



Genomma Lab[®]
Internacional

INVESTOR RELATIONS

CORPORATE PRESENTATION

March | 2020

This presentation 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.

WHO WE ARE



Genomma Lab Internacional, S.A.B. de C.V., one of the leading pharmaceutical and personal care products companies in Mexico with an increasing international presence, develops, sells and markets a broad range of premium branded products, many of which are leaders in their categories.

A LEADING OTC & PERSONAL CARE COMPANY

- **Develop, sell and market** a broad range of leading OTC and personal care brands throughout Mexico & LatAm
- **Diversified portfolio** of trusted brands- many of which are category leaders
- Growing **international presence** and revenue base
- Success based on:
 - Effective **new product development** process
 - Marketing and Sales **“Execution Machine”**
 - Broad retail **distribution network**
 - **Low-cost**, highly flexible operating model.



POWER BRANDS IN MULTIPLE CATEGORIES



Cold & Cough



Skin Care



Anti-mycotics & Sexual Health



Pain Relief



Isotonic Beverages



Antihemorrhagic & Gastro



Hair Care



Infant Nutrition
New Category

OUR FOOTPRINT



LatAm **45.7%**
of net sales



Points of Sale
300,000+



Mexico **44.0%**
of net sales



Countries **18**



USA **10.3%**
of net sales



Production
facilities **1**



Brands **40+**



1,000+
employees

**“Innovation is part
of our DNA”**



BUSINESS ON TRACK FOR SUSTAINED PROFITABLE GROWTH

- Strong trend of *strengthened consolidated earnings*, cost reduction and EBITDA expansion
- *Sustainable business model*
- *Mexico manufacturing facility*: improves value, margins, product quality and fill-rate
- Positive impact from the *vertical integration* of manufacturing activity to begin by 2020.



GROWTH ACHIEVED IN OTC AND PC



Personal Care (PC)

48.1%*
Total Net Sales

51.9%*
Total Net Sales



Over-The-Counter (OTC)

* As of December, 2019

A YEAR OF INNOVATION AND TRUSTED BRANDS

2019 Outlook

New Formula
with Infinitri
Technology

Premium Hair
Care Line
launched in
Brazil

De-niching of the
Brand for Mexico

Extension of the
Line in all
markets



New multi-
symptom formula

Premium Line
launched in
Argentina

New Category
for Mexico

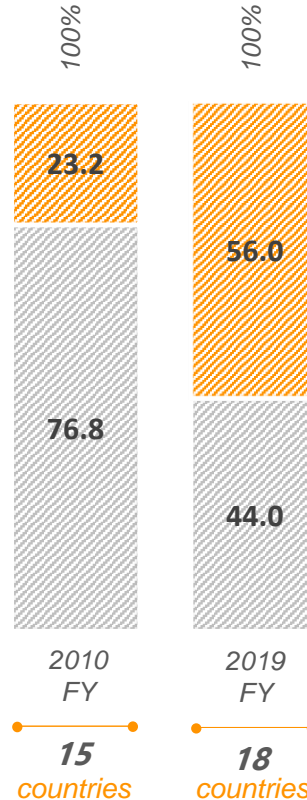
Renewed
presentation in
the U.S.

WELL DIVERSIFIED BY REGION & CURRENCIES



• *International*

• *Mexico*



- **US Dollar (10.3%)**
- **Other currencies (45.7%)**
 1. Argentine Peso
 2. Real
 3. Colombian Peso
 4. Chilean Peso
 5. Sol
 6. Uruguay Peso
 7. Guarani

- **Mexican Peso (44.0%)**

*Consolidated Net Sales as of December 2019 LTM.

OTC MARKET SHARE BY COUNTRY

Top Two Countries

As a percentage of sales



Highly Fragmented

By category penetration



CHILE
3.7%
position **6th.**

ECUADOR
4.9%
position **4th.**

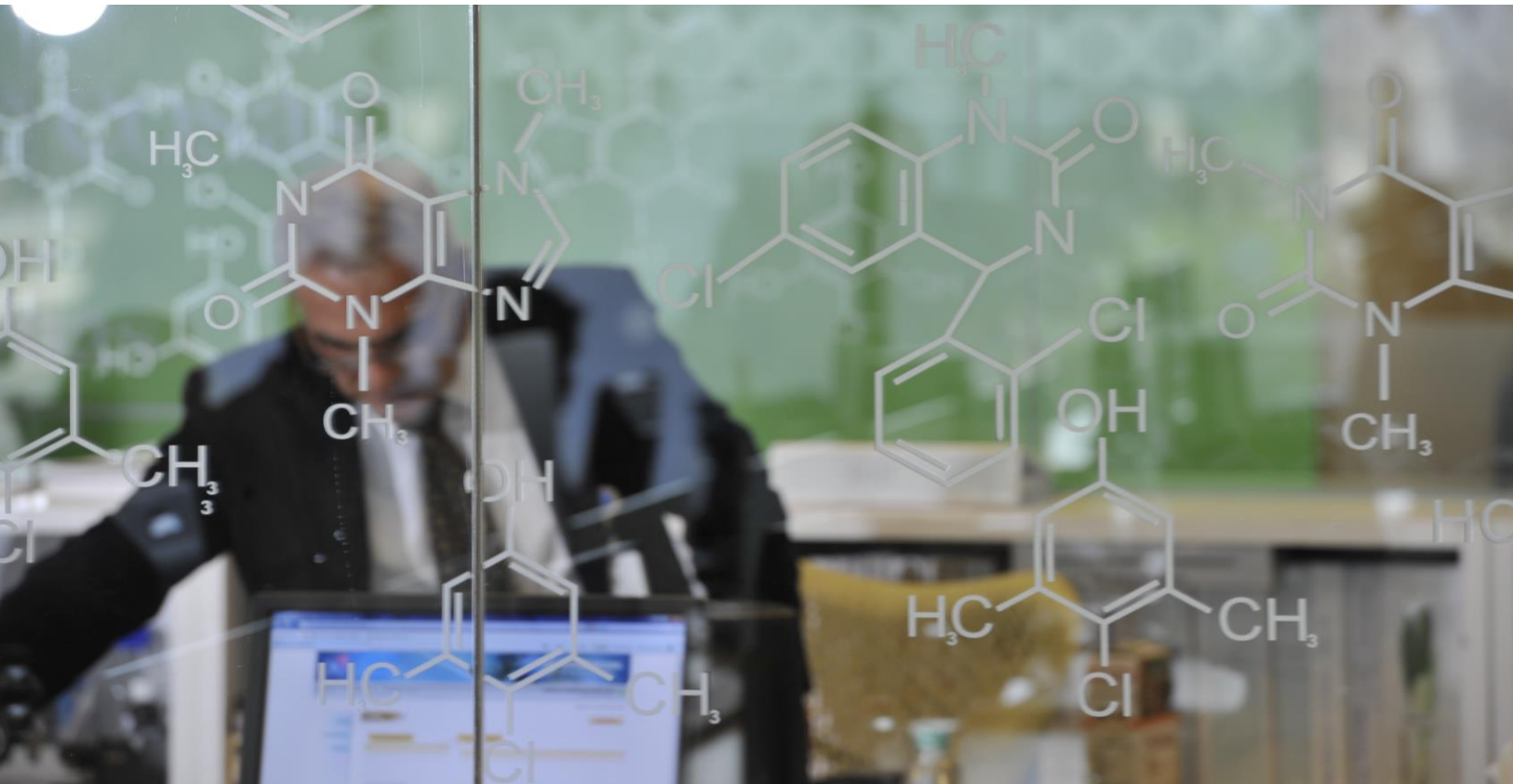
PERU
5.7%
position **5th.**

COLOMBIA
2.9%
position **9th.**

CAM¹
6.7%
position **3rd.**

(1) Central America: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Puerto Rico, Dominican Republic and Trinidad y Tobago.

CORPORATE PLATFORM EFFICIENTLY SUPPORTS GROWTH



LEADERSHIP EVOLUTION

**RODRIGO
HERRERA**



1998 – 2015

Experience:

- Founder of Genomma Lab Internacional
- Chairman of the Board of Directors
- Main Shareholder

FOUNDER

**MÁXIMO
JUDA**



2015 – 2018

Experience:

- COO, Head of International
- Launched Genomma's Argentina, Brazil and US operations

TURN-AROUND

**JORGE LUIS
BRAKE**



As of Sept. 10, 2018

Experience:

- Senior Vice President at Laureate Education Inc.
- CEO of P&G's Latin America division

TOP-LINE GROWTH

MANAGEMENT TEAM

**ANTONIO
ZAMORA**

CFO



JOINED DEC 2015

Prior Experience:

- CCO Cydsa
- CFO Grupo LALA
- Strategic & Financial Planning PEPSICO
- McKinsey & Co

**MARCO
SPARVIERI**

COO



JOINED APRIL 2014

Prior Experience:

- EVP Sales P&G
- 20+ years of experience in consumer goods

**CÉSAR
JARAMILLO**

CMO



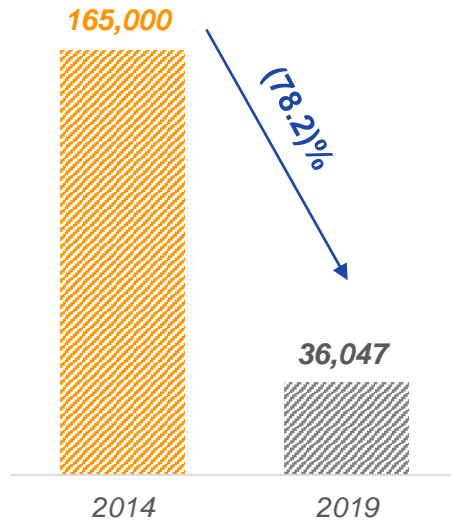
JOINED SEPT 2017

Prior Experience:

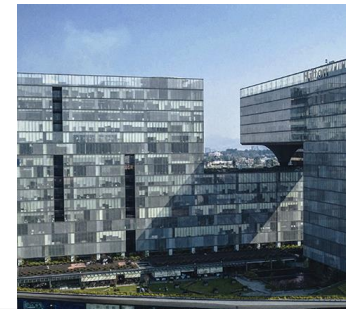
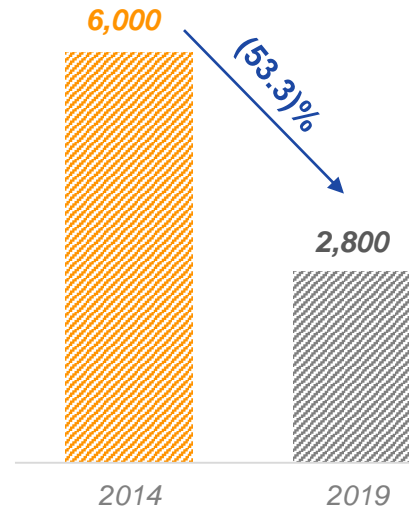
- 20-year career in marketing with P&G
- Head of marketing at Grupo Televisa, S.A.B.

SUCCESSFUL COST CONTAINMENT STRATEGY

Warehouse Space (m²)

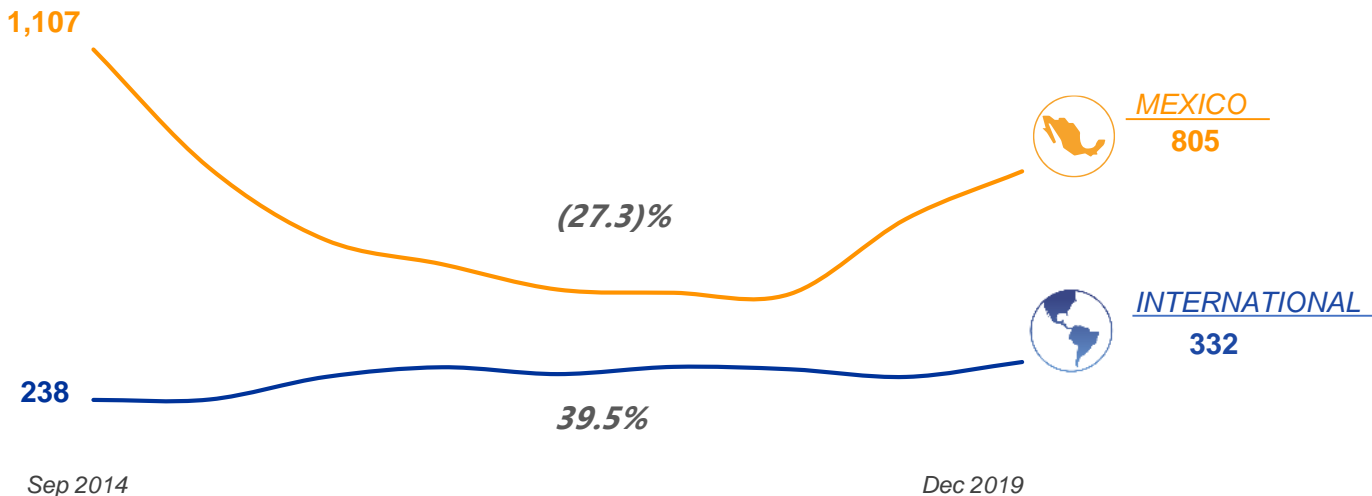


Corporate Office Space (m²)

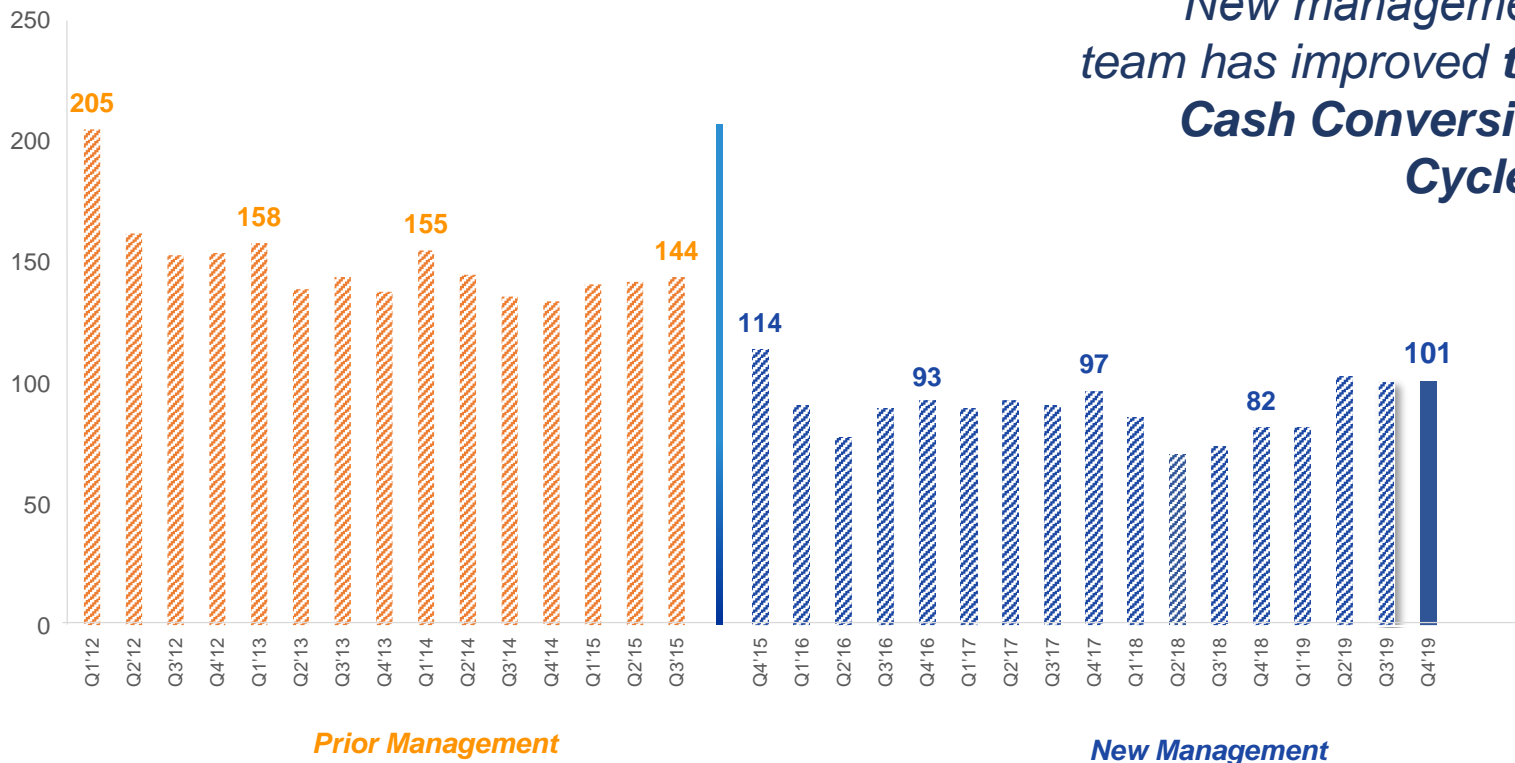


INCREASED EFFICIENCY WITH COST CONTAINMENT STRATEGY

Employees

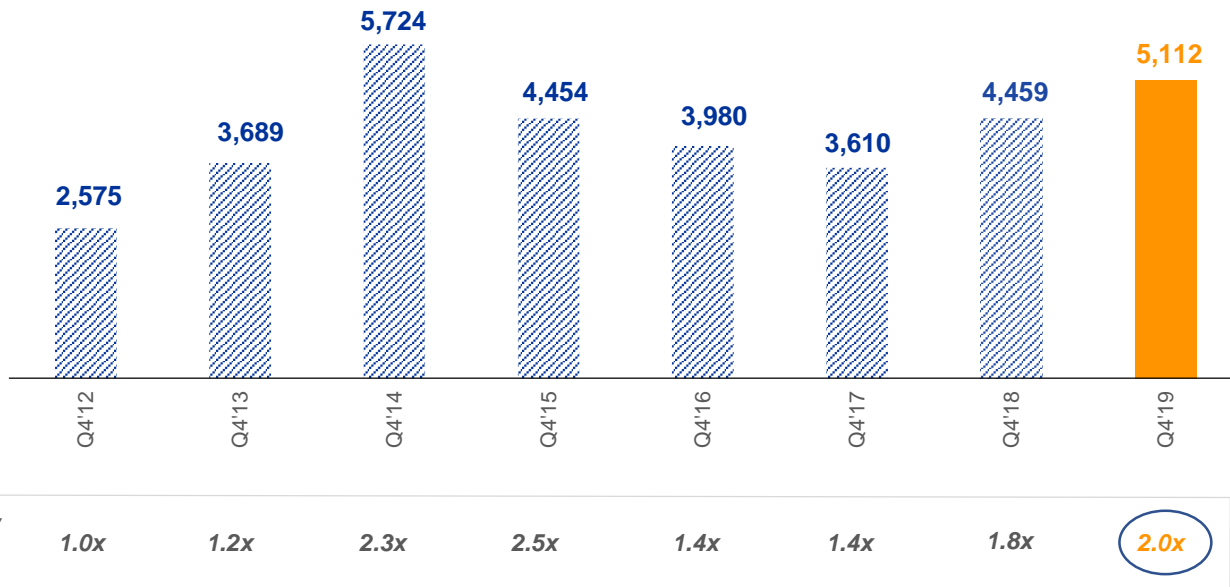


CASH CONVERSION CYCLE¹

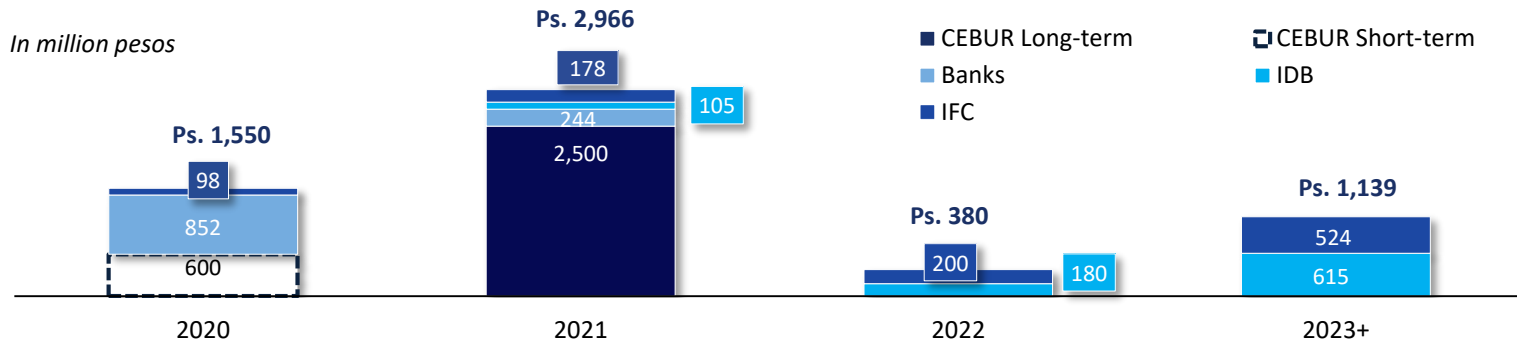


(1) Cash Conversion Cycle = Days of accounts receivable + days of inventories – days of trade payables

Net DEBT profile



DEBT PROFILE

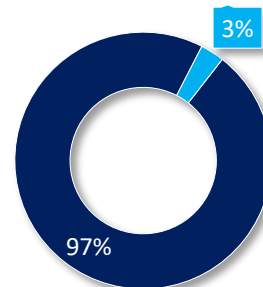


Q4-2019

Total Debt	\$6,034
Net Debt / EBITDA	2.0x
Average Cost of Debt	TIIE + 100pbs

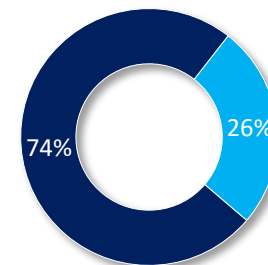
Debt Profile

Currency Mix (%)



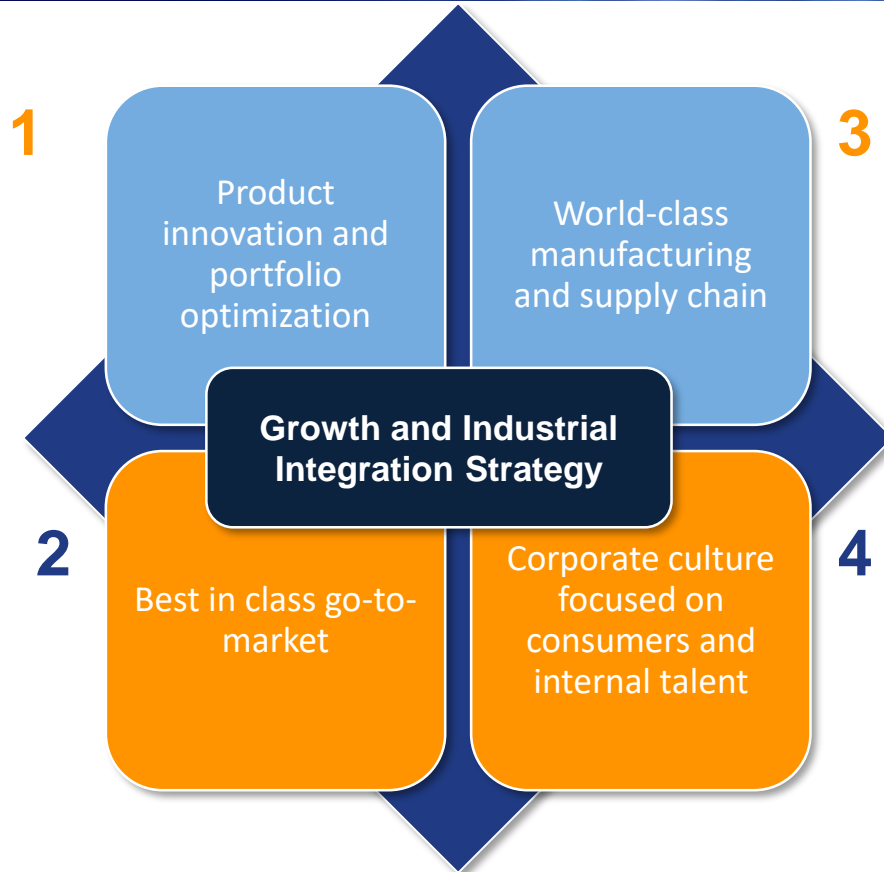
■ Mexico ■ Brazil

Maturity Mix (%)



■ Short-term ■ Long-term

PILLARS OF THE NEW STRATEGY



PILLARS OF THE NEW STRATEGY

2) Product innovation and portfolio optimization

Double-digit growth

Product Innovation and
Portfolio Optimization

New Packaging
Marketing Execution
De-Niching (+ consumers)

Complementary products

Premium Shampoo Line
Affordable Luxury
Line Extension

New Categories

Infant Nutrition / Self-testing



PILLARS OF THE NEW STRATEGY

2) Best in class go-to-market

Agreements with International Retailers among the Regions



Reinforcing advertising & Visibility



Direct Distribution Partnership



3) World-class manufacturing & supply chain capabilities

New Manufacturing Plant (San Cayetano, State of Mexico)



Comisión Federal para la Protección
contra Riesgos Sanitarios



Sanitary license authorized in July 2019



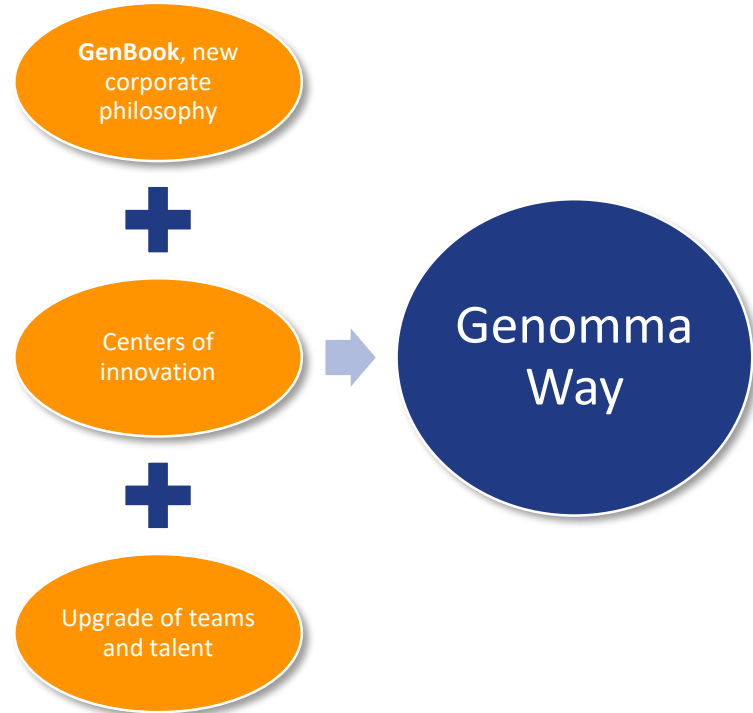
New pillar for supply chain

Demand planning

Logistics capabilities

Manufacturing capacity

4) Corporate Culture (Costumers & Internal Talent)



MARKETING & COMMUNICATION STRATEGY

New Social Media Strategy

Innovative social media strategy
with 40 of the top influencers
gathering in one place...



Instagram

...Trying to improve the well-being
of people



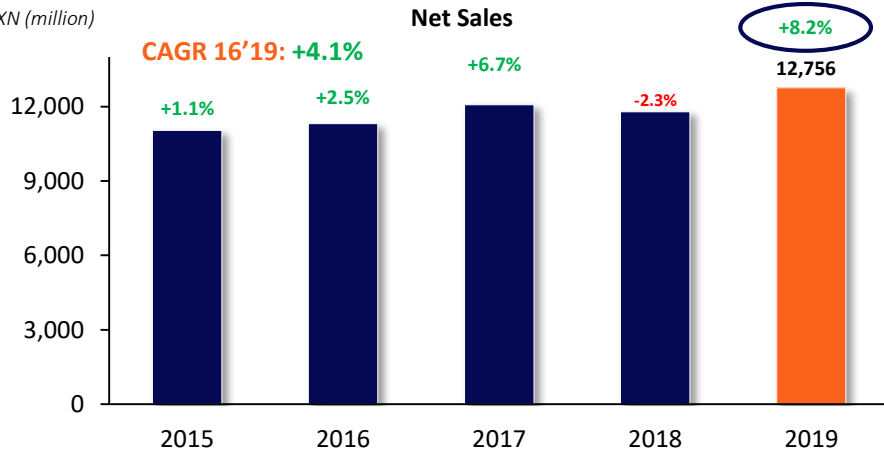
More than +2,300,000 followers



NET SALES & EBITDA OUTLOOK

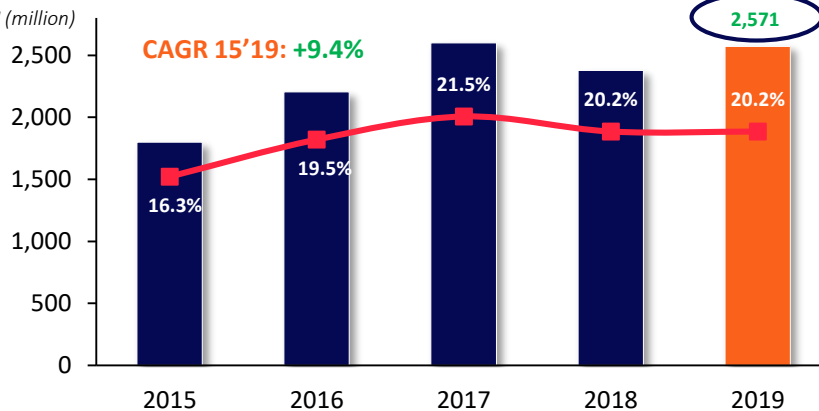
MXN (million)

Net Sales



EBITDA¹

MXN (million)



“Consolidated Yearly Earnings reflect trend of positive growth”

(1) EBITDA is calculating by adding D&A to the Operating Income

NEW PRODUCTION FACILITY





ECONOMIES OF SCALE AND SCOPE DRIVING HIGHER GROSS MARGINS

	Opportunity areas	Outsourcing	Producing
	Raw Materials and Packaging	Buying finished products Fragmented raw material procurement	Direct control in all COGS components Economies of scale
	Labor Cost	Low scale, labor intensive processes	State-of-the-art fully automated lines
	Process	Un-synchronized Supply Chain Network High setup times for changeovers	Vertically integrated Supply Chain Network Highly efficient and flexible processes



**Largest fair for
Pharmaceutical ingredients
in the world**

API's, Pharmaceuticals, Custom Manufacturing, Excipients,
Fine Chemicals & Intermediates, natural Extracts, Packaging

- **Identified significant savings in Raw Material procurement**
 - **Unit cost**
 - **Direct procurement**
 - **Vendor consolidation**

ECONOMIES OF SCALE AND SCOPE DRIVING HIGHER GROSS MARGINS

Opportunity areas

Outsourcing

Producing



Suppliers

Higher COGS due to co-packers profit margin

Eliminate co-packers profit margin



Logistics

Suppliers scattered throughout the country

Integration of suppliers to industrial park

Inefficient inbound and outbound truck-based logistics

Leverage freight consolidation and low-cost train logistics for exports



Inventories

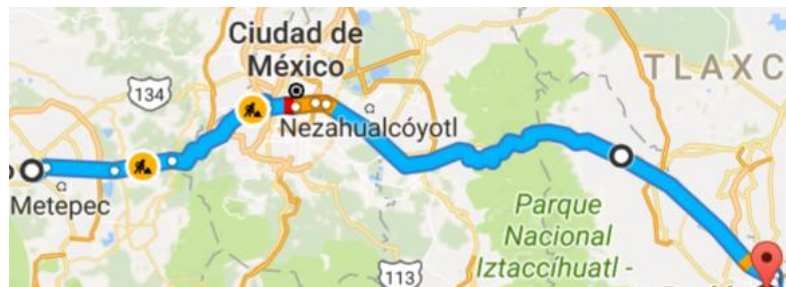
Higher inventories due to multiple warehouse network

Lower safety stocks required for raw materials and finished products

EXAMPLE OF REMOVING INEFFICIENCIES IN CURRENT INBOUND LOGISTICS

Additional Expenses Shipping & Handling, Storing, Cleaning

Filling PE bottles
with shampoo
in Toluca



Additional freight



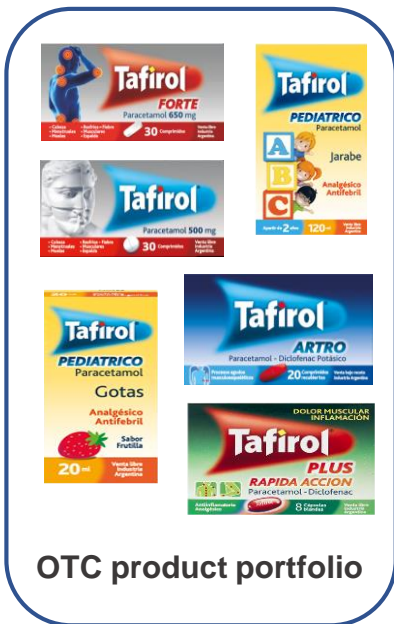
195 km
4:17 hrs

Blowing PE
bottles
in Puebla

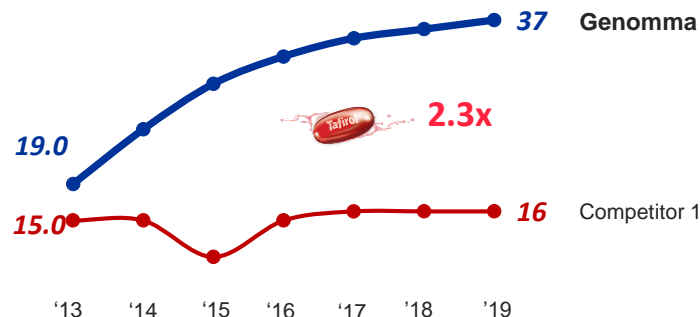
PROFITABILITY THROUGH COGS REDUCTION

Tafirol®

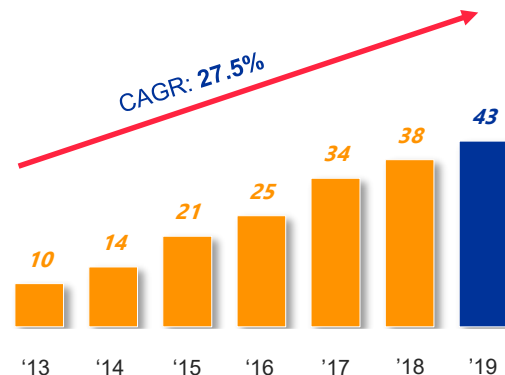
Acquired in 2012
from Sidus



Market Share in Units (%)



Sales in Million USD



Benefit from
economies of
scale and
**efficient
production
capabilities**

Investment Benefits



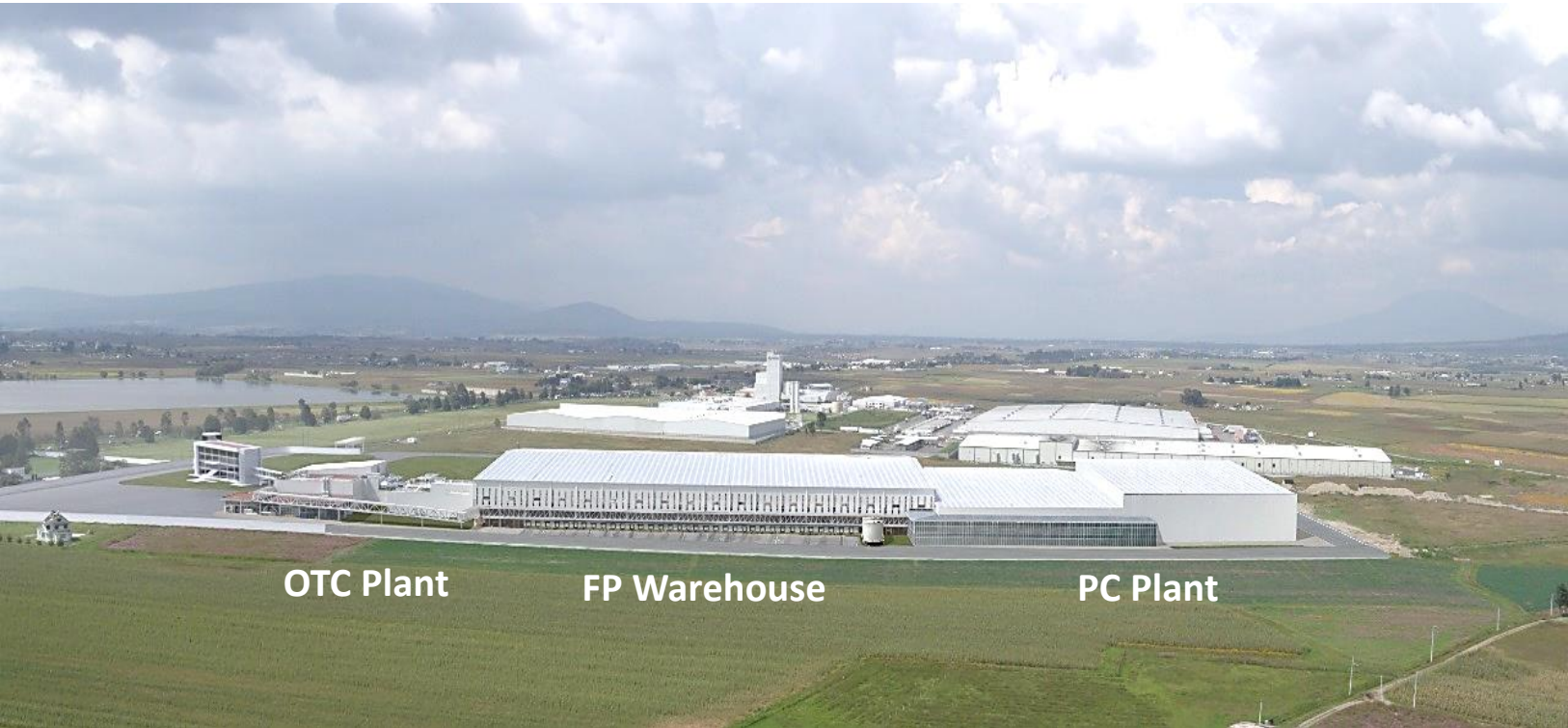
EBITDA
Synergies
~ 700 bps¹

Long-term financing provided by:



Market Expansion:
**Genomma Lab will
reinvest between
200 - 250 bps
for growth**

MANUFACTURING FACILITY RENDER



OTC Plant

FP Warehouse

PC Plant

MANUFACTURING FACILITY UPDATE



*Equipment Installed
at the
OTC Production Line*



MANUFACTURING FACILITY UPDATE



*Manufacturing Facility
(December 2019)*

MANUFACTURING FACILITY UPDATE



*Main Warehouse for Finished
Products*

NEW PLANT LOCATED IN CENTRAL MEXICO



- Strategically located in central Mexico
- Close to the largest market
- Highly efficient export logistics (rail freight) to Latin America and USA

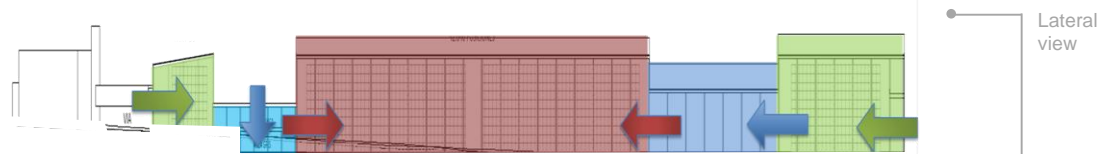
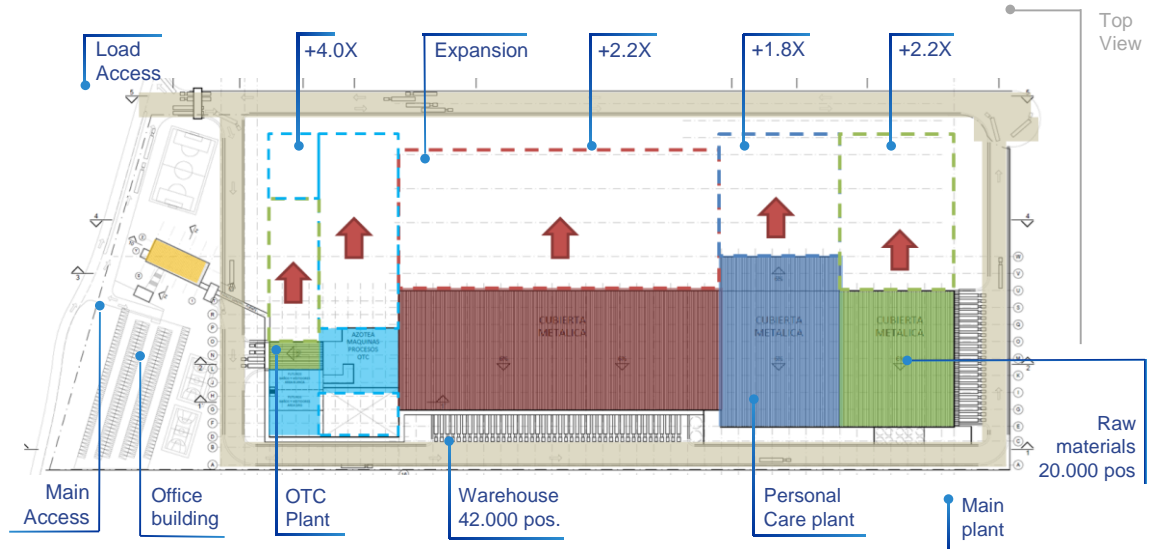
● San Cayetano, State of Mexico.

STRATEGICALLY LOCATED PLANT CLOSE TO THE MARKET AND EFFICIENT EXPORT LOGISTICS



PRODUCTION FACILITY LAYOUT

Modular design
concept
design provides
**flexibility for
future growth**



NEW MANUFACTURING EQUIPMENT

State of the art
technology, fully
automated



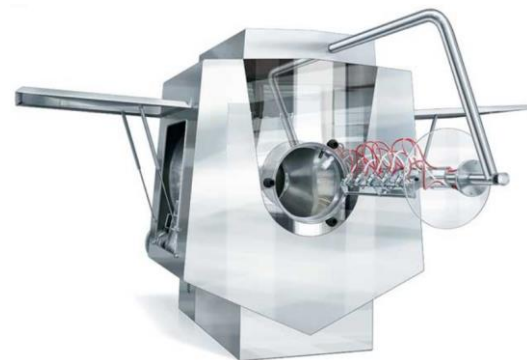
FETTE
COMPACTING

interpack

PROCESSES AND PACKAGING
LEADING TRADE FAIR

DÜSSELDORF, GERMANY
04 TO 10 MAY 2017
INTERPACK.COM

Uhlmann Bec 700



Coater

FINANCIAL HIGHLIGHTS



FINANCIAL RESULTS

In millions of MXN

Income Statement	Growth	FY-2019	%	FY-2018	%
Net Sales	+8.2%	\$ 12,755.9	100.0%	\$ 11,794.4	100.0%
Gross Profit	+4.7%	\$ 8,130.1	63.7%	\$ 7,764.7	65.8%
Operating Income	+5.8%	\$ 2,435.0	19.1%	\$ 2,301.1	19.5%
EBITDA	+8.1%	\$ 2,571.2	20.2%	\$ 2,378.4	20.2%



LatAm **46%**
of net sales
for 2019



Mexico **44%**
of net sales
for 2019



USA **10%**
of net sales
for 2019

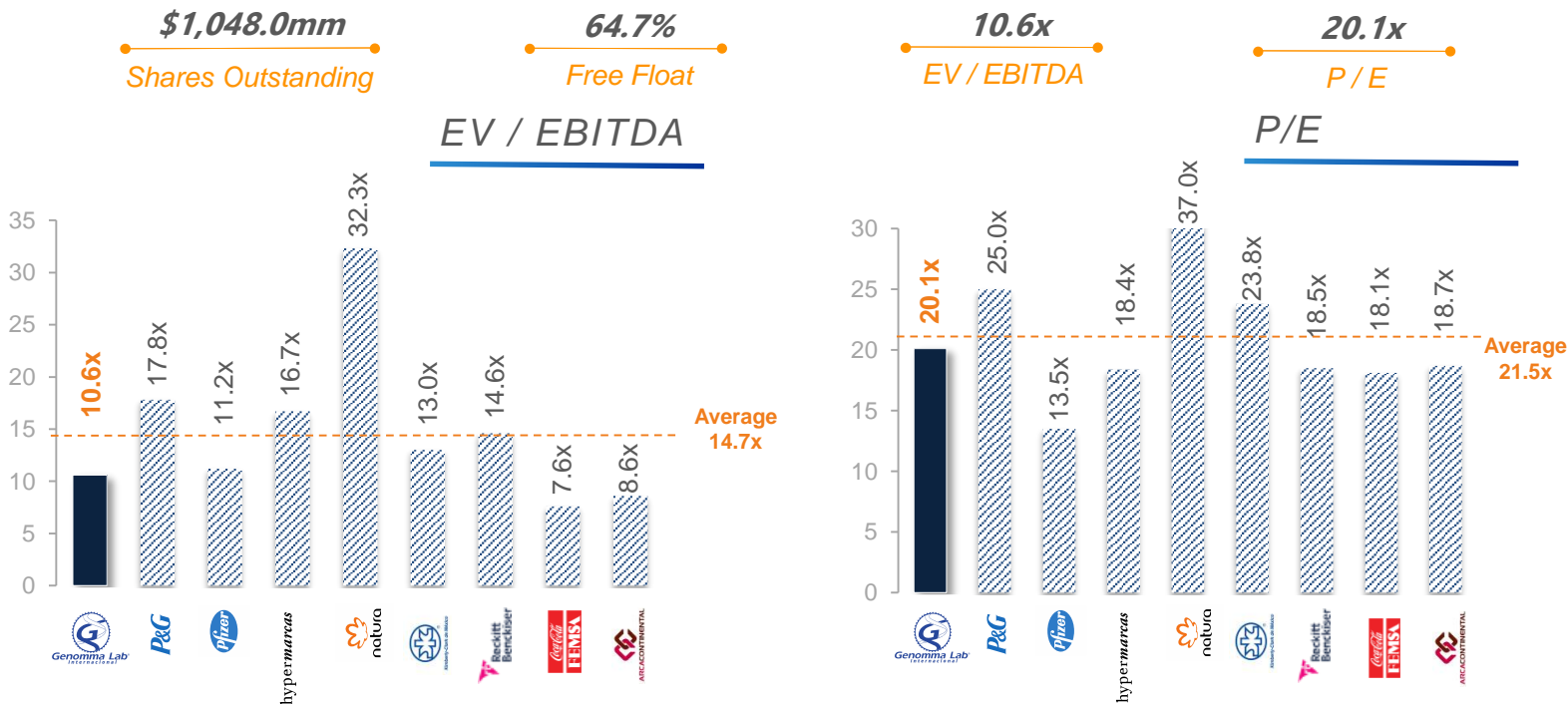
FINANCIAL POSITION

In thousands of MXN pesos

Financial Position	As of December 31,		Δ
	2019	2018	
Total Assets	\$19,332,591	\$18,077,257	+ \$1,255,334
Cash and Equivalents	\$922,946	\$1,414,641	- \$491,695
Total Liabilities	\$11,087,762	\$10,649,438	+ \$438,324
Stockholders Equity	\$8,244,829	\$7,427,819	+ \$817,010

KEY VALUATION METRICS

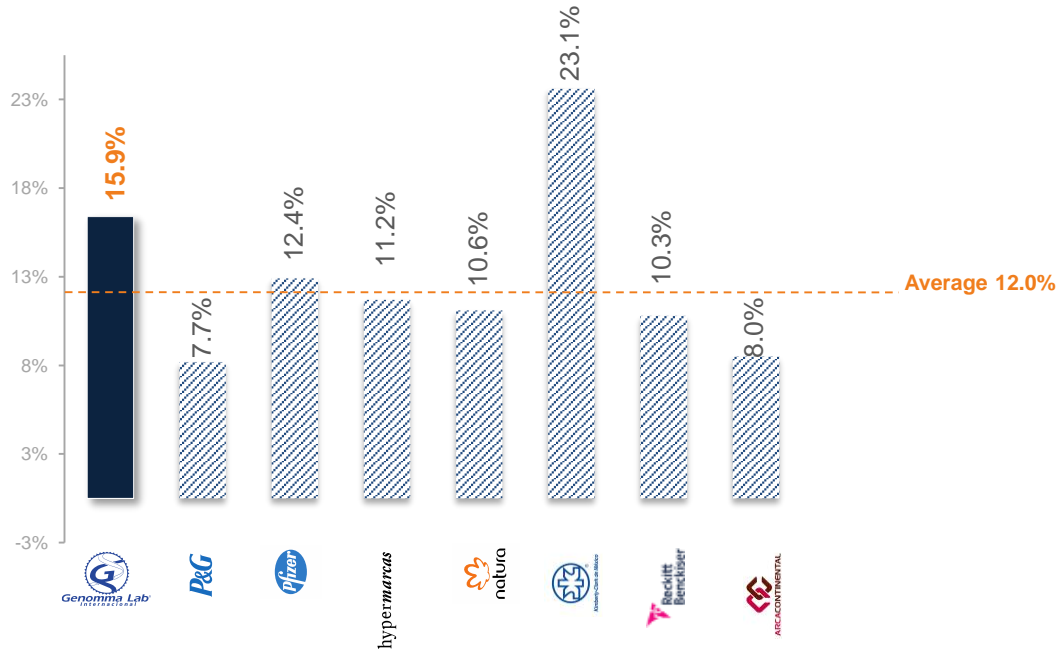
- Lowest valuation in peer group
- Historical results do not reflect potential upside from new 2020 manufacturing plant



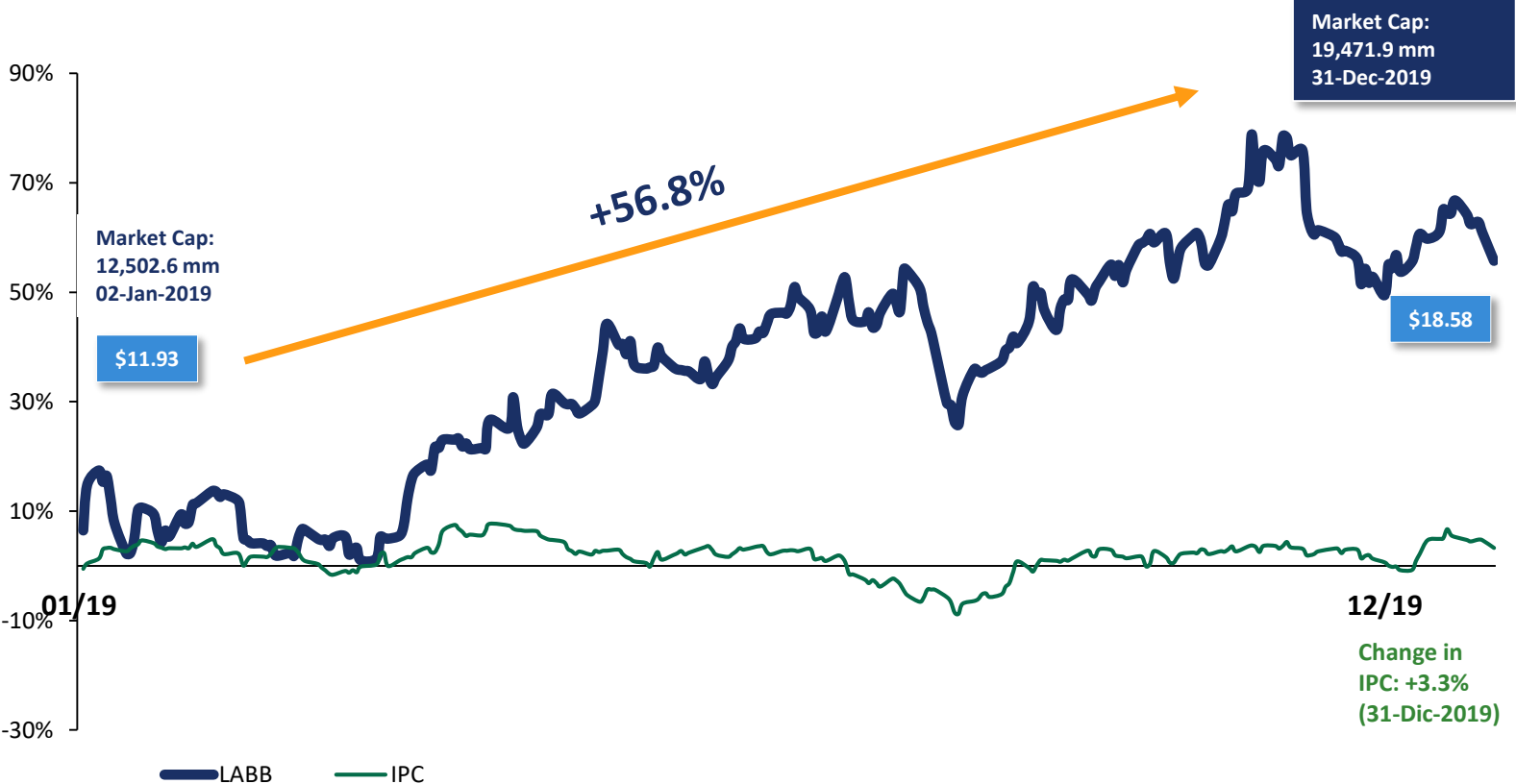
KEY VALUATION METRICS

ROIC including Intangibles

33.1%
Genomma's
ROIC excluding
Intangibles



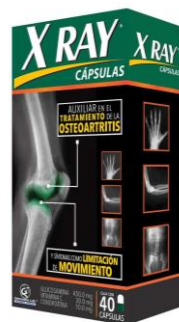
STOCK PERFORMANCE



APPENDIX - VIDEO LINKS



Genomma Lab.®
Internacional





Genomma Lab®
Internacional



LAB



WE SUPPORT



EMPRESA
SOCIALMENTE
RESPONSABLE

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Head of Investor Relations

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InspIR Group - NY

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+52 (55) 5081-0000

STOCK INFORMATION:

Genomma Lab has been traded under the ticker 'LAB B' on the Mexican Stock Exchange (BMV) since June 18, 2008.

FOR MORE INFORMATION:

www.genommalab.com/inversionistas

FORWARD-LOOKING STATEMENTS:

This document contains certain assumptions, projections and forward-looking statements regarding the Company's financial situation, operative results and information, Genomma Lab business and that of its subsidiaries as well as with regards to the Company's related plans and objectives. This executive summary does not constitute a public securities offering on behalf of Genomma and is intended to be used for informational purposes only.