

HIGHLIGHTS

Q1-2021 Sales increased by
Ps. 213.2 million;
+6.4% year-on-year

Q1-2021 EBITDA
 closed at
Ps. 724.7 million;
+6.8% year-on-year

Cash & Equivalents
 closed at
Ps. 1.82 billion
 as of March 31, 2021

Q1-2021 Net Debt to EBITDA
 ratio closed at **1.52x**

Capex Investments for the
 three months ended
 March 31, 2021 reached
Ps. 178.7 million.

Genomma Lab Internacional Reports First Quarter 2021 Results

Mexico City, April 28, 2021 – **Genomma Lab Internacional, S.A.B. de C.V. (BMV: LAB B)** (“Genomma Lab” or “the Company”), today announced its results for the first quarter ended March 31, 2021. All figures included herein are stated in nominal Mexican pesos and have been prepared in accordance with International Financial Reporting Standards (IFRS).

The following tables provide an abridged Income Statement, in millions of Mexican pesos. The margin for each figure represents its ratio to net sales and the percentage change in the first quarter 2021 as compared with the same period in 2020:

	Q1 2021	% Sales	Q1 2020	% Sales	Var. %
Net Sales	3,547.7	100.0%	3,334.5	100.0%	6.4%
Gross Profit	2,180.5	61.5%	2,061.6	61.8%	5.8%
Operating Income	686.8	19.4%	640.6	19.2%	7.2%
EBITDA⁽¹⁾	724.7	20.4%	678.4	20.3%	6.8%
Net Income	319.4	9.0%	373.6	11.2%	(14.5%)

1) EBITDA defined as operating income before depreciation and amortization

Comments from the CEO

Mr. Jorge Luis Brake, Genomma Lab’s Chief Executive Officer, commented:

“We achieved a solid first quarter 2021 despite the significant impacts from COVID-19. Importantly, Genomma’s results remain aligned with our strategic goals and objectives to drive long-term sustainable growth while maintaining robust levels of profitability and liquidity. We continue to identify exciting opportunities to capitalize fully on our Company’s incredible potential, particularly related to technological and product innovation, while leveraging accelerating consumer trends including the sustained shift to wellness and self-care through trusted brands with increased digital engagement- which we are confident will continue to persist even beyond the pandemic.”

He added: *“I’d again like to recognize Genomma’s employees who have enabled us to overcome multiple challenges, as the collective power of our people drives our momentum and success. Our team has moved swiftly and decisively to serve our customers and communities at this critical time. 2021 is our team’s year, therefore, we remain aligned with the Company’s mission: to empower people to have excellent health and well-being.”*

KEY DATA

% Sales by Segment:


OTC 49.9%

PC 50.1%


*Points of Sale



Groomen[®]
New disposable razors

Business Review

Genomma Lab successfully executed on the Company's Four Pillar Growth Strategy during the first quarter of 2021, reflected in continued business resilience despite ongoing pandemic-related headwinds.

First quarter 2021 Net Sales closed at Ps. 3.54 billion; a 6.4% year on year increase. Increased Net Sales was driven by the continued execution of the Company's growth strategies as well as innovation and successful product launches during the quarter. These results were offset by demand constraints related to the COVID-19 pandemic with an exceptionally weak cough, cold and flu season during the first quarter 2021, which negatively impacted demand for related products. First quarter results were also affected by a challenging year on year comparison due to first quarter 2020 pandemic-related panic sales. To a lesser extent, results were adversely impacted by local currency FX headwinds in certain countries where Genomma operates.

EBITDA margin for the quarter reached 20.4%; a 10 bps year on year margin improvement. The EBITDA margin was supported by an ongoing focus on cost and expense containment. This was partially offset by a Ps. 63.0 million non-recurring logistics expense associated with the migration of operations and logistics in Mexico and the warehouse relocation in Brazil. First quarter EBITDA margin was also affected by increased operating expenses associated with innovation and new project launches, as well as expenses associated with operations ramp-up at the Company's Personal Care Facility in Mexico and, to a lesser extent, an unfavorable product mix effect with decreased sales in higher-margin categories.

The following four priorities continue to guide Genomma's evolution as part of the Company's Growth and Innovation Strategy:

Product Innovation and Portfolio Optimization

The Company launched various innovation and portfolio optimization projects as well as new products during the first quarter 2021. Related advances of note in Mexico included the launch of a new *Fermodyl[®] Keratina* hair-growth shampoo line and the relaunch of *Sistema GB[®]* brand alopecia hair loss treatment. During the quarter Genomma also launched its new 100% organic *Tío Nacho[®] Anti-Daño* deep repair shampoo product line extension and relaunched the *Suerox[®] Infantil*, advanced rehydration drink specially formulated to help prevent dehydration in children, which also complies with Mexican regulatory requirements to remove sweeteners while preserving flavor and added benefits. Additionally, during the quarter Genomma launched its new disposable razors under the *Groomen[®]* brand while further strengthening this product's position within the traditional channel as an accessible, disruptive and high-quality product.

Genomma U.S. launched additional line expansions during the first quarter 2021, including *Bufferin[®] Hand Sanitizer* as well as a new line of vitamins and supplements within the *Next[®] Immune* product line.



GenOrder[®]

Digital platform in Mexico to reach POS within traditional channel



Relocation of logistics operations in Brazil



2025 Sustainability Strategy
(See document)

The Company launched new initiatives in Latin America during the first quarter 2021, expanding Genomma's *Teatrica*[®] and *Asepxia*[®] brand micellar water cleanser line, a new *Piecidex*[®] topical antifungal cream in Argentina with an enhanced absorption and drying formula; and the launch of *Tío Nacho*[®] *Reconstructor* shampoo in Brazil with strong initial results.

Strengthened Marketing and Perfect Go-To-Market Execution

The Company made continued progress expanding its presence within high-growth sales channels through disruptive digital marketing efforts within key e-commerce platforms, as well as an increased presence within the traditional channel in Mexico, South America and Central America to reach more than four hundred thousand points of sale by the end of the first quarter 2021.

During the quarter, Genomma completed an initial beta test of its "*Gen-Order*" digital sales platform in Mexico. *Gen-Order* is designed as the Company's primary digital platform to directly connect with client businesses and to points of sale within the traditional channel; further commercializing Genomma's core product portfolio based on its new logistics model and enabling the Company to reach a greater number of points of sale more quickly and efficiently.

World-Class Supply Chain

Genomma's Personal Care manufacturing plant and central logistics warehouse formally began operations, as was reported on February 24, 2021. Genomma's *Suerox*[®] isotonic beverage line began production with more than 2.4 million bottles produced during the quarter. Initial production batches of the *Vanart*[®] and *Tío Nacho*[®] shampoos brands are expected to begin in the coming weeks with continued Personal Care plant commissioning and additional manufacturing line ramp-up throughout 2021. The Company awaits final GMP certification by the Mexican COFEPRIS health authority to begin its OTC plant operation.

As was reported, Genomma's new central logistics warehouse also began operation during the quarter, with a smooth transition and no major disruption. During the first quarter of 2021, the Company's new Brazil warehouse site began operation, also with no major disruptions associated with the relocation. The new distribution center is located in Extrema, Minas Gerais, an important logistics hub in the Southeast region of Brazil enabling access to essential logistics arteries to the South, Southeast and Central-East regions of Brazil. This favorable location ensures expedited online purchase fulfillment from Genomma's warehouse, aligned with the Company's focus on both the e-commerce and physical store channels as well as further cost savings through improved efficiencies.

Corporate Culture and Organization

Genomma unveiled its 2025 Sustainability Strategy: "*A commitment to the future*" during the first quarter of 2021, aligned with the Company's corporate culture and mission. The strategy reviews Genomma's 10 primary areas of operation and includes clearly delineated goals and objectives as well as specific target dates, based on an extensive in-depth evaluation of Genomma's business model as it relates to social, environmental and governance.

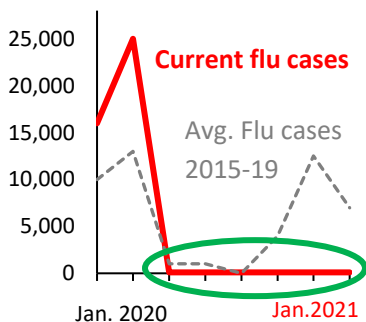


Tío Nacho®

product line extension
for the Mexican market
[\(Watch video\)](#)

2021 Flu season

Cut short by COVID-19



Source: US CDC



New line of
Micellar Water products
across the LatAm region
[\(Watch video\)](#)

Mexico

Genomma reported first quarter 2021 Mexico Net Sales of Ps. 1.52 billion; a 4.2% year on year increase primarily due to product launches, new categories and growth strategies implemented across the traditional channel. This was partially offset by a historically soft cough, cold and flu season and decreased sales of related product categories and a tough 2020 comparison base due to pandemic-related panic sales. To a lesser extent, first quarter 2021 sales were adversely impacted by a non-recurring short-term inventory shortages associated with the migration to Genomma's new warehouse and distribution center.

EBITDA margin for the quarter closed at 20.2%; a 320 bps year on year margin contraction. Margin decline is primarily due to extraordinary expenses related to operations at Genomma's new Industrial Cluster as well as investments made for growth and optimization strategies during the quarter. To a lesser extent, margin contraction was the result of decreased sales resulting in lower operating leverage as well as a negative sales mix effect.

U.S.

Genomma reported first quarter 2021 U.S. Net Sales of Ps. 336.8 million; a 6.7% year on year decline, primarily due to the historically soft cough, cold and flu season, which resulted in decreased sales of related product categories and, to a lesser extent, a challenging 2020 comparison base due to pandemic-related panic sales. Net sales in Mexican pesos were also impacted by the effect of a lower depreciation of the peso relative to the U.S. dollar during quarter.

EBITDA margin for the first quarter of 2021 closed at 3.7%, due to the effect from decreased sales resulting in lower operating leverage, as well as a negative sales mix where higher-margin sales declined during the quarter. First quarter 2021 EBITDA margin was also impacted by increased expenses related to digital marketing initiatives and, to a lesser extent, to an increase in extraordinary expenses related to one-off logistics and operational costs.

Latin America

Net Sales for Genomma's Latin America operations reached Ps. 1.69 billion; an 11.6% year on year increase. This sales growth was driven by strong execution across the region led by the Company's Four Pillar Strategy, including successful new product launches and line extensions supported by outstanding point of sale execution and an increased presence and visibility within the region's key e-commerce channels. Genomma achieved a double-digit sales growth in Chile, Colombia, Peru and Bolivia. This was partially offset by a negative FX impact in some countries such as Argentina, Brazil, Uruguay, Paraguay, among others.

EBITDA margin closed at 23.9%; a 390 bps year on year increase due to efficient cost and expense control as well as the positive effect of increased higher-margin product sales during the quarter and positive operating leverage and sales mix effect.

Genomma's New Industrial Cluster

First **Town Hall** at
Genomma's Industrial Cluster
to meet and connect with
employees



+2.4 million
bottles of **Suerox[®]**
produced in 1Q-2021



Isotonic Beverage Product Line Manufacturing

Reached **+36%** of
operating capacity
at Personal Care Plant



Manufacturing of
test batches for
Tío Nacho[®] & Vanart[®]
shampoos



Shampoo Product Line Manufacturing

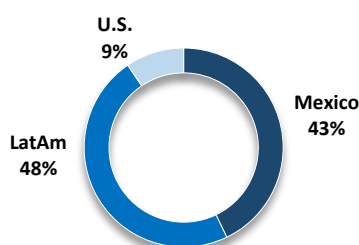
+2,800 operation hours
of Personal Care
manufacturing line



Shampoo Product Line Manufacturing



Q1-2021 SALES*



*Percentage of Consolidated Sales by Region for Q1-2021.

Consolidated Results First Quarter 2021

First Quarter 2021 Net Sales reached Ps. 3.54 billion; a 6.4% year on year increase. The increase is primarily due to product innovation, line extensions and key go-to-market initiatives across the different trade channels. This was partially offset by a challenging year on year sales comparison due to 2020 pandemic-related panic sales, and to reduced sales of cold, cough and flu products during the quarter. To a lesser extent, net sales were impacted by FX headwinds in the some regions where Genomma operates.

First Quarter 2021 EBITDA increased Ps. 46.3 million to Ps. 724.7 million as compared with the same period of 2020. First quarter EBITDA margin closed at 20.4%; a 10bps year on year margin expansion. This margin improvement is the result of operating leverage from increased sales. The EBITDA margin expansion was offset by Ps. 63.0 million of non-recurring expenses associated with the migration of logistics operations in Mexico and Brazil, as well as increased investments in digital platforms, in-store visibility initiatives and growth strategies across the different regions.

Sales by Category & Region

(Figures in millions of Mexican Pesos)

	Over-the-counter (OTC)			Personal Care			Total		
	Q1'21	Q1'20	% Var.	Q1'21	Q1'20	% Var.	Q1'21	Q1'20	% Var.
Mexico	803.3	870.8	(7.8)%	717.4	588.6	21.9%	1,520.7	1,459.4	4.2%
LatAm	803.5	611.6	31.4%	886.7	902.6	(1.8)%	1,690.2	1,514.2	11.6%
U.S.	164.0	223.1	(26.5)%	172.8	137.8	25.4%	336.8	360.9	(6.7)%
Total	1,770.8	1,705.5	3.8%	1,776.9	1,629.0	9.1%	3,547.7	3,334.5	6.4%

Results by Region for the First Quarter of 2021

Mexico

First quarter 2021 Net Sales reached Ps. 1.52 billion; a 4.2% year on year increase. The Ps. 61.3 million sales growth is mainly due to new categories sales and product line extensions initiatives. This was partially offset by a challenging consumption environment with a significant decrease in the sales from cold & flu products, resulting from an extraordinary low flu and influenza season. To a lesser extent, sales were adversely impacted by a tough 2020 comparison base due to pandemic-related panic sales and the temporally blackout effect in sales, due to the inventory shortage resulting from disruptions caused by the logistics and supply-chain migration process.

EBITDA for the quarter reached Ps. 307.7 million with a 20.2% EBITDA margin. The 320 bps year on year margin contraction was mainly the result of Ps. 63 million in non-recurring expenses associated with the new Central Warehouse transfer and, to a lesser extent, by investments made in new product launches and digital marketing strategies during the quarter. First quarter 2021 EBITDA margin was also adversely impacted by reduced operating leverage and a negative product mix effect.

MEXICO

Sales in MXN: 1.52 billion
EBITDA Margin: 20.2%

U.S.**Sales in MXN: 336.8 million****EBITDA Margin: 3.7%****U.S.**

First quarter 2021 net sales for Genomma's U.S. operation decreased by 6.7%, to Ps. 336.8 million. The Company remains focused on strengthening its operations within this market through new product launches and categories as well as a strong digital marketing strategy. Genomma's OTC portfolio was adversely impacted by a historically low cold, cough and flu season in this market. To a lesser extent, sales were impacted by a challenging year on year comparison base due to Covid-related panic sales during the same period in 2020.

EBITDA for the quarter closed with a 3.7% EBITDA margin. The margin contraction was due to decreased operating leverage and a negative product mix effect, where sales of higher margin products declined during the quarter. EBITDA for the quarter was also adversely impacted by extraordinary investments in marketing and innovation, as well as one-off expenses related to distribution and logistics operations.

LATIN AMERICA**Sales in MXN: 1.69 billion****EBITDA Margin: 23.9%****Latin America**

First quarter 2021 net sales quartering Latin America increased by 11.6% year on year, to Ps. 1.69 billion. Sales also reflected a double-digit increase when expressed in local currency. Increased sales were primarily due to successful execution at the point of sale, in-store visibility initiatives, product launches and new line extensions across the region during the quarter. To a lesser extent, increased sales was the reflection from increased presence of Genomma's portfolio in the traditional channel. These results were partially offset by FX headwinds in some countries where Genomma operates.

First Quarter 2021 EBITDA reached Ps. 404.3 million, as compared to Ps. 302.8 million for the same quarter of 2020. EBITDA margin for the quarter closed at 23.9%; a 390bps year on year margin expansion. This was primarily due to cost and expense control efficiencies, as well as a positive sales mix and operating leverage resulting from increased sales during the quarter.

**FX from Local Currency
Expressed in MXN****ARS* (39.8%)****BRL (19.7%)****UYU (6.8%)****PYG (1.3%)**

* Exchange rate at the end of the period.

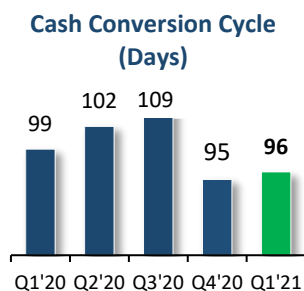
Other Income Statement Results for the First Quarter of 2021

Gross Profit increased by 5.8%, to Ps. 2.18 billion, compared to Ps. 2.06 billion for the first quarter 2020. Gross margin decreased by 30 bps year on year to close at 61.5%, mainly due to the increased input costs resulting from FX headwinds.

Selling, General, Marketing and Administrative Expenses decreased as a percentage of sales, to 41.0% for the first quarter of 2021 from 41.5% for the previous year. The SGM&A improvement as a percentage of sales is primarily due to the Company's ongoing efforts on expense control.

Ps. 40.9 million
decrease in
Financial Interest Expense

Days of Accounts Receivable (DSO)			
	1Q20	4Q20	1Q21
Mexico	121	144	132
LatAm	112	80	111
U.S.	93	55	75
Consolidated	114	105	107



Net Income reached Ps. 319.4 million; a Ps. 54.2 million decrease compared to first quarter 2020. Net income decline is mainly the result of an increased income tax expense, due to the fiscal effects of cash repatriation from international subsidiaries operations. To a lesser extent, net income decline derived from increased all-in cost of financing due to FX losses accounted during the quarter.

Non-Operating Result for the First Quarter 2021

Comprehensive Financing Result represented a Ps. 129.1 million expense for the first quarter of 2021, compared to a Ps. 74.2 million first quarter 2020 expense. The Ps. 54.9 million increase is due to: i) a Ps. 119.4 million year on year net decrease in Foreign Exchange Gain (Loss); and ii) a Ps. 2.1 million year on year net decrease in financial interest gains. These effects were offset by: i) a Ps. 40.9 million decrease in financial interest expense and; ii) a Ps. 25.7 million decrease in the Company's monetary position within its inflationary subsidiary.

Income Tax Expense for the first quarter 2021 reached Ps. 262.2 million as compared to a Ps. 206.1 million recorded during first quarter 2020. The increase is mainly due to the fiscal effects of cash repatriation from international subsidiaries operations.

Financial Position

Working Capital was adjusted during the first quarter 2021 and the cash conversion cycle ended at 96 days; a 3-day positive variation when compared to the end of March, 2020:

- **Accounts Receivable** amounted to Ps. 4.18 billion as of March 31, 2021. Days of consolidated accounts receivable amounted to 107; a 7-day improvement when compared to the end of March 2020.
- **Inventories** closed at Ps. 2.34 billion as of March 31, 2021. Days of Inventories amounted to 156; no change when compared with the end of March 2020.
- **Trade Payables** amounted to Ps. 1.97 billion as of March 31, 2021. Days Payable Outstanding (DPO) decreased to 167 days, from 171 days on March 31, 2020. The 4-day decrease is due to accelerated payment agreements to take advantage of certain discount opportunities and strategies.

Fixed Assets. The Company invested Ps. 178.7 million during the three months ended March 31, 2021, primarily in construction and commissioning of the Company's new Industrial Cluster located in the State of Mexico.

Q1-2021
Net Debt to EBITDA ratio
 closed at **1.52x**

A total balance of
37,988,578 shares
 in the **Buyback Program**
 as of March 31, 2021

Net Financial Debt at the end of March 31, 2021 reflected a year on year decrease:

- **Cash and Equivalents** amounted to Ps. 1.82 billion as of March 31, 2021; a 33.1% increase as compared to March 31, 2020.
- **Gross Financial Debt** amounted to Ps. 6.33 billion as of March 31, 2021, compared to Ps. 6.18 billion as of March 31, 2020; a Ps. 152.1 million year on year increase. The Company's long-term debt represented 67.6% of gross financial debt at the end of the first quarter 2021.
- **Net Financial Debt** amounted to Ps. 4.51 billion as of March 31, 2021; a Ps. 302.1 million year on year decline.

Share Buyback Program. The Company repurchased a total of 1,322,786 shares during the three months ended March 31, 2021, representing an investment of approximately Ps. 27.5 million.

Free Cash Flow from Operations. Excluding investments made in the Company's new manufacturing facility, free cash flow for the three months ended March 31, 2021 would have reached Ps. 166.6 million. Cash allocation during the quarter, includes investments made related to the Company's new Industrial Cluster, as well as working capital investments to drive growth.

Key Financial Metrics

	Q1-2021
EBITDA / Interest Paid	7.0x
Net Debt / EBITDA	1.5x

COVID-19 Actions. To ensure that disruption is kept to a minimum, a number of important growth initiatives, based on Genomma's 4 key pillars, have been implemented since the beginning to mitigate the impacts of COVID-19 and maintain sustainable growth.

Social Responsibility. Genomma endorses its commitment to the environment by launching its new 2025 Sustainability Strategy "A Commitment to the Future", document aligned with the UN Sustainable Development Goals (SDGs).

CONFERENCE CALL Q1-2021

Thursday, April 29, 2021
at 11:00 a.m. ET /
10:00 a.m. CST

Jorge Luis Brake
CEO

Antonio Zamora
CFO

Enrique González
IRO

Webcast:

[Genomma's Q1'21 Earnings Call](#)

**To participate, please
dial-in:**

United States:
+1 877-407-0784

International:
+1 201-689-8560

Receive a Call:
[Call Me Link](#)

First Quarter 2021 Other Relevant Events

- [Genomma Lab Internacional presents its 2025 Sustainability Strategy "A commitment to the future"](#)
"This plan reflects Genomma's mid and long-term commitment to social and corporate governance, and to environmental stewardship."
- [Genomma Lab 2021 AGSM Proxy Documents \(click here\)](#)
Genomma Lab Internacional S.A.B. de C.V. Annual General Shareholders Meeting will take place on April 30, 2021

Additional Information

- [New Accounting Standards Impact \(April 29, 2019\)](#)
- [Genomma Lab Internacional 2019 Integrated Annual Report](#)
- [2019 Audited Results \(XBRL Format\)](#)

Sell-side Analyst Coverage

As of April 28, 2021 "LABB" is covered by 14 sell-side analysts at the following brokerages: Actinver Casa de Bolsa, Banco Itaú BBA, Barclays Bank, BBVA Bancomer, BTG Pactual US Capital, Credit Suisse Casa de Bolsa, GBM Grupo Bursátil Mexicano, Grupo Financiero Banorte, HSBC Securities (USA), Invex Grupo Financiero, J.P. Morgan Securities, Monex Grupo Financiero, UBS Casa de Bolsa y Vector Casa de Bolsa.

About

Genomma Lab Internacional, S.A.B. de C.V. is one of the leading pharmaceutical and personal care products companies in Mexico with an increasing international presence. 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. Genomma Lab relies on the combination of a successful new product development process, a consumer-oriented marketing, a broad retail distribution network and a low-cost, highly flexible operating model.

Genomma Lab's shares are listed on the Mexican Stock Exchange under the ticker "**LAB B**" (Bloomberg: **LABB:MM**).



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**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

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. Risks and uncertainties include, but are not limited to: risks related to the impact of the COVID19 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.

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GENOMMA LAB INTERNACIONAL, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF INCOME

For the three months ended March 31, 2021 and 2020

Thousands of Mexican pesos

	FIRST QUARTER			
	2021	% Sales	2020	% Sales
Net Sales	3,547,650	100.0%	3,334,536	100.0%
Cost of goods sold	1,367,183	38.5%	1,272,916	38.2%
Gross Profit	2,180,467	61.5%	2,061,620	61.8%
Selling, general and administrative expenses	1,454,712	41.0%	1,384,517	41.5%
Other (income) expense	1,078	0.1%	(1,251)	(0.0)%
EBITDA	724,677	20.4%	678,354	20.3%
Depreciation and amortization	37,902	1.0%	37,798	1.1%
Income from operations	686,775	19.4%	640,556	19.2%
Interest expense	(88,426)	(2.5)%	(129,301)	(3.9)%
Interest income	3,423	0.1%	5,500	0.2%
Foreign exchange result	23,333	0.7%	142,694	4.3%
Inflationary result from monetary position	(67,465)	(1.9)%	(93,133)	(2.8)%
Comprehensive financing income (cost)	(129,135)	(3.6)%	(74,240)	(2.2)%
Associated company	23,944	0.7%	13,389	0.4%
Income before income taxes	581,584	16.4%	579,705	17.4%
Income tax expense	262,166	7.4%	206,072	6.2%
Consolidated net income	319,418	9.0%	373,633	11.2%

GENOMMA LAB INTERNACIONAL, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of March 31, 2021 and 2020 and December 31, 2020

<i>Thousands of Mexican pesos</i>	As of March 31,	As of December 31,
	2021	2020
ASSETS		
CURRENT ASSETS		
Cash and equivalents and restricted fund	1,824,276	1,370,093
Clients - Net	4,175,509	4,097,748
Recoverable Taxes	1,699,342	1,527,950
Other accounts receivable*	1,629,147	1,343,610
Inventory - Net	2,336,398	2,073,425
Prepaid expenses	666,882	863,667
Total current assets	12,331,554	11,276,493
Non-current assets		
Trademarks	4,884,118	4,937,800
Investment in shares	1,724,934	1,613,417
Building, properties and equipment – Net	2,955,014	2,273,139
Deferred income tax, assets and others	707,149	754,776
Assets by right of use	51,401	50,822
Total non-current assets	10,322,616	9,629,954
TOTAL ASSETS	22,654,170	20,906,447
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Short-term debt and Current portion of long-term debt	2,048,127	1,952,456
Suppliers	1,972,666	1,714,008
Other current liabilities	2,614,629	2,601,460
Income tax payable	353,283	331,150
Liabilities from short-term leases	33,222	15,243
Total current liabilities	7,021,927	6,614,317
Non-current liabilities		
Long-term debt securities	2,485,977	2,441,044
Long-term loans with financial institutions	1,795,756	1,784,307
Deferred income tax and other long term liabilities	670,293	543,822
Payable dividends to shareholders	800,000	800,000
Liabilities from long-term leases	19,469	39,507
Total liabilities	12,793,422	12,222,997
Stockholders' equity		
Contributed Capital	1,912,967	1,914,306
Retained earnings	9,114,470	7,973,563
Cumulative translation effects of foreign subsidiaries	(6,367)	196,608
Repurchased shares - Net	(1,160,322)	(1,401,027)
Total stockholders' equity	9,860,748	8,683,450
TOTAL EQUITY AND LIABILITIES	22,654,170	20,906,447

*Includes warranty deposits, deferred income tax, investment projects, software and sanitary registries

GENOMMA LAB INTERNACIONAL, S.A.B. DE C.V. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months ended March 31, 2021

<i>Thousands of Mexican pesos</i>	1Q-2021
<i>Cash and cash equivalents beginning of period</i>	2,103,870
<i>Consolidated Net Income</i>	319,418
<i>Charges to results with no cash flow:</i>	
Depreciation and amortization	39,312
Income tax	262,166
Accrued interest and others	126,765
	747,661
<i>Changes in Working Capital:</i>	
Clients - Net	(150,168)
Recoverable VAT	(29,697)
Inventories	(293,289)
Suppliers	334,281
Other current assets	(97,372)
Paid income tax	(273,333)
Other current liabilities	(70,817)
	(580,395)
<i>Net cash generated (used) in operating activities</i>	167,266
<i>Investing activities:</i>	
Investment in fixed assets	(179,331)
Sales of equipment	(16,286)
Interest collected	3,399
<i>Net cash generated (used) in investing activities</i>	(192,218)
<i>Financing activities:</i>	
Payments of borrowings with financial institutions	(882,064)
Loans with financial and securities institutions	800,000
Interest paid	(80,156)
Stock repurchase	(27,475)
Sale of repurchased shares	-
Payment of liabilities for lease	(17,103)
<i>Net cash used in financing activities</i>	(206,798)
<i>Net increase in cash and cash equivalents before foreign exchange adjustments coming from international operations and inflationary affects cash</i>	(231,750)
Foreign exchange and inflationary effects from international operations	(47,844)
<i>Accumulated cash flow at the end of the period</i>	1,824,276
Less - restricted fund	44,456
<i>Cash and cash equivalents at end of period balance for operation</i>	1,779,820