GENOMMA LAB ANNOUNCES CLOSING OF ACQUISITION OF A PARTICIPATION IN GRUPO MARZAM

Genomma Lab Internacional, S.A.B. de C.V. (BMV: LAB) (“Genomma Lab” or “the Company”) announced today that the Federal Economic Competition Commission has authorized the acquisition of Grupo Comercial e Industrial Marzam, S.A. de C.V. (“Grupo Marzam”).

With the approval of the Federal Economic Competition Commission and having met all the necessary conditions, Genomma Lab closed the acquisition of approximately 50% of Grupo Marzam, paying the previously agreed $600 million pesos, which was financed with the Company’s long-term credit lines. Additionally, Genomma Lab has the option to acquire up to 100% of Grupo Marzam, which expires at the end of 2016.

In line with the strategic plan for this transaction, the Company is in the process of establishing a trust that will serve as a vehicle to provide transparency to the acquisition and commercialization of pharmaceutical and personal care products. This trust will be responsible for billing, inventories and cash collection, and will be completely independent to Genomma Lab and Grupo Marzam. The Company will announce to the financial community any advances in this subject.

With this transaction, Genomma Lab, through Grupo Marzam, will help improve the distribution service to the pharmaceutical industry by offering a more personalized focus in the point of sale, mainly to independent pharmacies, while achieving an adequate dispersion of the products. As a result, Genomma Lab will improve its products’ presence within this channel; also, this will contribute to decrease the Company’s accounts receivable days, improving its cash conversion cycle.

Ramón Neme, Corporate Vice-President of Genomma Lab, who will be the leader coordinator for the negotiations between Grupo Marzam and Genomma Lab to close the operation and, once the option is exercised, will assume the presidency, also in sales to government institutions, commented: “We are very proud of achieving this first step of the transaction, which we are sure will be very important to improve the distribution service of the pharmaceutical industry in all the states of the country.”
Company Description

Genomma Lab Internacional, S.A.B. de C.V. is one of the fastest growing pharmaceutical and personal care products companies in Latin America. Genomma Lab develops, sells and markets a broad range of premium branded products, many of which are leaders in the categories in which they compete in terms of sales and market share. The Company has a sound business model through a unique combination of a new product development process, consumer oriented marketing, a broad retail distribution network and a low-cost, highly flexible supply chain operating model.

Note on Forward-Looking Statements

This report may contain certain forward-looking statements and information relating to the Company that reflect the current views and/or expectations of the Company and its management with respect to its performance, business and future events. Forward looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words like “believe,” “anticipate,” “expect,” “envisages,” “will likely result,” or any other words or phrases of similar meaning. Such statements are subject to a number of risks, uncertainties and assumptions. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in this presentation and in oral statements made by authorized officers of the Company. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.