	1.0	0.7	0.8	n.a.	5.5	5.5	1.9	0.4	1.9	1.4
	Pay-out	21.5%	0.0%	34.3%	18.6%	0.0%	29.8%	48.2%	26.0%	0.0%	n.a.	0.0%	54.4%	52.7%	55.8%	54.3%
Multiples and Ratios	P/E (x)	4.2	6.5	18.7	9.8	12.6	36.9	13.3	20.9	4.8	9.1	6.9	15.9	10.8	8.2	11.6
	P/BV (x)	0.6	2.7	2.9	2.1	2.7	n.a.	5.0	3.8	n.a.	0.2	0.2	n.a.	1.3	1.5	1.4
	EV/Revenues (x)	1.8	2.0	2.7	2.2	2.4	13.4	4.6	6.8	0.6	0.6	0.6	6.7	2.5	3.0	4.1
	EV/EBITDA (x)	6.1	7.0	13.0	8.7	9.9	30.6	11.2	17.2	4.8	7.4	6.1	14.2	8.1	7.6	10.0
	EV/EBIT (x)	6.7	7.7	15.0	9.8	8.0	33.0	11.6	17.6	6.2	13.1	9.6	14.6	9.3	8.5	10.8
	ROE	15.2	41.9	15.3	24.1	21.3	76.9	37.5	45.2	n.a.	2.1	2.1	496.2	12.4	18.9	175.8
	FCF Yield (%)	17.7	9.4	1.7	9.6	6.8	1.5	6.3	4.9	n.a.	28.8	28.8	5.8	8.9	13.8	9.5
	DPS	0.41	0.00	0.67	0.36	0.00	5.56	3.52	3.03	0.00	n.a.	0.00	5.55	4.11	1.45	3.70
	Dvd Yield	5.1%	0.0%	1.3%	2.1%	0.0%	0.8%	3.5%	1.4%	0.0%	n.a.	0.0%	3.4%	4.8%	6.9%	5.0%

Note 1: Financial data, multiples and ratios based on market consensus (Factset).
Note 2: All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

IEAF Servicios de Análisis – Calle Núñez de Balboa, 108 1ª Planta oficina izquierda, 28006 Madrid, España – Tel. +34 91 563 19 72 – institutodeanalistas.com

LIGHTHOUSE

Calle Núñez de Balboa, 108 1ª Planta
28006 Madrid
T: +34 91 563 19 72
institutodeanalistas.com/lighthouse

Head of research

Alfredo Echevarría Otegui
alfredo.echevarria@institutodeanalistas.com

Analysts who contributed to this report:

Pablo Victoria Rivera, CESGA
Equity research
pablo.victoria@institutodeanalistas.com

Daniel Gandoy López
Equity research
lighthouse@institutodeanalistas.com

Miguel Medina Sivilotti
Equity research
lighthouse@institutodeanalistas.com

Jesús López Gómez, CESGA
ESG Analyst & Data analytics
jesus.lopez@institutodeanalistas.com

All Lighthouse research documents are available simultaneously on the Lighthouse website (institutodeanalistas.com/lighthouse) and via third-party aggregators such as Bloomberg, Factset, Capital IQ and Refinitiv.

IMPORTANT LEGAL INFORMATION REGARDING THIS REPORT

LIGHTHOUSE

Lighthouse is a project of IEAF Servicios de Análisis S.L.U. Lighthouse is a research project funded by Bolsas y Mercados Españoles S.A. Lighthouse aims to improve the research coverage of the "orphan stocks" of the Spanish market: those which lack real and continuous research coverage. Lighthouse reports will not include valuation and target price. Lighthouse does not seek to provide investment advice to any natural or legal person. For this reason, Lighthouse will not provide a valuation, target price or investment recommendation for any of the securities analysed.

IEAF Servicios de Análisis S.L.U. is a Spanish company whose corporate purpose is:

1º) To provide information and financial analysis regarding securities issued by any class of legal person traded or not on official secondary markets, and especially (but not exclusively) those securities which are not the object of the recurrent provision of information and analysis by financial analysts who participate in the markets.

2º) To publicise and update the aforementioned financial reports and analysis, in addition to the monitoring and following of the securities on which the information and analysis is provided.

3º) To prepare studies and projects aimed at proposing and implementing measures to improve the information and financial analysis of securities traded on official secondary markets.

IEAF Servicios de Análisis S.L.U. is a company whose sole shareholder is the Instituto Español de Analistas Financieros, a professional, not for profit association.

DISCLAIMER

The Instituto Español de Analistas Financieros hereby certifies that the analyst of IEAF Servicios de Análisis S.L.U. whose name figures as the author of this report, expresses views that reflect their personal and independent opinion of the company analysed without these implying, either directly or indirectly, a personalised recommendation of the company analysed for purposes of providing investment advice. This report is based on the preparation of detailed financial projections from information available to the public and following traditional fundamental research methodology (i.e. it is not a technical or quantitative analysis report). For the analysis methodology used in the preparation of this report, please contact the analyst directly; contact details are included on the front page of this report.

The report includes basic information regarding the main parameters to be used by an investor when making their own valuation (whether by discounted cash flows or multiples). These parameters are the personal opinion or estimate of the analyst. The person receiving this report should use their own judgement when using these parameters and should consider them as another element in their decision-making process in respect of investment. These parameters do not represent a personalised investment recommendation.

Rules governing confidentiality and conflicts of interest

None of the following rules governing confidentiality and conflicts of interest (12) is applicable to this report:

1. This report is non-independent research as it has been commissioned by the company analysed (issuer).

2. In the last 12 months, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U., has had Investment Banking mandates or has managed or co-managed a public offering of the securities of the issuer, or has received compensation from said issuer for Investment Banking services, that exclude brokerage services for prepaid fees.

3. In the next 6 months, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U., expects to receive or intends to obtain compensation for Investment Banking services provided to this company that exclude brokerage services for prepaid fees.

4. The Investment Analyst or a member of the Research Department or a member of their household has a long position in the shares or derivatives of the corresponding issuer.

5. The Investment Analyst or a member of the Research Department or a member of their household has a short position in the shares or derivatives of the corresponding issuer.

6. At the date of publication, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U. held a long position of over 0.5% of the issuer's capital.

7. At the date of publication, the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U. held a short position of over 0.5% of the issuer's capital.

8. At the end of the month immediately prior to the publication of this report, or of the previous month if the report is published in the ten days following the end of the month, the company analysed (the issuer) or any of its subsidiaries held 5% or more of any class of equity security of the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U.

9. A senior director or officer of the Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U., or a member of their department is a director, officer, advisor or member of the Board of Directors of the issuer and/or one of its subsidiaries.

10. The Instituto Español de Analistas Financieros or its subsidiary, IEAF Servicios de Análisis S.L.U., acts as broker for the Issuer for the corresponding prepaid fees.

11. The contents of this report related to the financial analysis, financial projections, valuation, investment summary and opinion of the analyst have been reviewed by the issuer prior to its publication.

12. The issuer has made changes to the contents of this report prior to its distribution.

The Investment Analysts who have prepared this Investment Analysis are employees of IEAF Servicios de Análisis S.L.U. These analysts have received (or will receive) compensation according to the general earnings of IEAF Servicios de Análisis S.L.U. To obtain a copy of the Code of Conduct of IEAF Servicios de Análisis S.L.U. (in respect of the Management of Conflicts of Interest in the research department), please use the e-mail address secretaria@institutodeanalistas.com or consult the contents of this Code at https://institutodeanalistas.com.

IEAF Servicios de Análisis S.L.U. is compensated by Bolsas y Mercados Españoles, S.A. for the preparation of this report. This report should be considered as just another element in the taking of investment decisions.

A report issued by IEAF servicios de análisis S.L.U.

publication for any purpose without the written authorisation of IEAF Servicios de Análisis S.L.U. is prohibited. The Instituto Español de Analistas Financieros and/or its subsidiary IEAF Servicios de Análisis S.L.U., their employees and directors, may hold a position (long or short) in an investment knowing that this issuer will be the object of analysis and that this analysis will be distributed to institutional investors. Any further information regarding the contents of this report will be provided upon request. IEAF Servicios de Análisis S.L.U. intends to publish (at least) one quarterly report or note updating the information on the company analysed.

United States. IEAF Servicios de Análisis S.L.U. is not registered in the United States and, consequently, is not subject to the regulations of that country governing the preparation of research and the independence of analysts. This report is distributed solely to major US institutional investors, in reliance on the exemption from registration provided by Rule 15a-6 of the US Securities Exchange Act of 1934, as amended (the "Exchange Act"), and interpretations of this made by the US Securities Exchange Commission.

Major US Institutional Investors. This report will be distributed to "major US institutional investors", as defined by Rule 15a-6 of the US Securities Exchange Commission and of the US Securities Exchange Act of 1934.

Notes and Reports History

Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
28-Jul-2025	n.a.	2.96	n.a.	n.a.	6m Results 2025	Alfredo Echevarría Otegui
17-Jun-2025	n.a.	3.22	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui
12-May-2025	n.a.	2.95	n.a.	n.a.	3m Results 2025	Alfredo Echevarría Otegui
28-Feb-2025	n.a.	2.65	n.a.	n.a.	12m Results 2024	Alfredo Echevarría Otegui
31-Oct-2024	n.a.	2.93	n.a.	n.a.	9m Results 2024	Luis Esteban Arribas, CESGA
30-Jul-2024	n.a.	2.79	n.a.	n.a.	6m Results 2024	Luis Esteban Arribas, CESGA
27-May-2024	n.a.	2.74	n.a.	n.a.	Initiation of Coverage	Luis Esteban Arribas, CESGA
27-May-2024	n.a.	2.74	n.a.	n.a.	Small & Micro Caps (Spain)	Alfredo Echevarría Otegui