

Mexico City, April 16, 2017

ADMINISTRATIVE REORGANIZATION & NON-DILUTIVE MERGERS

Based on feedback received from investors, *Genomma Lab Internacional, S.A.B. de C.V.* (BMV: LAB) (“Genomma Lab” or “the Company”) established a **Reorganization Program** to simplify its Administrative Structure, capture efficiencies and appropriately align business objectives with those of the Company's shareholders in all geographies.

MEXICO

As a result of the implementation of the new ERP, SAP S4/Hana, the Company is exploring opportunities to consolidate the number of subsidiaries, aiming to improve business agility and reduce administrative expenses.

For example, the Company integrated all logistics and warehouse management activities into one single entity, Aerolab, S.A. de C.V. Consequently, other subsidiaries related to this subsystem of the value chain ceased operations (i.e. Servicios Logísticos Genomma, S.A. de C.V., among others).

INTERNATIONAL

Over the years, the Company implemented ad-hoc strategies to effectively increase its International presence to 19 countries. Revenues generated outside of Mexico now represent around 3/5 of the total consolidated business.

In addition, the Company has identified opportunities tailored to the specific structure being used in each Region (U.S., Central America and South America).

United States of America

In Q3' 2015, the Company acquired from a third party the remaining shares of the capital stock of Lab Brands International, LLC, and shares representing the majority stake of Televisa Consumer Products, LLC, (later renamed as Genomma Consumer Products, LLC or "GCP"). Both entities became wholly-owned subsidiaries of the Company.

In Q3' 2016, the Company merged GCP and Lab Brands International, LLC, into Genomma Lab USA, Inc., that became the single surviving entity operating in the United States.

Central America and Caribbean

The Company deployed a dual-approach to increase its footprint in this Region by:

1) Operating directly through wholly-owned subsidiaries in the largest markets, and; 2) Exporting from other subsidiaries in the smaller markets.

The Company is currently in the process to establish direct subsidiaries in most countries of this Region.

South America

When the Company embarked on its International expansion, the Board approved partnerships with minority shareholders who would contribute local market expertise, mitigate execution risks and tailor the value proposition to the local consumers and distribution channels.

As these partnerships flourished, new markets were added to the initial territories, and new branches, owned by the original partnerships, were created.

To simplify this structure, minority shareholders agreed to reorganize all their equity holdings in the subsidiaries of the Company, concentrating them in either Hathaway South America Ventures, S.A. de C.V. and/or St Andrews' Accelerated Growth Partners, S.A. de C.V.

PROPOSAL FOR NON-DILUTIVE MERGERS WITH HATHAWAY SOUTH AMERICA VENTURES AND WITH ST.ANDREWS' ACCELERATED GROWTH PARTNERS

Please be informed that, among others, the following matters will be submitted to the consideration of the Annual Ordinary and Extraordinary Shareholders' Meeting of Genomma Lab Internacional, S.A.B. de C.V. (the "Company"):

1. The approval to **merge** the Company, as surviving entity, with **Hathaway South America Ventures**, S.A. de C.V., as disappearing entity, a company which only asset are the shares representing the capital stock of a subsidiary of the Company with operations in South America, and consequently, to increase the Company's capital stock and **issue shares to be delivered to the shareholders of the disappearing entity**, in exchange for their shares in the capital stock of the disappearing entity as a consequence of the merger;
2. To **merge** the Company, as surviving entity, with **St. Andrews Accelerated Growth Partners**, S.A. de C.V., as disappearing entity, a company which only assets are the shares representing the capital stock of certain subsidiaries of the Company with operations in South America, and consequently, to increase the Company's capital stock and **issue shares to be delivered to the shareholders of the disappearing entity**, in exchange for their shares in the capital stock of the disappearing entity as a consequence of the merger;
3. The approval to **cancel shares** representing the Company's **capital stock acquired by the Company** in terms of the provisions of article 56 of the Securities Market Law and consequently, the reduction of the capital stock of the Company;
4. The total number of shares to be issued in items 1 and 2 above, will be the exact same number of shares to be cancelled in item 3. (Approximate a total of 62,924,000 shares);
5. By approving these transactions, the Company will become the wholly-owner of all equity shares in all of its South American subsidiaries. As a result, no member of the management team would own shares related to the Company, other than those of the public Company : Genomma Lab Internacional, S.A.B. de C.V., ensuring full alignment with all shareholders.

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.