



Genomma Lab®
Internacional

INVESTOR RELATIONS

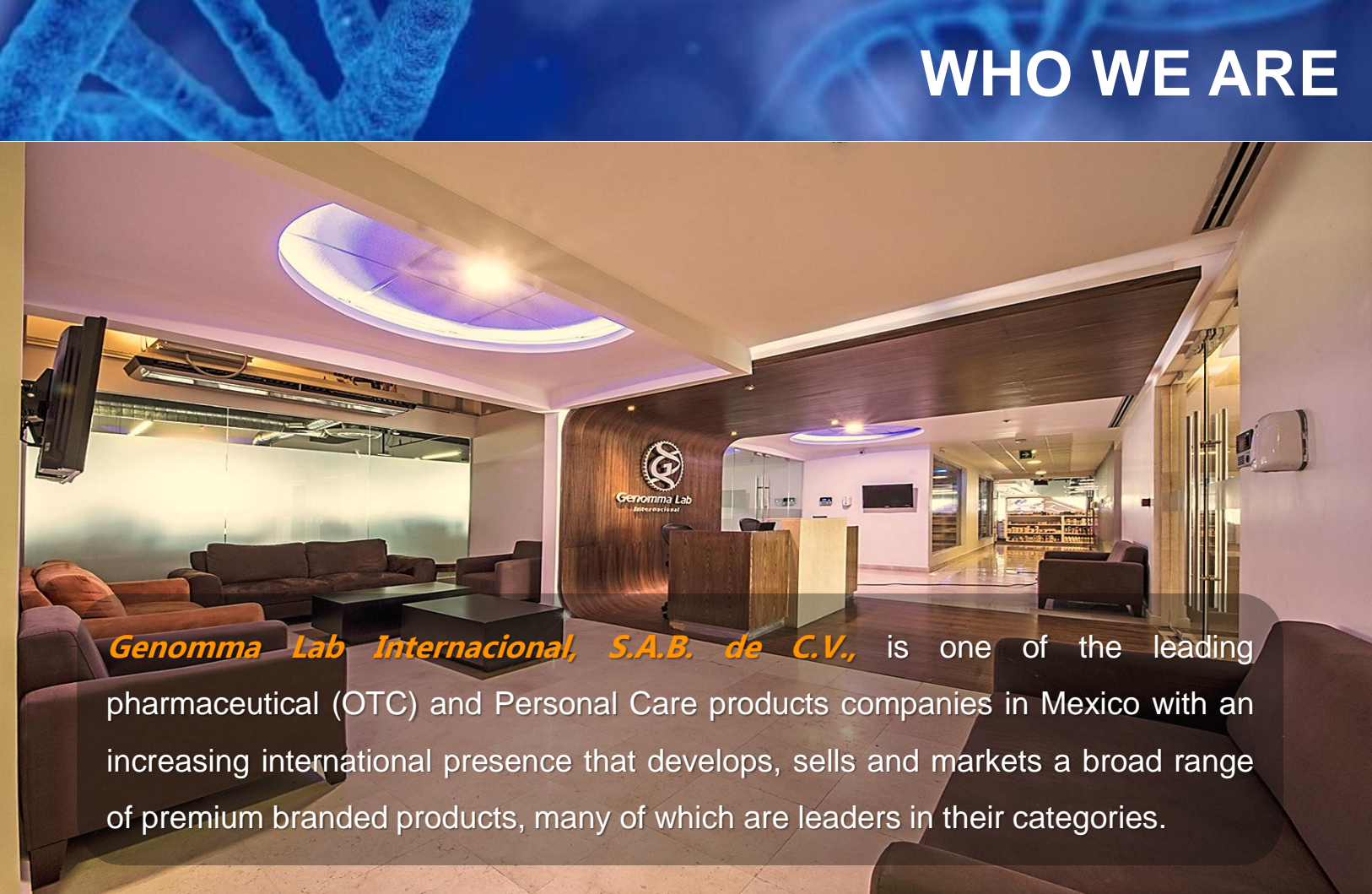
CORPORATE PRESENTATION

March | 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 **46.1%**
of net sales



Points of Sale
400,000+



Mexico **42.8%**
of net sales



Countries **18**



USA **11.1%**
of net sales



Industrial Cluster **1**



Brands **50+**



1,300+
employees



OVER THE COUNTER PRODUCTS (OTC): 52.0% OF TOTAL SALES



Pain Relief



Cough & Cold



Gastro & Anti-Hemorrhoids



Anti-Flu

“POWER BRANDS IN MULTIPLE CATEGORIES”



Anti-mycotics &
Sexual Health



Isotonic Beverages



Antibacterial



Infant Formula

PERSONAL CARE PRODUCTS (PC): 48.0% OF TOTAL SALES



Shampoo



Hair Care



Beauty Creams

“POWER BRANDS IN MULTIPLE CATEGORIES”



Skin Care

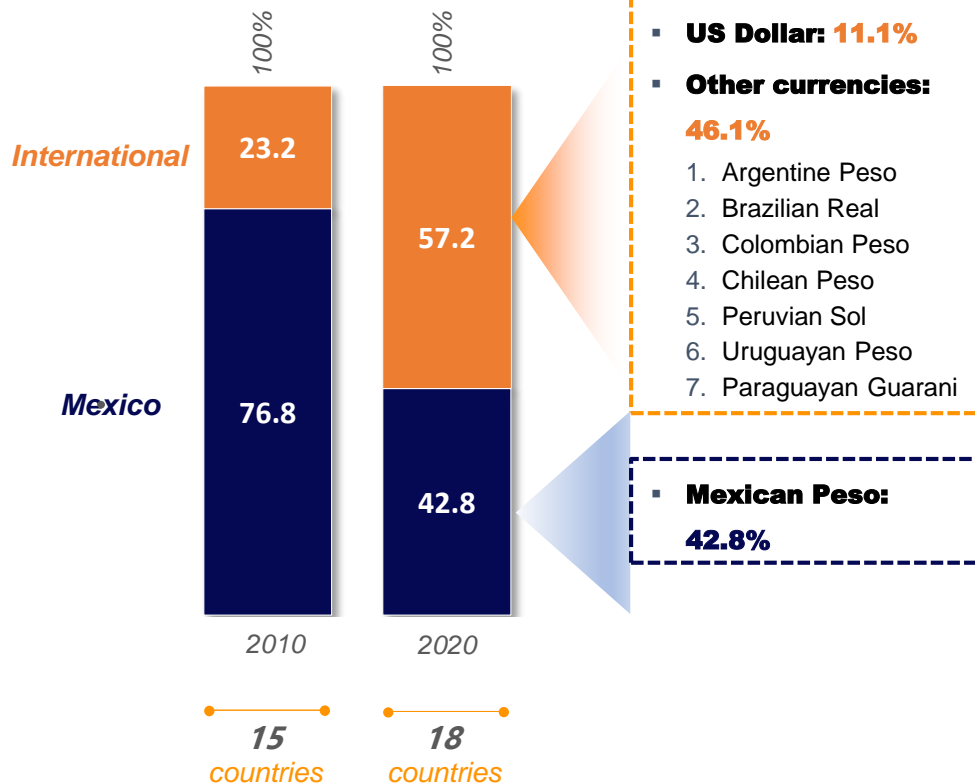


Anti-Acne & Cosmetics



Razors

WELL DIVERSIFIED BY REGION & CURRENCIES



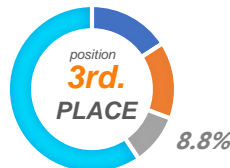
OTC MARKET SHARE BY COUNTRY

Top Two Countries

As a percentage of sales



MEXICO

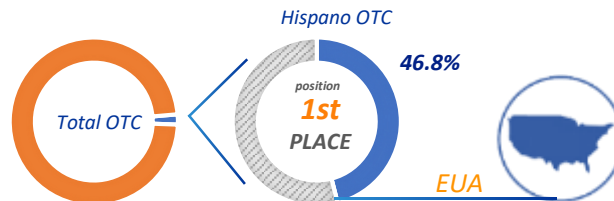


ARGENTINA



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.

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



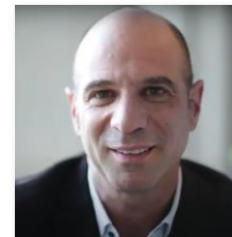
DECEMBER 2015

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

NEW GROWTH STRATEGY

1

Product **Innovation**
& Portfolio
Optimization



3

World-class
Manufacturing &
Supply Chain

2

Best-in-class
Go-to-Market



4

Corporate
Culture

COVID-19 RESPONSE

SOLID RESULTS 2020

NET SALES⁽¹⁾

4Q⁽²⁾: +7.7%

12M: +9.1%

EBITDA⁽¹⁾

4Q⁽²⁾: +29.6%

12M: +18.6%

NET INCOME⁽¹⁾

12M: +93.3%

Cost and
Expense **Control**

Strong balance
position

Organization
Commitment

New Categories
and Product
Innovation

Optimal level of
Operations

E-commerce
Initiatives

SAP S/4 HANA

amazon

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

(2) Compared with 2019 Audited figures

COVID-19 RESPONSE

+16,800

people benefited through the
Virtual Volunteering
“GEN Contigo”



+1.5 Million

hygiene and personal care
products donated in
7 countries



1) PRODUCT INNOVATION

Line Extensions



New Presentations



1) PRODUCT INNOVATION

New Categories



Portfolio Expansion



NEW CATEGORY: GROOMEN®



New category with
growth potential for
Mexico & LatAm

Manufactured by
Edgewell PC
(Exclusivity agreement)

Market Value
opportunity of
>100mm USD



NEW CATEGORY: NOVAMIL®



Manufactured by
UP International
(Exclusivity agreement)

Exclusivity in LatAm
ex. Brazil



Market Value
opportunity of
>80mm USD

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

In-store Media & Visibility at POS (Frog Design)



Traditional Channel

- +400,000 POS reached
- +2,000 person sales team
- Brazil new agreements with wholesalers
- Traditional Channel presence in Central America and Andean Region



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

E-COMMERCE

- Reinforce presence in Amazon
- Strong Positioning in Mercado Libre
- Marketing & Brand Visibility.



GEN ORDER

- Supporting strong relationships with salesforce and local businesses
- Platform development 2020 (App)
- Official launch in 2021.



3) WORLD-CLASS MANUFACTURING AND SUPPLY CHAIN

- 2 out of 3 components started operations (PC & Warehouse)
- Successful relocation of the Finished Products Warehouse
- Isotonic Beverage Line started operations.



MANUFACTURING FACILITY UPDATE



*Manufacturing Plant
(March 2021)*



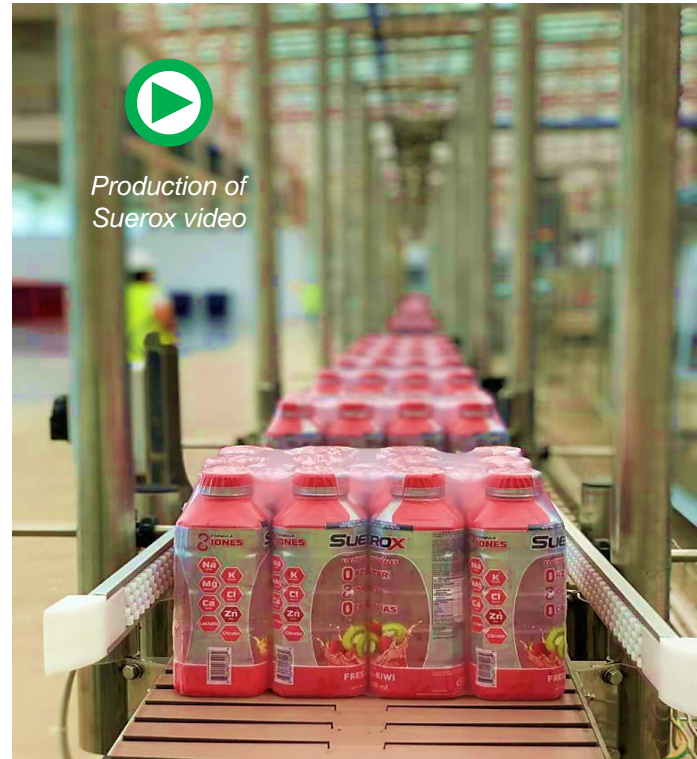
NEW Manufacturing
Facility video

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



Isotonic Beverage Manufacturing Product Line

PC MANUFACTURING FACILITY UPDATE



First test batch of Suerox® at PC Plant

PC MANUFACTURING FACILITY UPDATE



Shampoo Manufacturing Product Line

PC MANUFACTURING FACILITY UPDATE



Shampoo Manufacturing Product Line

CENTRAL WAREHOUSE UPDATE



Prior Leased Warehouse

CENTRAL WAREHOUSE UPDATE



New Warehouse located in San Cayetano, State of Mexico

CENTRAL WAREHOUSE UPDATE



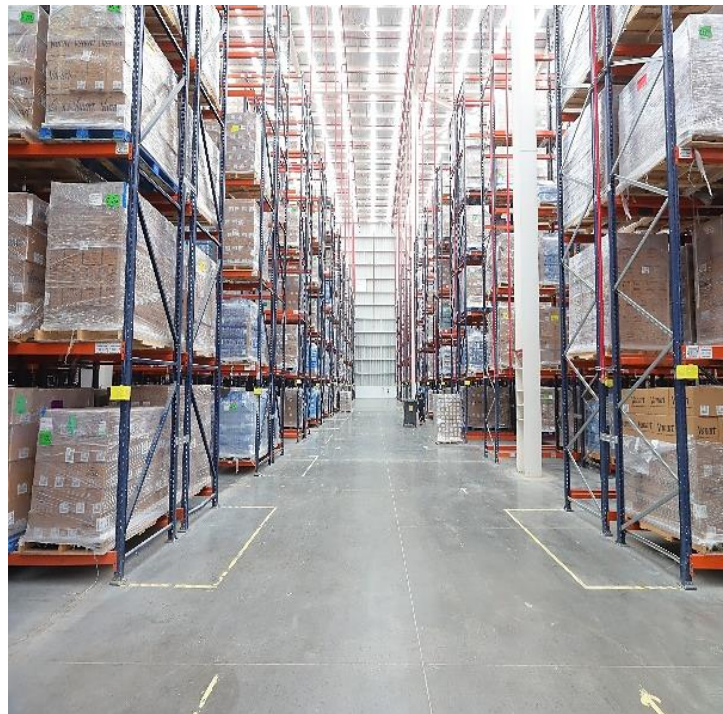
More than 16,000 racks installed at the New Warehouse

CENTRAL WAREHOUSE UPDATE



More than 150 workers to complete +14,400 hours

CENTRAL WAREHOUSE UPDATE



More than 50,000 storage positions

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



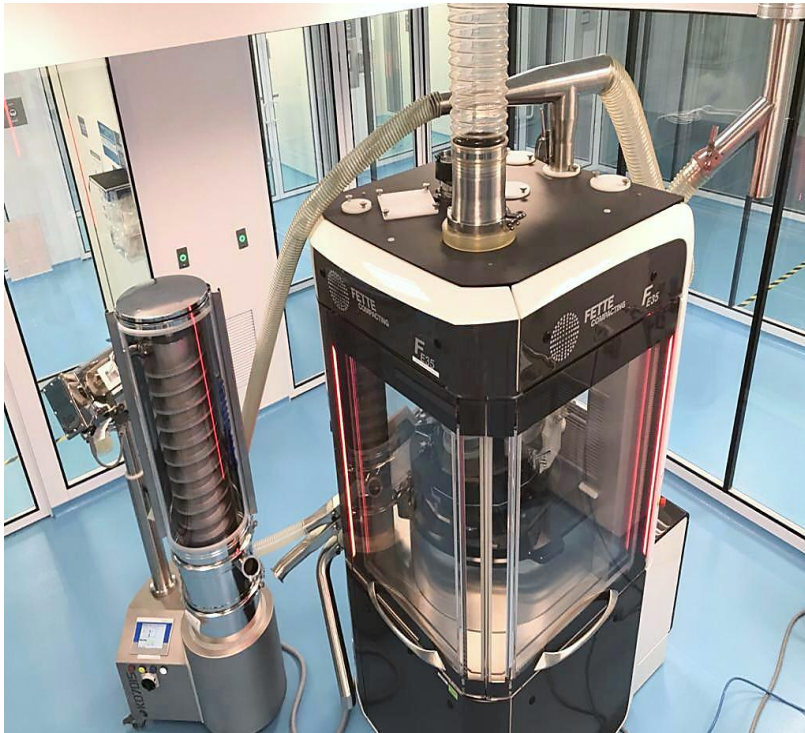
*Tube filling equipment for
semi-solid production line*



*Tanks system for liquid OTC
production*

OTC MANUFACTURING FACILITY UPDATE

Semi-solid production line



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



REINFORCEMENT IN KEY POSITIONS

CARLOS QUEZADA

Director PC



October 2020

Previous Experience:

- *P&G Manufacture AD*
- *+30 years of experience.*

CARLOS AMADOR

Director OTC



October 2020

Previous Experience:

- *Gelpharma-Vitae Laboratories*
- *+18 years of experience.*

FELIPE TRUJILLO

Quality Director



October 2020

Previous Experience:

- *Novartis Merck KgA & Pfizer*
- *+29 years of experience.*

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



SUSTAINABILITY AGENDA 2025

OUR PRODUCTS



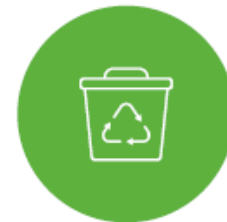
By 2025, all our packages will be 100% recyclable, reusable or compostable.

OUR VALUE CHAIN



By 2022, 100% of our global supply chain will be reviewed in sustainability terms.

OUR WASTE MANAGEMENT



By 2022, we will prevent that waste generated in our operational sites reach landfills, through recycling and reuse practices.

OUR LOGISTICS



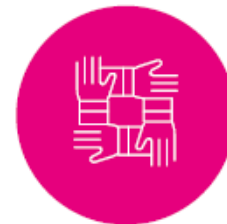
By 2023, we will reduce 20% of CO2 emissions (scope 1 and 3) related to our logistics operation in Mexico, compared to 2019.

OUR TEAM



By 2022, 50% of our global team will be represented by women.

OUR CONTRIBUTION TO SOCIETY



By 2025, 500,000 people will be benefited by business initiatives aligned to social and environmental causes.

INDUSTRIAL CLUSTER RATIONALE





Enhanced Value Equation

Higher Gross Margin

Superior Product Quality

Reliable Product Supply

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

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

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



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

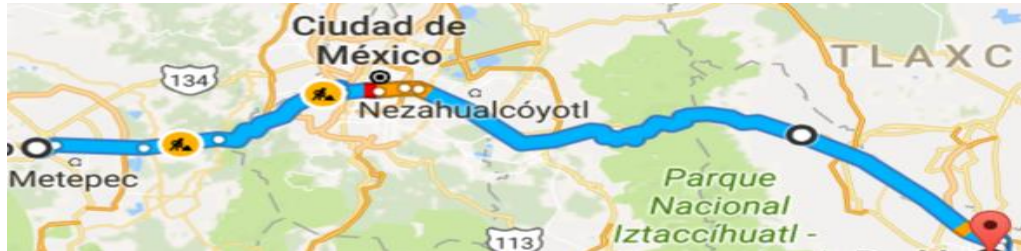
TOLUCA



**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

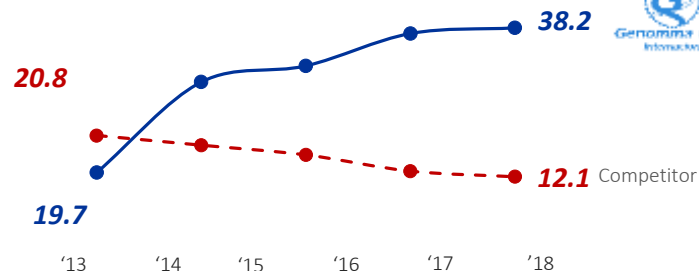
Tafirol[®]

Acquired in 2012
from Sidus

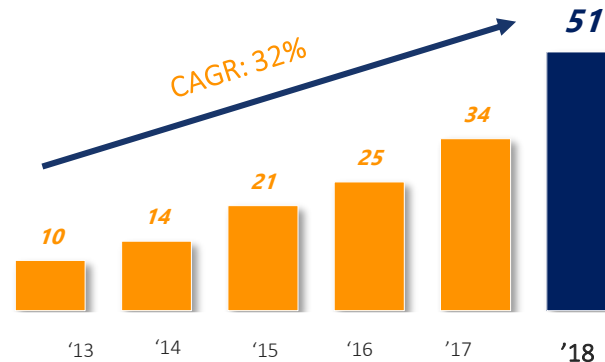


Portfolio of products

Market
Share in
units (%)



Net Sales
in USD
million



FINANCIAL HIGHLIGHTS



FINANCIAL RESULTS

Ps. million

Income Statement	2020	%	2019 ⁽¹⁾	%	Var %
Net Sales	\$13,866.6	100.0%	\$12,712.9	100.0%	+9.1%
Gross Profit	\$8,594.9	62.0%	\$ 8,097.9	63.7%	+6.1%
Operating Income	\$2,777.1	20.0%	\$2,330.8	18.3%	+19.1%
EBITDA ⁽²⁾	\$2,932.0	21.1%	\$2,471.7	19.4%	+18.6%
Net Income	\$1,477.8	10.7%	\$764.5	6.0%	+93.3%



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



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



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

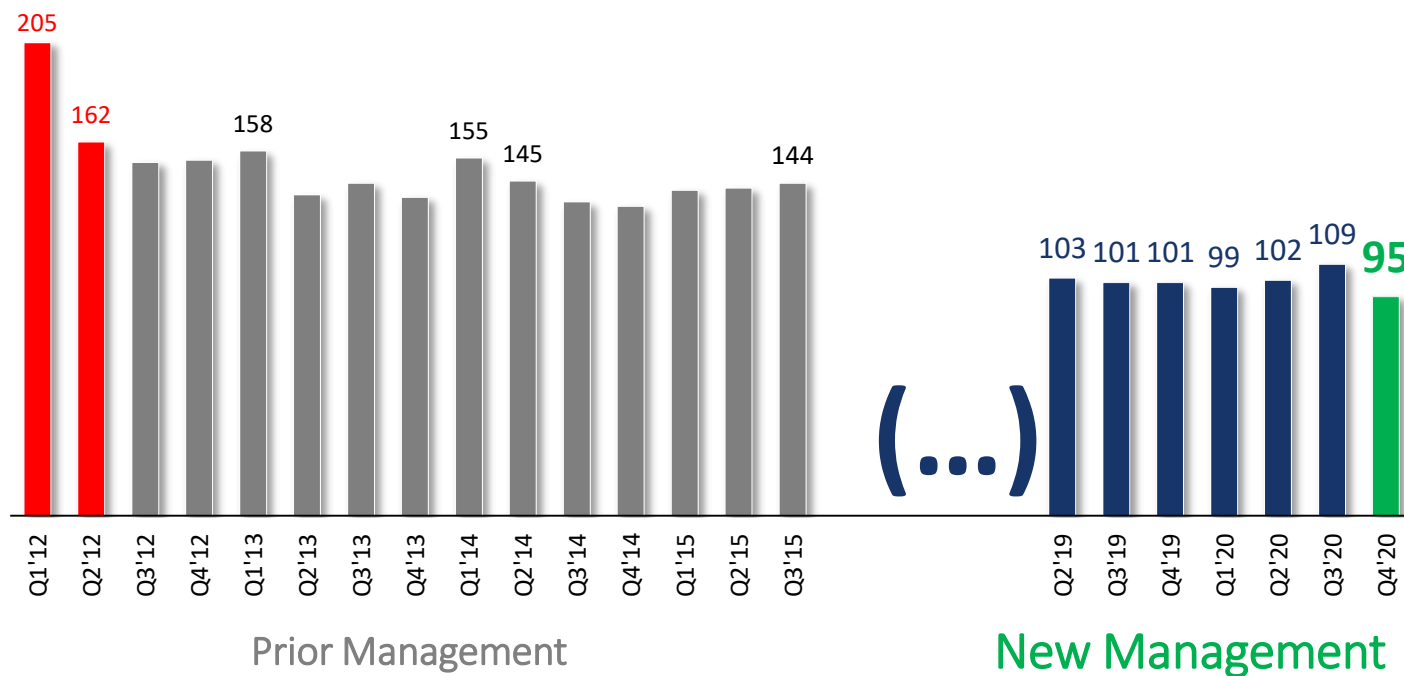
(1) 2019 Audited figures

(2) EBITDA defined as operating income before D&A

FINANCIAL POSITION

<i>Ps. million</i>	As of December 31,		As of Sep 30,
Financial Position	2020	2019	2020
Cash and Equivalents	\$2,104.0	\$922.9	\$1,567.6
Total Assets	\$21,975.0	\$19,254.8	\$21,781.8
Total Liabilities	\$12,334.8	\$11,280.6	\$12,451.1
Stockholders Equity	\$9,640.2	\$7,974.1	\$9,330.7

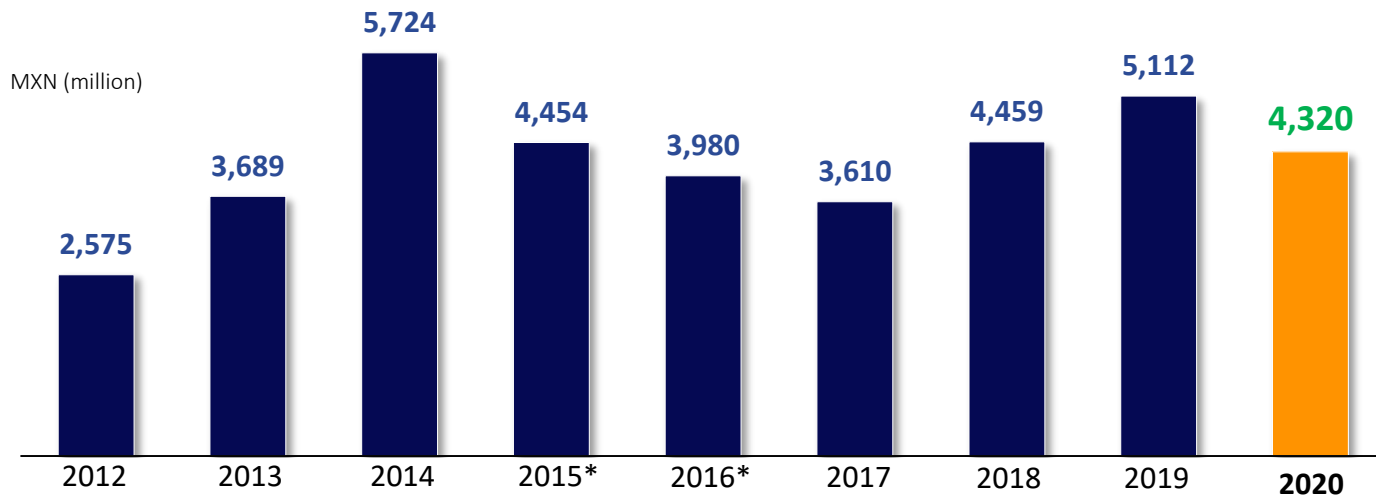
CASH CONVERSION CYCLE ⁽¹⁾



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

FINANCIAL POSITION

Net Debt Profile



Net Debt /
EBITDA

1.0x

1.2x

2.3x

2.5x

1.4x

1.4x

1.8x

2.1x

1.47x

FCF**

(179)

1,830

918

1,075

1,803

837

133

161

1,297

*Adjusted EBITDA for 2015 and 2016 due to change in Genomma Lab's financial policies

**Free Cash Flow is defined as net cash provided by operating activities in a period minus payments for property and equipment in that period

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

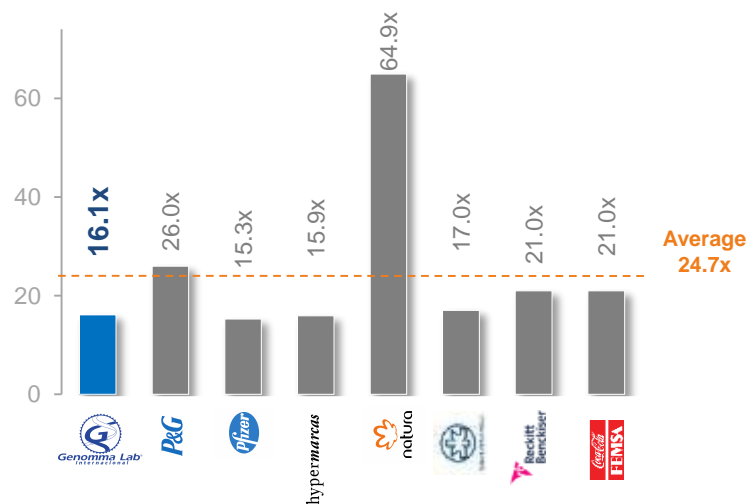
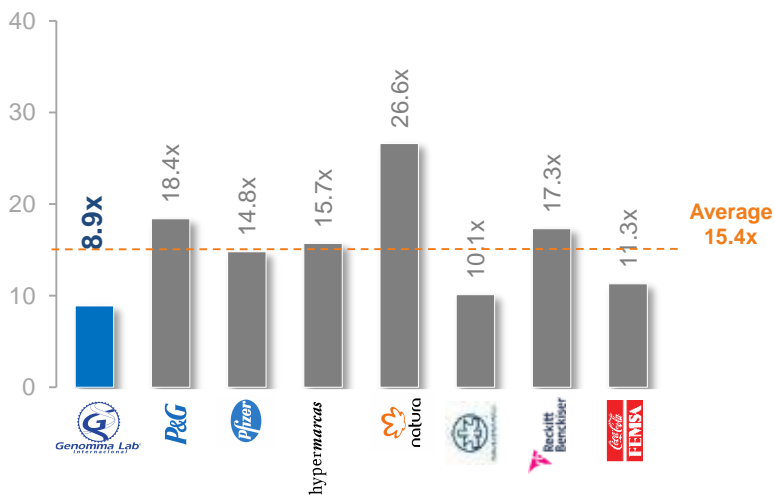
EV / EBITDA

16.1x

P / E

EV / EBITDA

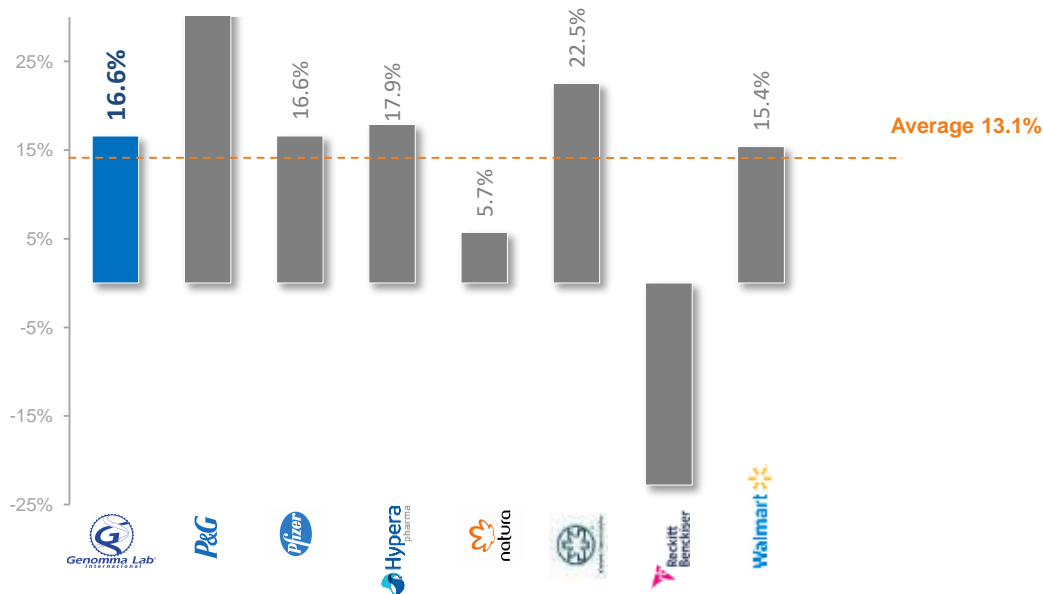
P/E



KEY VALUATION METRICS

ROIC including Intangibles

30.4%
Genomma's
ROIC excluding
Intangibles

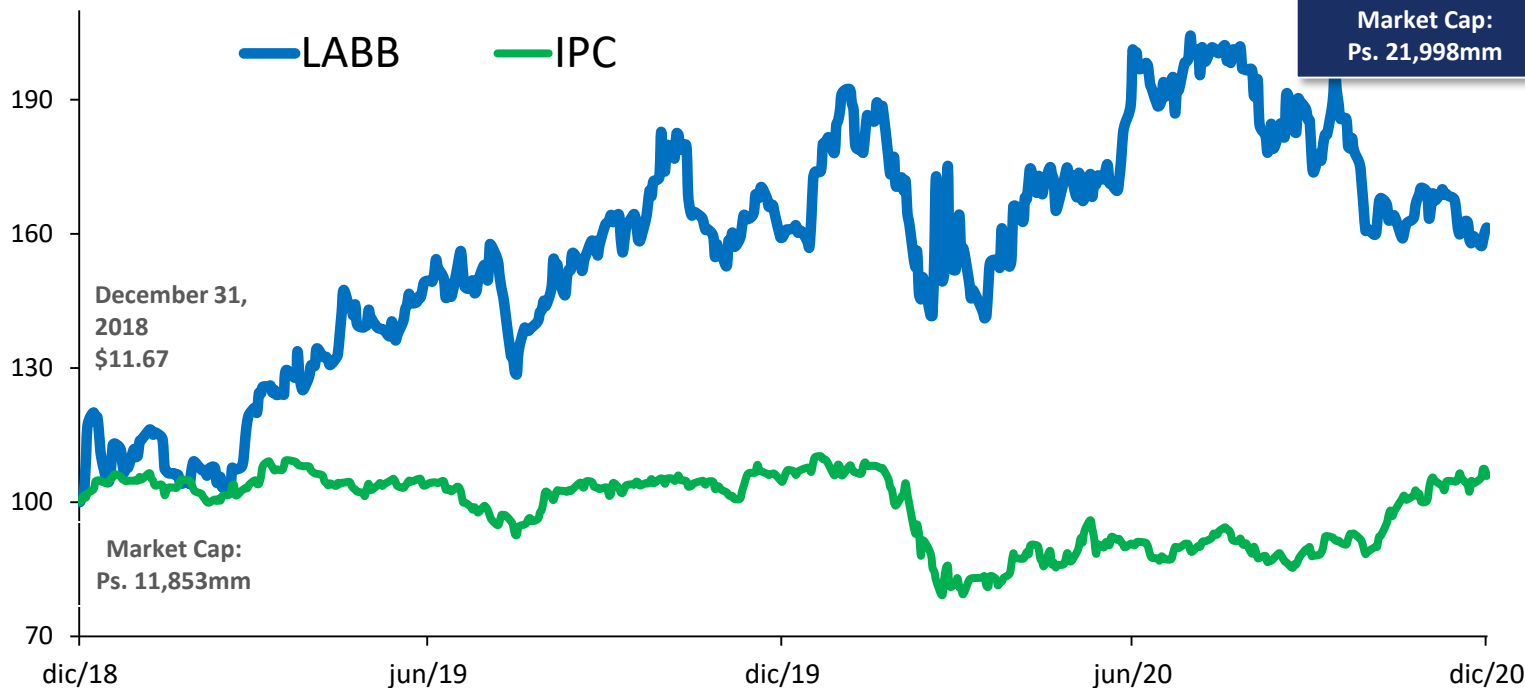


STOCK PERFORMANCE 2 YEARS

March 01, 2021

\$20.99

Market Cap:
Ps. 21,998mm



VIDEO LINKS





Genomma Lab®
Internacional



LAB



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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.