



Genomma Lab®
Internacional

INVESTOR RELATIONS

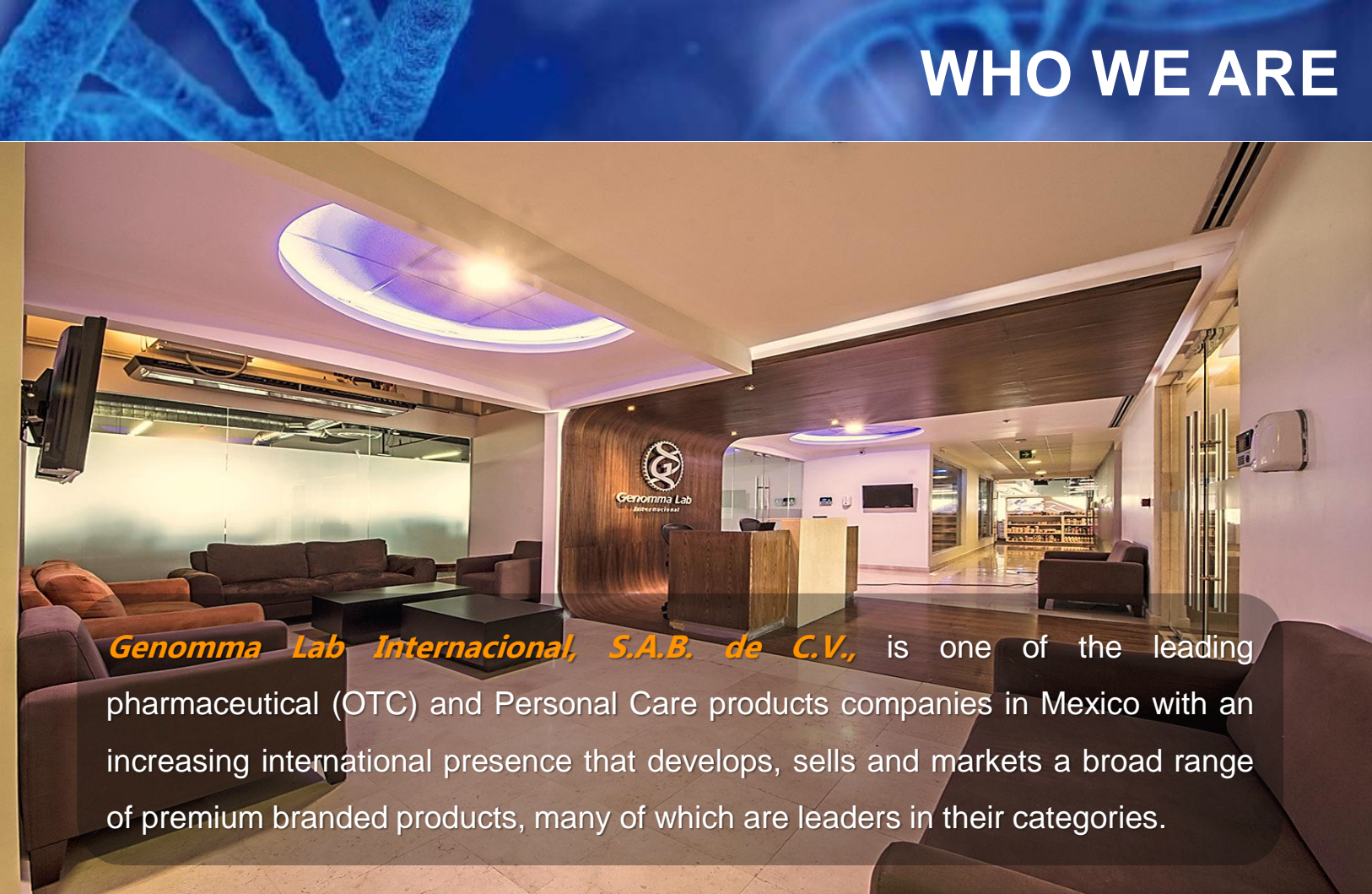
CORPORATE PRESENTATION

January | 2021

SAFE HARBOR DISCLOSURE

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. Risks and uncertainties include, but are not limited to: risks related to the impact of the COVID-19 global pandemic, such as the scope and duration of the outbreak, government actions and restrictive measures implemented in response, material delays, supply chain disruptions and other impacts to the business, or on the Company’s ability to execute business continuity plans as a result of the COVID-19 pandemic, economic factors, such as interest rate and currency exchange rate fluctuations; competition, including technological advances, new products attained by competitors; challenges inherent in new product development; the ability of the Company to successfully execute strategic plans; the impact of business combinations and divestitures; manufacturing difficulties or delays, internally or within the supply chain; significant adverse litigation or government action, including related to product liability claims; changes to applicable laws and regulations, including tax laws; changes in behavior and spending patterns of purchasers of products and services; financial instability of international economies and legal systems and sovereign risk. A further list and descriptions of these risks, uncertainties and other factors can be found within the Company’s related filings with the Bolsa Mexicana de Valores. Any forward-looking statement made in this release speaks only as of the date of this release. 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

A photograph of a modern office interior. The space features a large, curved wooden reception desk with the Genomma Lab Internacional logo on the wall behind it. To the left, there is a lounge area with brown sofas and a coffee table. The ceiling has a large, illuminated oval light fixture. The background shows a glass-walled office area and a hallway leading to a store with shelves of products.

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

OUR FOOTPRINT



LatAm **45.7%**
of net sales



Points of Sale
350,000+



Mexico **43.3%**
of net sales



Countries **18**



USA **11.0%**
of net sales



Production
Facility* **1**



Brands **45+**



1,200+
employees

**“Innovation is part
of our DNA”**



CONSOLIDATED SALES MIX BY CATEGORY

46.2%⁽¹⁾
Total Net
Sales

53.8%⁽¹⁾
Total net
Sales



Personal Care



Over-the-Counter (OTC)

(1) As of September, 2020

POWER BRANDS IN MULTIPLE CATEGORIES: OTC



Pain Relief



Cough & Cold



Gastro & Anti-Hemorrhoids



Antibacterial



Anti-mycotics &
Sexual Health



Isotonic Beverages



Self-Diagnosis



Infant Formula

POWER BRANDS IN MULTIPLE CATEGORIES: PERSONAL CARE



Shampoo



Hair Care



Beauty Creams



Skin Care

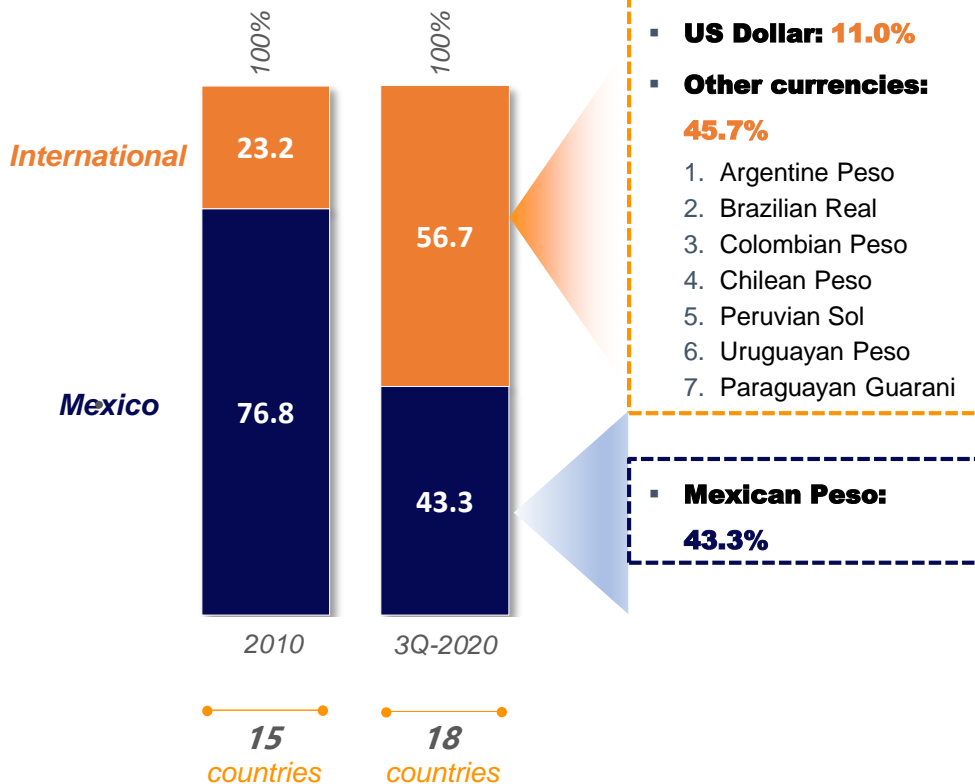


Anti-Acne & Cosmetics



Razors

WELL DIVERSIFIED BY REGION & CURRENCIES



OTC MARKET SHARE BY COUNTRY

Top Two Countries

As a percentage of sales



MEXICO

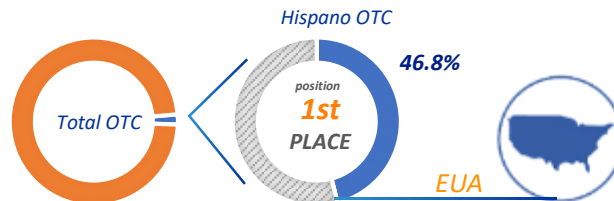


ARGENTINA



Highly Fragmented

By category penetration



CHILE

4.3%

position
7th.

ECUADOR

4.5%

position
4th.

PERU

4.7%

position
6th.

COLOMBIA

3.9%

position
7th.

CAM⁽¹⁾

5.5%

position
4th.

CORPORATE PLATFORM EFFICIENTLY SUPPORTS GROWTH



MANAGEMENT TEAM

**JORGE LUIS
BRAKE**

CEO



SEPTEMBER 2018

Prior Experience:

- Senior Vice President at Laureate Education Inc.
- CEO of P&G's Latin America división
- 30+ years of experience in consumer goods

**ANTONIO
ZAMORA**

CFO



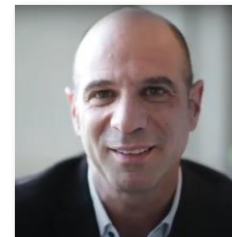
DECEMBER 2015

Prior Experience:

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

**MARCO
SPARVIERI**

COO



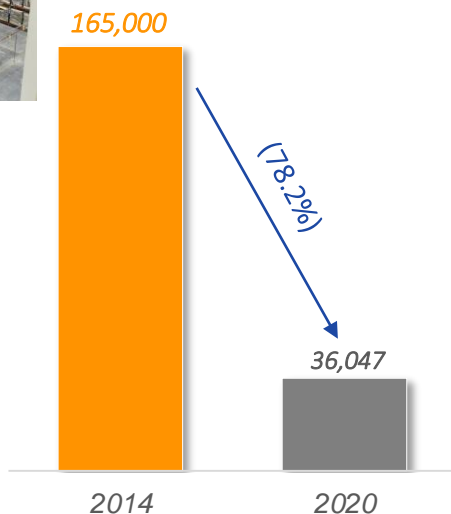
APRIL 2014

Prior Experience:

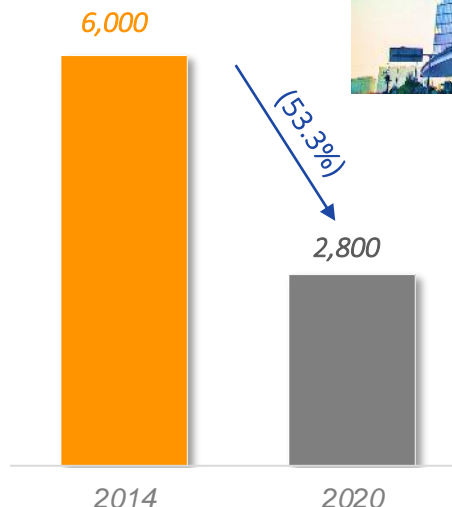
- EVP Sales P&G
- 20+ years of experience in consumer goods

SUCCESSFUL COST CONTAINMENT STRATEGY

Warehouse Space (m²)



Corporate Office Space (m²)



NEW GROWTH STRATEGY

1

Product **Innovation**
& Portfolio
Optimization



3

World-class
Manufacturing &
Supply Chain

2

Best-in-class
Go-to-Market



4

Corporate
Culture

1) PRODUCT INNOVATION



Strong execution of new line extensions

YTD'20 Net Sales Mexico: +4.5%⁽¹⁾

Successful new product releases and line extensions

YTD'20 Net Sales LatAm: +11.8%⁽¹⁾



New operating strategy and portfolio reconfiguration

YTD'20 Net Sales U.S.: +21.5%⁽¹⁾

(1) Percentage of growth as compared with the same period from the previous year.

NEW CATEGORY: GROOMEN®



New category with
growth potential for
Mexico & LatAm

Manufactured by
Edgewell PC
(Exclusivity agreement)

LAB's potential
opportunity of
>100mm USD



NEW CATEGORY: NOVAMIL®



Manufactured by
UP International
(Exclusivity agreement)

Exclusivity in LatAm
ex. Brazil



LAB's potential
opportunity of
>80mm USD

2) BEST-IN-CLASS GO-TO-MARKET

Reinvigorate relationship with top retailers



2) *BEST-IN-CLASS GO-TO-MARKET*

Develop Direct Distribution Strategic Partnership



+310,000 POS served



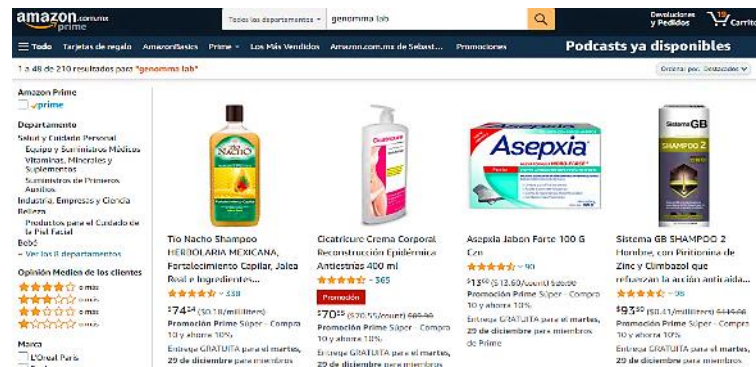
2) BEST-IN-CLASS GO-TO-MARKET

Reinforce Visibility and POS Marketing



2) BEST-IN-CLASS GO-TO-MARKET

Growth with E-commerce



2) BEST-IN-CLASS GO-TO-MARKET

New Social Media Strategy

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



...To Improve and protect the
health and welfare of families



More than +2,300,000 followers



3) WORLD-CLASS MANUFACTURING AND SUPPLY CHAIN

Sales and
Operations
Planning (S&OP)

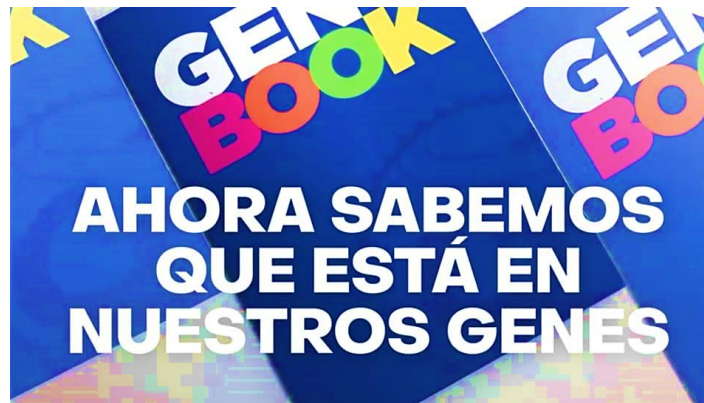
IT investments

Manufacturing
Capabilities

New Operational
Structure



4) CORPORATE CULTURE



New Corporate Philosophy

4) CORPORATE CULTURE

Social Responsibility



LAB included in the
New Sustainable Index:

***“Dow Jones Sustainability
MILA Pacific Alliance Index”***

Member of

**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA

COVID-19 RESPONSE

SOLID RESULTS 2020

NET SALES⁽¹⁾

3Q: +11.4%

YTD: +9.5%

EBITDA⁽¹⁾

3Q: +24.7%

YTD: +15.4%

NET INCOME⁽¹⁾

3Q: +75.3%

YTD: +56.9%

Cost and
Expense **Control**

Strong balance
position

Organization
Commitment

New Categories
and Product
Innovation

Optimal level of
Operations

E-commerce
Initiatives



GROWTH & PROFITABILITY IN MEXICO



Period	GDP Growth ⁽¹⁾	Net Sales Mexico ⁽²⁾	EBITDA Mexico ⁽²⁾
2Q' 2019	(1.1)%	+12.1%	+51.6%
3Q' 2019	(0.4)%	+14.1%	+35.5%
4Q' 2019	(0.7)%	+11.6%	+50.3%
1Q' 2020	(1.3)%	+9.7%	+76.0%
2Q' 2020	(18.7)%	+5.0%	+7.7%
3Q' 2020	(8.6)%	(0.7)%	+19.4%

(1) Source: INEGI.

(2) YoY percentage of growth.

COVID-19 RESPONSE



Donation of **+1,000,000 Hygiene and Personal Care** products



Donation of **10,000** meals to
healthcare institutions



INPer
INSTITUTO NACIONAL
DE PERINATOLOGÍA
ISIDRO ESPINOSA DE LOS REYES

NEW MANUFACTURING FACILITY



MANUFACTORY INVESTMENT RATIONALE



Enhanced Value Equation

Higher Gross Margin

Superior Product Quality

Reliable Product Supply

MANUFACTURING INVESTMENT PROFILE

Benefit from economies of scale and
efficient production capabilities



EBITDA
Synergies
~ **700 bps⁽¹⁾**



Market Expansion:
Genomma Lab will
reinvest between
350 - 300 bps
for growth

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

Un-synchronized
Supply Chain
Network

State-of-the-art fully
automated lines

Vertically integrated
Supply Chain
Network



Process

High setup times for
changeovers

Highly efficient and
flexible processes

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

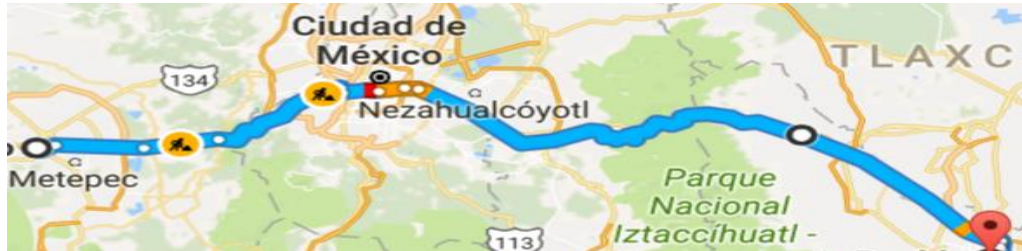
TOLUCA



**Filling PE
bottles with
shampoo**

CURRENT INBOUND LOGISTICS

**195 km
4:17 hrs**



PUEBLA



**Blowing PE
bottles**

ADDITIONAL EXPENSES

**Shipping and
Handling**

Storing

Cleaning

PROFITABILITY THROUGH COGS REDUCTION

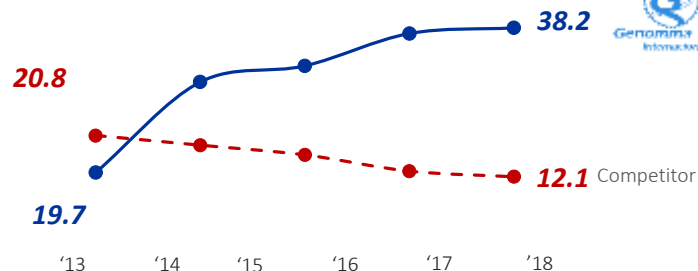
Tafirol[®]

Acquired in 2012
from Sidus

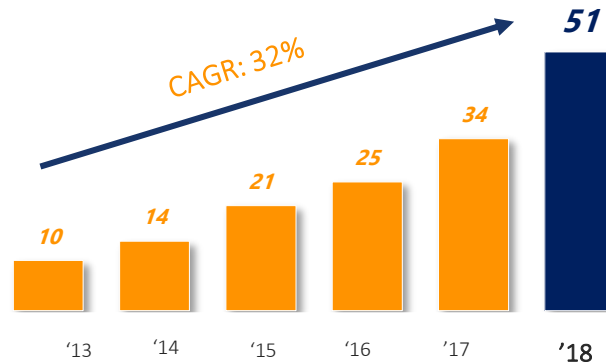


Portfolio of products

Market
Share in
units (%)



Net Sales
in USD
million



LONG-TERM FINANCING AND RATINGS

Long-term financing provided by:



~100MM USD



Loan Term: 8 years

Rating Agencies

FitchRatings

Short-Term:

F1+(mex)

Long-Term:

AA(mex)

Outlook:

Stable



Credit
Rating
Agency

Short-Term:

HR+1

Long-Term:

HR AA

Outlook:

Positive

MANUFACTURING FACILITY RENDER



OTC Plant

FP Warehouse

PC Plant

MANUFACTURING FACILITY UPDATE



*Manufacturing Plant
(January, 2021)*



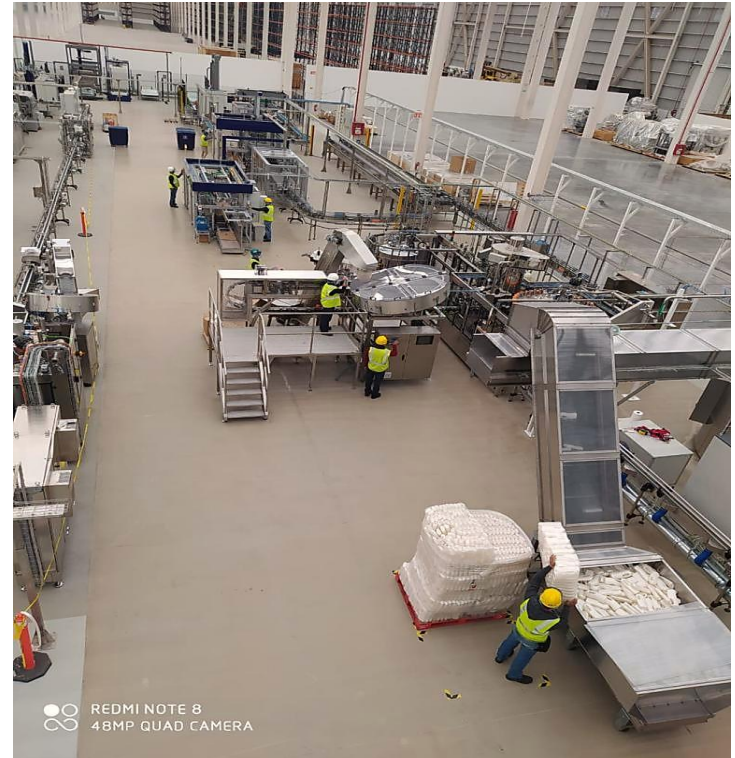
Manufacturing Facility
video

PC MANUFACTURING FACILITY UPDATE



Shampoo Manufacturing Product Line

PC MANUFACTURING FACILITY UPDATE



Shampoo Manufacturing Product Line

PC MANUFACTURING FACILITY UPDATE



Shampoo Manufacturing Product Line

PC MANUFACTURING FACILITY UPDATE



Isotonic Beverage Manufacturing Product Line

PC MANUFACTURING FACILITY UPDATE



Isotonic Beverage Manufacturing Product Line

PC MANUFACTURING FACILITY UPDATE



Isotonic Beverage Manufacturing Product Line

PC MANUFACTURING FACILITY UPDATE



First test batch of Suerox at PC Plant

OTC MANUFACTURING FACILITY UPDATE



State-of-the-art equipment

OTC MANUFACTURING FACILITY UPDATE



**OTC Plant Manufacturing
Equipment**



OTC MANUFACTURING FACILITY UPDATE



*State-of-the-art
equipment*



Blister machine for OTC pills

OTC MANUFACTURING FACILITY UPDATE

Water chiller system for OTC Plant



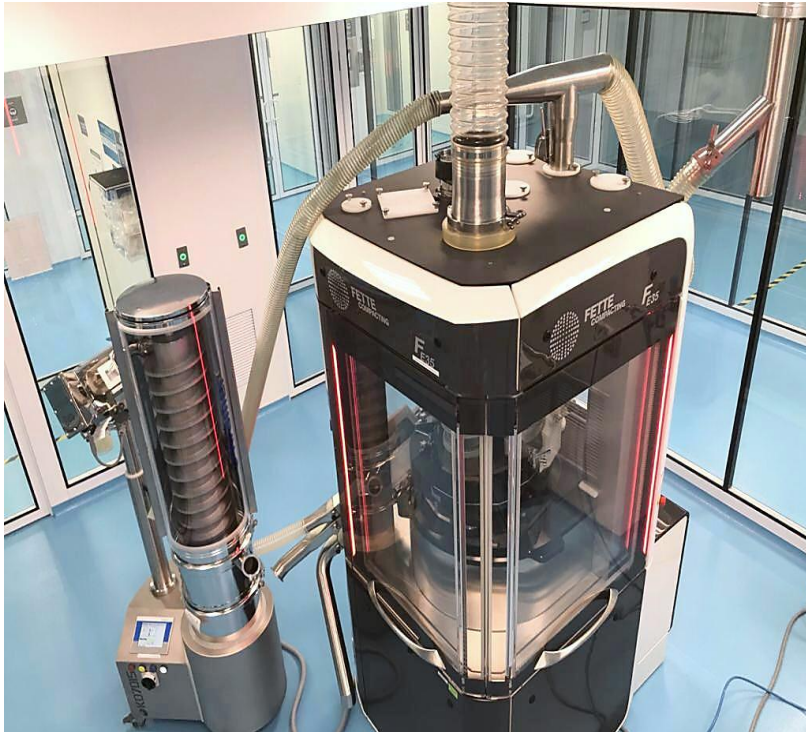
*Tube filling equipment for
semi-solid production line*



*Tanks system for liquid OTC
production*

OTC MANUFACTURING FACILITY UPDATE

Semi-solid production line



**State-of-the-art
equipment**



IMPROVING EFFICIENCY IN EXPORT LOGISTICS



Strategically Located

Manufacturing Plant
(79 Acres)

“Puerta México”

(Most important train port in Mexico)

Distance between Plant & Puerta México: 1.5 mi



FINANCIAL HIGHLIGHTS



FINANCIAL RESULTS

Ps. million

Income Statement	3Q-2020	%	3Q-2019	%	Var %
Net Sales	\$ 3,427.9	100.0%	\$ 3,077.3	100.0%	+11.4%
Gross Profit	\$ 2,189.9	63.9%	\$ 1,962.1	63.8%	+11.6%
Operating Income	\$ 731.7	21.3%	\$ 581.4	18.9%	+25.8%
EBITDA ⁽¹⁾	\$ 769.4	22.4%	\$ 617.1	20.1%	+24.7%
Net Income	\$409.1	11.9%	\$233.4	7.6%	+75.3%



LatAm **46%**
of net sales
for Q3-2020



Mexico **43%**
of net sales
for Q3-2020



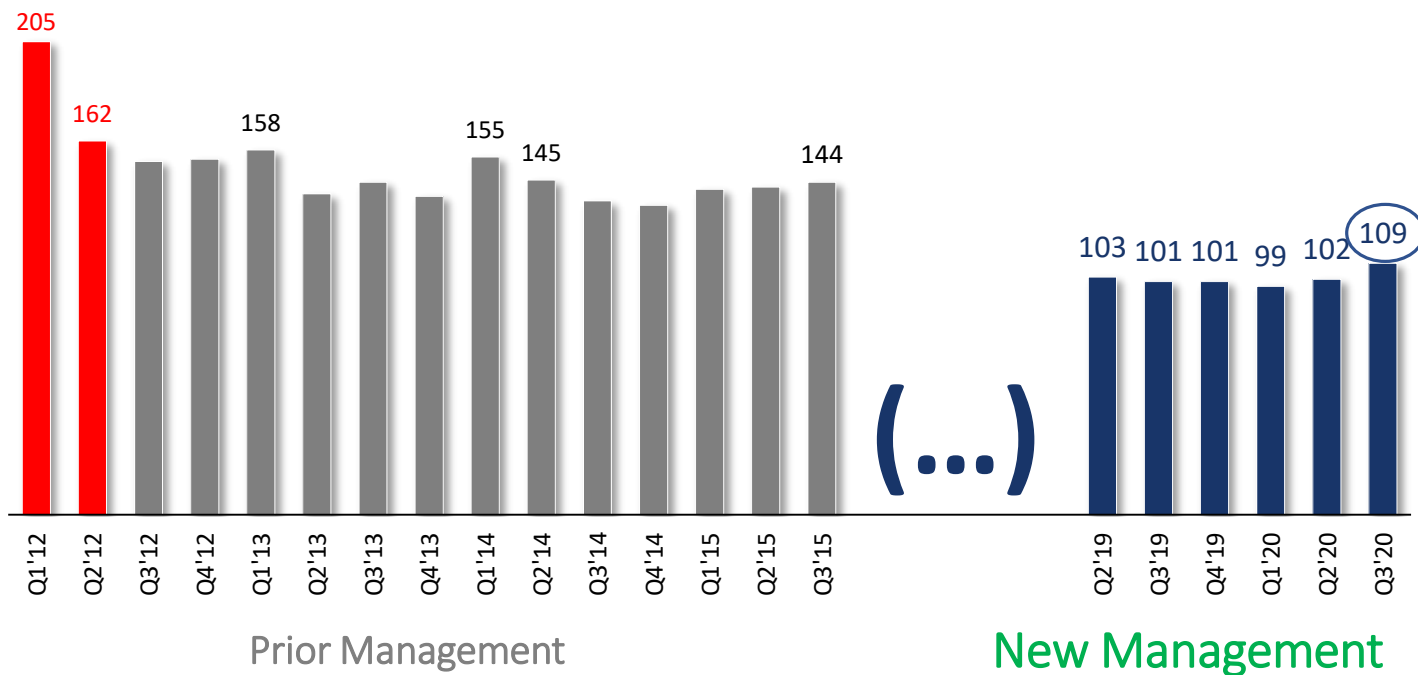
USA **11%**
of net sales
for Q3-2020

(1) EBITDA defined as operating income before D&A.

FINANCIAL POSITION

<i>Ps. million</i>	As of September 30,		As of Dec 31,
Financial Position	2020	2019	2019
Cash and Equivalents	\$1,567.6	\$1,133.2	\$922.9
Total Assets	\$21,781.8	\$19,105.6	\$19,254.8
Total Liabilities	\$12,451.1	\$11,088.2	\$11,280.6
Stockholders Equity	\$9,330.7	\$8,017.4	\$7,974.1

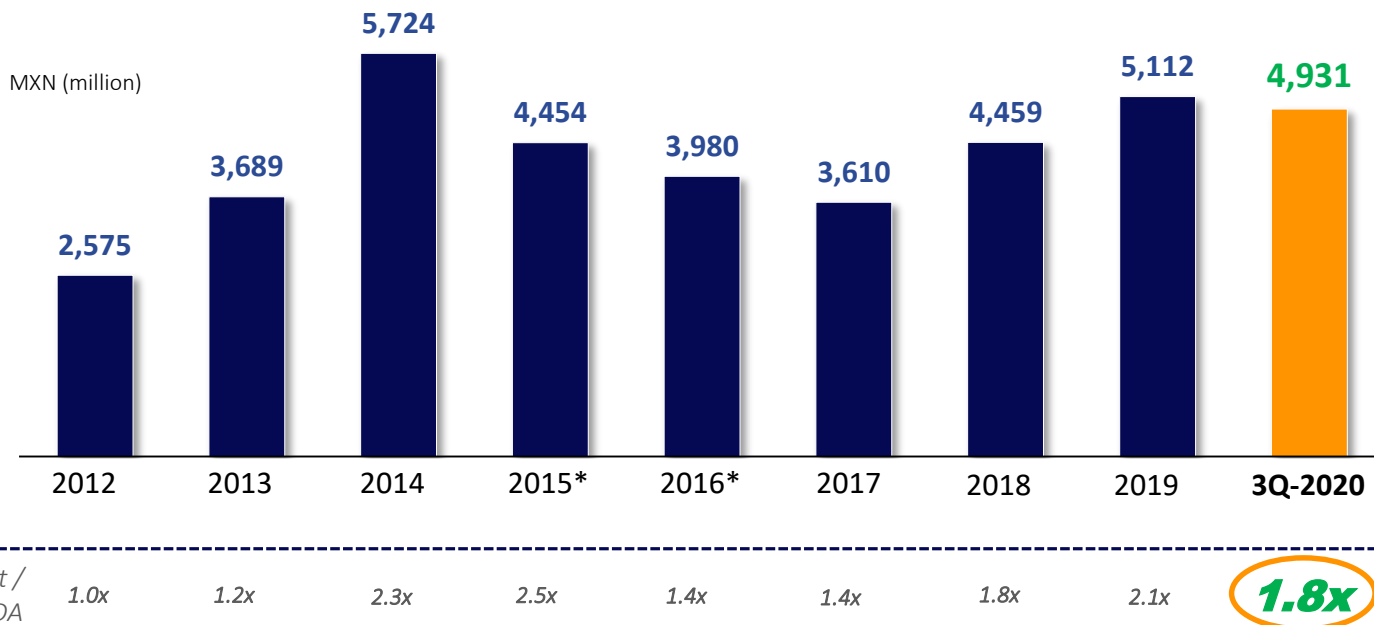
CASH CONVERSION CYCLE ⁽¹⁾



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

FINANCIAL POSITION

Net Debt Profile



KEY VALUATION METRICS

Historical data do not reflect **potential upside** from new manufacturing plant

\$1,048.0mm

Shares Outstanding

69.8%

Free Float

8.9x

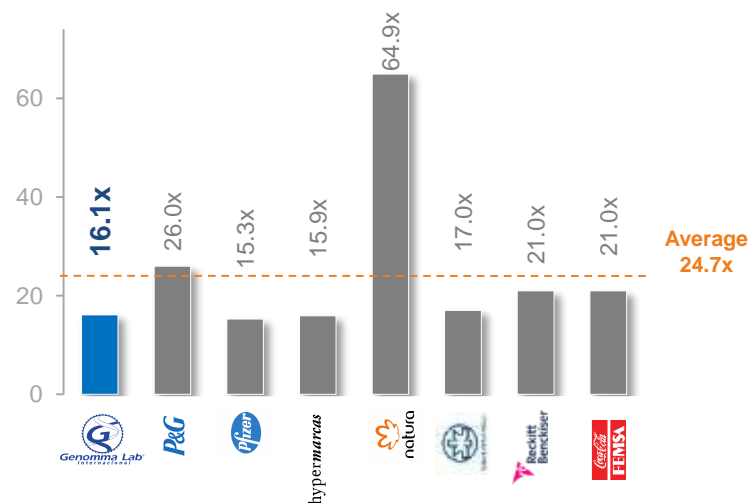
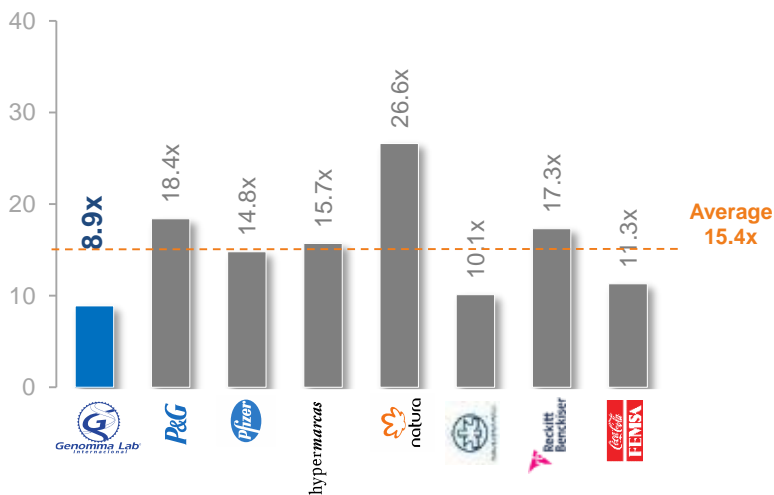
EV / EBITDA

16.1x

P / E

EV / EBITDA

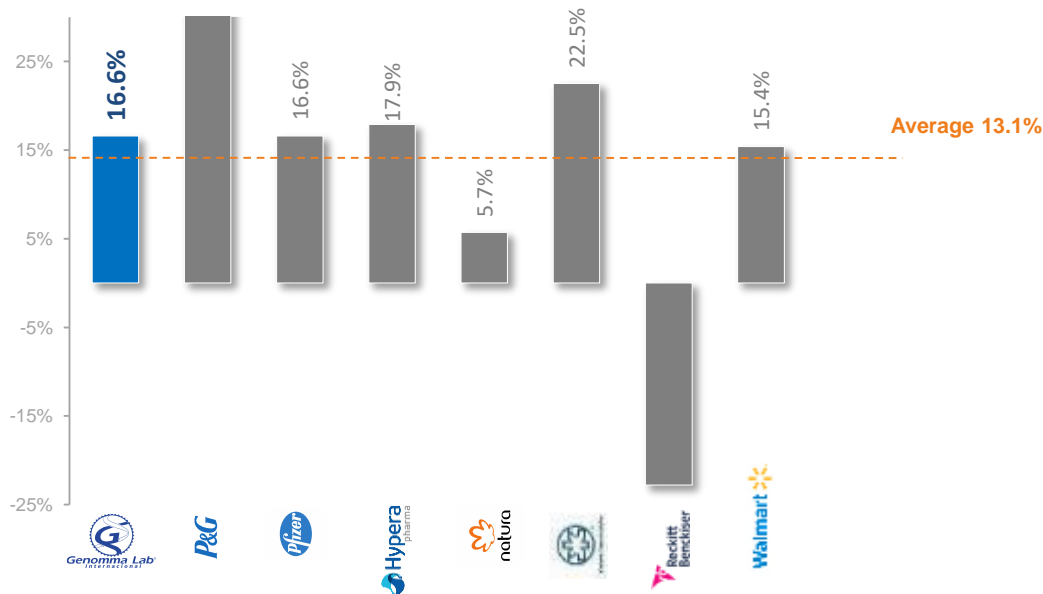
P/E



KEY VALUATION METRICS

ROIC including Intangibles

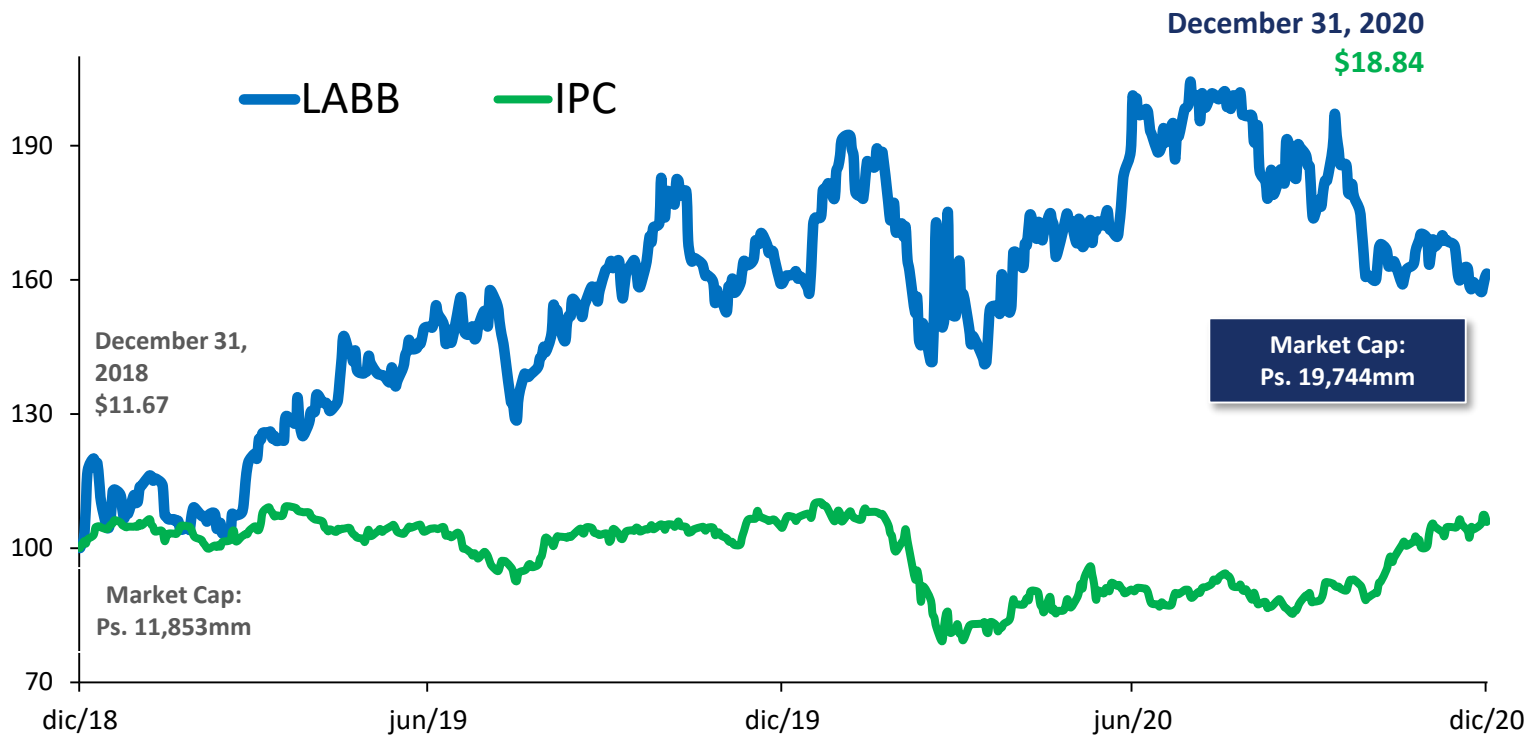
30.4%
Genomma's
ROIC excluding
Intangibles



Source: Company Information. Standardized ROIC calculations made via Bloomberg as of LTM ended October 31, 2020.

Calculated ROIC Excluding Intangibles = Normalized Taxed EBIT / Average LTM Ex-Intangibles Operating Assets - Average LTM Operating Liabilities.

STOCK PERFORMANCE 2 YEARS



VIDEO LINKS





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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.