

HIGHLIGHTS

Q2-2023 Sales increased by
Ps. 46.9 million;
+1.1% year-on-year

Q2-2023 EBITDA
closed at
Ps. 920.1 million;
a **+3.2%** increase
year-on-year

Cash & Equivalents
closed at
Ps. 1.37 billion
as of June 30, 2023

Q2-2023 Net Debt to EBITDA
ratio closed at **1.40x;**
The Company successfully
refinanced its Long-term Debt
(Local Bonds of
3 & 4 year maturities)

Capex Investments for
the six months ended
June 30, 2023 reached
Ps. 80.7 million.

Genomma Lab Internacional Reports Second Quarter 2023 Results

Mexico City, July 26, 2023 – **Genomma Lab Internacional, S.A.B. de C.V. (BMV: LAB B)** (“Genomma Lab” or “the Company”), today announced its results for the second quarter ended June 30, 2023. 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. The margin for each figure represents its ratio to net sales and the percentage change in the second quarter 2023 as compared with the same period in 2022. As stated in Genomma’s First Quarter 2023 results press release, **the Company presents “like-for-like” top-line growth (excluding Argentina) to illustrate Genomma’s performance in constant currencies:**

	Q2 2023	% Sales	Q2 2022	% Sales	Like-for-like	Var. %
Net Sales	4,370.5	100%	4,323.6	100%	+17.4%⁽²⁾	+1.1%
Gross Profit	2,664.8	61.0%	2,613.0	60.4%		+2.0%
Operating Income	871.1	19.9%	839.8	19.4%		+3.7%
EBITDA⁽¹⁾	920.1	21.1%	892.0	20.6%		+3.2%
Net Income	417.4	9.6%	404.7	9.4%		+3.1%

1) EBITDA defined as operating income before depreciation and amortization

2) Like For Like currency (excluding Argentina)

Comments from the CEO

Mr. Marco Sparvieri, Genomma Lab’s Chief Executive Officer, commented:

“In Q2 2023, GLI experienced another strong quarter with a year-on-year increase of +17.4% in the top line (like for like currency, excluding Argentina). In MXN, the year-on-year growth was +1.1%, impacted by the appreciation of the Mexican Peso and a devaluation of 23% in Argentina. When excluding the effect of Argentina’s devaluation, the top line saw a notable growth of +9.7% in MXN. The EBITDA margin reached 21.1%, a positive increase of 0.5 percentage points compared to the previous year. Our Cash Conversion Cycle (CCC) improved, with 95 days (-5 days compared to the previous year).”

We are also making substantial progress towards our productivity target of delivering Ps. 1,800 million by 2027. In April '23, we successfully commissioned a new Suerox[®] line, resulting in annual COGS savings of Ps. 63.6 million and an increased manufacturing capacity of +96 million bottles per year. A national bidding process with our label suppliers concluded, delivering annual savings of Ps. 25 million. In total, our productivity projects have generated 216 MM in annual savings year-to-date.”

KEY DATA

% Sales by Segment:



New flavor
launched in
Mexico



Product innovation
for
Tio Nacho®

Business Review

The following updates were relevant to Genomma strategic priorities in the context of continued volatility of the various currencies within those markets where Genomma operates, provided as follows: 1) “like-for-like” top-line growth (excluding Argentina) to illustrate the Company’s performance in constant currency terms; and 2) consolidated top-line growth as expressed in Mexican Pesos.

Core Brands: Product Innovation and Portfolio Optimization

Our top markets demonstrated robust growth, with **74% of our business surpassing local inflation rates**. Mexico reported a growth of +19%, USA +23%, LatAm +8.1% in a like-for-like basis. In terms of brands, our strategic focus on core brands continues to yield positive results, with **61% of our business gaining market share in their respective categories**. Suerox® experienced a remarkable growth of +32% in like for like currency, excluding Argentina, followed by Tio Nacho® with +21%, Groomen® with +55%, Novamil® with +18%, Cough & Cold with +41%, Gastro with +16%, and Analgesics with +43%. However, challenges remain with Cicatricure® (-3%) and Asepxia® (-25%), which continue to require our attention.

Strong Sales Performance within Core Categories

Suerox®: a +32% increase^{*1}/+30%^{2**} year on year sales increase. We are thrilled to report that Suerox® had another exceptional quarter. The brand's performance in Mexico was particularly outstanding, achieving record high sell out of +44% in June, growing share, year on year. In Chile, the brand continued to excel, reaching an all-time high market share of 18.8%. The US market witnessed a remarkable year on year sell out increase of +67%. Suerox's expansion into Peru, Brazil, Center America, and Argentina has also been ahead of initial forecasts, with these markets performing exceptionally well.

Hair Care: Tío Nacho® sales increased by +21%^{*1}/ +3%^{**2} year on year. The brand's growth can be attributed to the successful launch of "anti-canas" and the introduction of the 950ml size. Tío Nacho® has demonstrated robust growth across all markets, with Colombia up by 31%, Mexico by 34% and Brazil by 23%. Additionally, Chile reported a record high market share of 7.3% for the brand in June.

Blades & Razors: sales increased by +55%^{*1}/ +46%^{**2}. In June, the brand reached a record high market share of 7.8% in Chile, indicating strong market acceptance and showcasing our product superiority and effective communication strategy vis-à-vis the

¹ * Like-for-like (Constant Currency, excluding Argentina)

² ** Consolidated sales growth in Mexican pesos



*Points of Sale

largest competitor in the category. The launch of Groomen® in Colombia was also successful, with a +7 percentage point increase in market share within the largest retail chain, “Grupo Éxito”. Mexico witnessed a strong quarter with a growth of +23% year on year, driven by the launch of disposables.

Cough & Cold: sales increased by +41%*/ +22%** year on year achieving a record high market share for this category in nearly all markets where Genomma has a presence due to continued innovation and effective in-store execution during the winter season in the Southern Cone Cluster.

Gastro: second quarter sales increased by +16%*/ +10%** year on year, adversely impacted by a delay in the registration of the new molecules required to introduce new SKUs within Latin America. Genomma is actively addressing this issue to improve its gastro market position.

Infant Nutrition: sales increased by +18%*/ +18%** year on year, with robust growth across all core SKUs and an increased market share within their respective segments, notably a 6.5 percentage point increase in Novamil® Rice.

Analgesics (excluding Argentina): grew +43%*/ +32%** year on year. This growth can be attributed to several factors, including the success of X-Ray® in Colombia, which achieved a record high market share of 8.7% and secured the #3 position in the category. Our expansion into Chile and Ecuador yielded positive results, with sales increasing by +224%* and +120%* year on year, respectively. In Mexico, the turnaround plan implemented for Q2 in Allivix® drove a top-line growth of +39%** , supported by Allitriple®, with sales up +61%** year on year.

Hot Spots

Skin Care: Cicatricure® faced a slight decline of -3%*/ -18%** year on year. The brand's performance was impacted by the delayed launch of new line extensions due to fill-rate issues. Teatrical® also declined by -14%*/ -23%** year on year, primarily due to fill-rate challenges. Asepxia® faced a decline of -11%/-37% year on year, despite implementing a turnaround plan during second quarter 2023.

Productivity in Manufacturing & within the Supply Chain

We are pleased to report significant progress in our productivity initiatives. In February 2023, we committed to achieving a total of Ps. 1,800 million in productivity savings by 2027. Year-to-date, our productivity efforts have yielded a total of Ps. 216 million in annual savings. Our San Cayetano plant is progressing in line with our expectations.

During Q2, we successfully commissioned a new Suerox[®] line, leading to a significant improvement in our manufacturing capacity by an additional +96 MM bottles/year. This expansion has also contributed to a reduction of Ps. 63 million in Suerox's COGS, resulting in substantial annual savings. In Q2, we concluded a project focused on optimizing our product labels, which has resulted in a remarkable cost reduction of -55%, translating to annual savings of Ps. 25 million. By consolidating our label production to only two suppliers from the previous 18, we have significantly reduced complexity and costs associated with this aspect of our operations.

Sustainability and Corporate Culture

Genomma Lab's ESG rating within the **MSCI ESG Index** was **upgraded during the quarter to 'BBB'** from 'BB', relative to the pharmaceutical industry. This represents Genomma's **second rating increase** in the past three years. MSCI is a leading provider of critical decision support tools and services for the global investment community.



Second rating improvement in the past 3 years

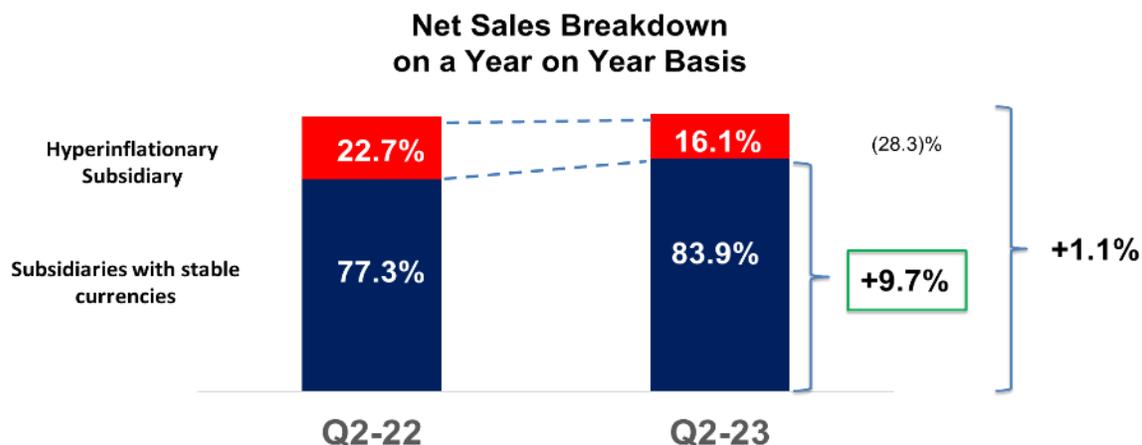
Second Quarter of 2023 Reported Results, in MXN

Consolidated Results

Second quarter 2023 Net Sales reached Ps. 4.37 billion; a +1.1% year on year increase representing the Company's eighteenth consecutive quarter of sales growth despite continued macroeconomic adversity and the strengthening of the Mexican Peso relative to the U.S. dollar.

Second quarter 2023 EBITDA margin reached 21.1%; a +3.2%, or +50 bps, year on year margin increase primarily attributed to a favorable product mix and strong cost and expense controls. FX headwinds from a stronger Mexican Peso and Argentina hyperinflationary accounting effects adversely impacted the year-over-year comparison of Company's profitability.

Genomma provides a breakdown of its second quarter 2023 top-line performance below, to provide context on the contribution of Genomma's Hyperinflationary Subsidiary relative to the Company's consolidated top-line results.



Excluding Genomma’s Hyperinflationary Subsidiary, consolidated total sales would have increased by 9.7% year-on-year when expressed in Mexican Pesos.

The application of IFRS-21 and IFRS-29 rules results in a negative net effect on the second quarter 2023 when adding inflation during the quarter to the cumulative Q1-Q2 Argentina figures when translated applying FX rate depreciation at the close of the quarter.

Please refer to Genomma’s press release "[Impact to the Company’s financials from the adoption of new Accounting Standards \(April 29, 2018\)](#)”

MEXICO

Sales in MXN: 2.08 billion
EBITDA Margin: 18.7%

Mexico

Second quarter 2023 Mexico sales increased by +19.4% year on year, to close at 2.08 billion pesos. The successful execution of the **Company’s strategy based on core brand** line extensions and strong core brand sales resulted in: a **+19%** year on year increase in **Suerox®**; **+88%** year on year increase in **XL3®**; **+35%** year on year increase in **Tio Nacho®**; **+31%** year on year increase in **Tukol®** and a **+35%** year on year increase in **Alliviax®**.

EBITDA margin for the quarter closed at 19.4%; a 70 bps year on year contraction. Margin contraction was attributed to a one-time cost related to the Company’s transition from third party manufacturers into its own manufacturing facility.

U.S.

Sales in MXN: 391.2 million
EBITDA Margin: 6.5%

 **USD* (11.7%)**

*Average Exchange rate
Q2-2022 vs. Q2-2023.

LATIN AMERICA

Sales in MXN: 1.90 billion
EBITDA Margin: 25.8%

Local Currency expressed in MXN*

	ARS** (58.4%)
	COP* (21.7%)
	PYG* (16.1%)
	BRL* (12.3%)
	USD* (11.7%)
	PEN* (10.8%)
	CLP* (7.1%)
	UYU* (7.4%)

*Average Exchange rate Q2-2022 vs. Q2-2023.
**Exchange rate for the ARS/MXN at the end of each Quarter.

U.S.

U.S. net sales reflected a double-digit increase when expressed in local currency, or +8.4% in Mexican Pesos, to reach Ps. 391.2 million. Sales growth was supported by a strong core brand focus, supermarket channel expansion in Puerto Rico, a strong in-store presence and improved sales in California. Top-line growth was offset by the continued strength of the Mexican Peso, which appreciated 11.7% year on year relative to the U.S. Dollar.

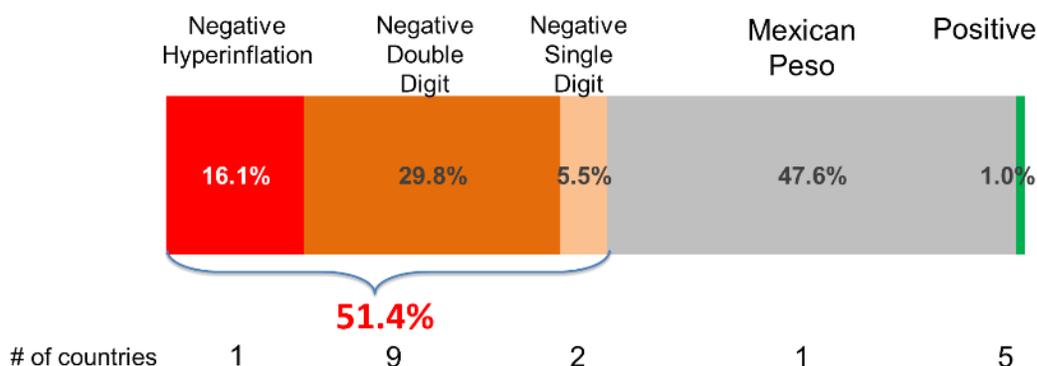
Second quarter 2023 U.S. EBITDA margin closed at 6.5%; a slight expansion attributable to a favorable product mix effect. This was offset by FX headwinds from a stronger Mexican Peso resulting in an increase in the cost of goods sold, as well as additional investments in TV, outdoor media, features and displays to boost sales.

Latin America

Second quarter 2023 net sales reached Ps. 1.90 billion, driven by solid double-digit growth in most of the categories and countries where the Company operates and when expressed in local currency terms. However, Argentina hyperinflationary accounting effects, the strengthening of the Mexican Peso, and an unfavorable comparison relative to 2022 resulted in a 14.5% year on year decrease. The introduction of Suerox® in Brazil, Argentina, Central America and Peru, as well as outstanding performance of core brands, offset Genomma's negative results for this region.

FX depreciation represented Genomma's most challenging headwind: 51.4% of Genomma's top-line financials were materially impacted when converted into Mexican Pesos.

Consolidated Sales classified by relative FX depreciation vs MXN, year-on-year



Latin America EBITDA margin closed at 25.8%; a +230 bps year on year margin increase primarily attributed to strong cost and expense control and a favorable sales mix effect. This was partially offset by raw materials price increases and local currency depreciation.

New Industrial Complex



Body Cream Manufacturing Line (Personal Care Manufacturing Plant)

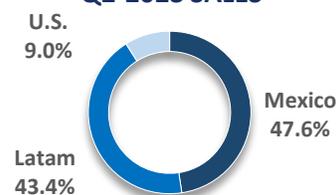


Solid Product Manufacturing Line (OTC Manufacturing Plant)



Semi-Solid Product Manufacturing Line (OTC Manufacturing Plant)

Q2-2023 SALES



*Percentage of Consolidated Sales by Region for Q2-2023.

Sales by Category & Region

(Figures in millions of Mexican Pesos)

	Over-the-counter (OTC)			Personal Care			Total		
	Q2'23	Q2'22	% Var.	Q2'23	Q2'22	% Var.	Q2'23	Q2'22	% Var.
Mexico	1,011.8	796.9	+27.0%	1,069.5	945.6	+13.1%	2,081.3	1,742.5	+19.4%
LatAm	1,002.0	1,384.2	(27.6)%	895.9	836.1	+7.2%	1,897.9	2,220.3	(14.5)%
U.S.	207.7	190.2	+9.2%	183.5	170.6	+7.6%	391.2	360.8	+8.4%
Total	2,221.5	2,371.3	(6.3)%	2,148.9	1,952.3	+10.1%	4,370.4	4,323.6	+1.1%

Other Income Statement Results for the Second Quarter 2023

Gross Profit increased by +2.0% year on year, to Ps. 2.66 billion, compared to Ps. 2.61 billion. Gross margin increased by 60 bps year on year to close at 61.0%, primarily due to a positive product mix effect, positive COGs savings related to the Company's Industrial Complex and productivity efficiency strategies executed during the first six months of 2023.

Selling, General, Marketing and Administrative Expenses increased as a percentage of sales, to 41.1% for the second quarter of 2023 from 39.8% for the previous year, primarily due to investments in communication and digital initiatives to increase sales.

Other income (other expenses). The Company reported Ps. 51.0 million in other income driven by certain initiatives which Genomma is currently assessing for eventual future integration within the Company's organic business.

Non-Operating Result for the Second Quarter 2023

Comprehensive Financing Result represented a Ps. 292.9 million expense for the second quarter of 2023, compared to a Ps. 198.6 million second quarter 2022 expense. The Ps. 94.3 million increase is due to a Ps. 125.6 million year on year net increase in Foreign Exchange Loss and a Ps. 95.1 million increase in financial interest expense driven by a significantly higher TIIE rate. These effects were offset by: i) a Ps. 94.0 million increase in the Company's monetary position within its inflationary subsidiary; and ii) a Ps. 32.5 million year on year net increase in financial interest gains.

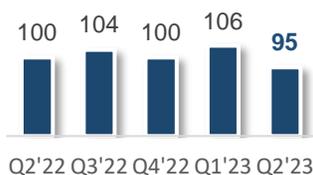
Income Tax Expense for the second quarter 2023 reached Ps. 157.4 million as compared to Ps. 208.9 million for second quarter 2022; a 25% decrease year on year.

Net Income reached Ps. 417.4 million; a Ps. 12.6 million year on year increase. This Net income increase is primarily due to the lower effective tax rate reported during the

Days of Accounts Receivable (DSO)

	2Q22	1Q23	2Q23
Mexico	136	123	134
LatAm	79	77	74
U.S.	73	51	60
Consolidated	102	94	96

Cash Conversion Cycle (Days)



Q2-2023
Net Debt to EBITDA ratio
closed at **1.40x**

second quarter 2023. Net income was therefore offset due to increased all-in cost of financing resulting from FX losses accounted during the quarter.

Financial Position

Working Capital was adjusted during the second quarter 2023 and the cash conversion cycle ended at 95 days; a 11-day decrease when compared to the end of March 2023:

- **Accounts Receivable** amounted to Ps. 4.54 billion as of June 30, 2023. Days of consolidated accounts receivable amounted to 96; a 2-day increase when compared to the end of March 2023.
- **Inventories** closed at Ps. 2.22 billion as of June 30, 2023. Days of Inventories amounted to 118; a 6-day decrease when compared to the end of March 2023.
- **Trade Payables** amounted to Ps. 1.88 billion as of June 30, 2023. Days Payable Outstanding (DPO) increased to 128 days, from 113 days on March 31, 2022.

Fixed Assets. The Company invested Ps. 28.8 million in fixed assets during the three months ended June 30, 2023.

Recoverable Taxes. This position is comprised of claims against the Mexican tax authorities primarily related to VAT (IVA) and income taxes and has increased by Ps. 132.5 million over the last twelve months.

Net Financial Debt at the end of June 30, 2023 reflected a year on year increase:

- **Cash and Equivalents** amounted to Ps. 1.37 billion as of June 30, 2023; a 5.4% year on year increase.
- **Gross Financial Debt** amounted to Ps. 6.27 billion as of June 30, 2023, compared to Ps. 5.45 billion as of June 30, 2022. The Company's long-term debt represented 59.5% of gross financial debt at the end of Q2-2023.
- **Net Financial Debt** amounted to Ps. 4.90 billion as of June 30, 2023.

Debt Refinancing. Genomma strengthened its financial debt maturity profile and optimized the average liabilities duration during the second quarter 2023.

- The Company issued Ps. 1.50 billion in Mexican corporate bonds (CEBUR), "LAB 23" & "LAB 23-2", on April 4, 2023. The transaction was 2.4 times oversubscribed and allocated among a diversified investor base.
- The Company also issued an additional Ps. 1.1 billion to its LAB 23-2 CEBUR on April 18, 2023, which was also 1.83 times oversubscribed.
- Proceeds from the Company's "LAB 23" & "LAB 23-2" unsecured local bonds were used to prepay the total amortization for its "LAB 20" unsecured local bond, on April 28, 2023, adding the accrued interest to the principal.

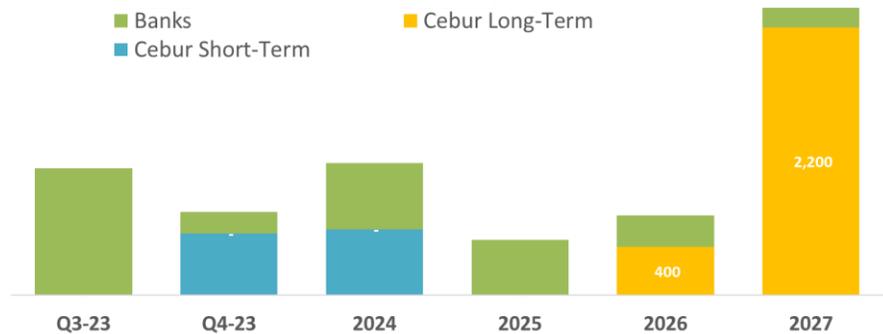
(Millions of MXN)

Gross Debt Structure as of March 31, 2023



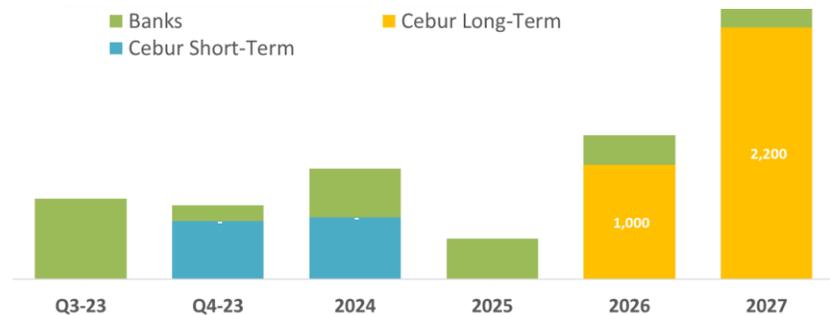
(Millions of MXN)

Gross Debt Structure as of June 30, 2023



(Millions of MXN)

Gross Debt Structure after Banks Debt prepayment



After second quarter's end the Company issued an additional Ps. 600 million to its LAB 23 CEBUR on July 20, 2023, also 1.34 times oversubscribed. The use of proceeds will be used to prepay debt with institutional banks, strengthening the Company's financial debt maturity profile and reducing the average yield (TIIE + spread) paid.

Dividends. Genomma paid a cash dividend to shareholders on June 7, 2023 in the amount of \$0.196080 Mexican pesos per share on its common stock, representing a total of Ps. 200 million.

Subject to the terms and conditions established at its April 28, 2023 Annual General Shareholder's Meeting (AGSM), Genomma intends to pay dividends on a **quarterly basis.**

Cancelling Shares. Genomma's shareholders approved at its April 28, 2023 AGSM the cancellation of 28,000,000 of Genomma's Series "B" common nominative shares, without expression of par value and representative of Genomma's variable capital which was in the Company's possession after repurchase.

Share Buyback Program. Genomma repurchased a total of 4,483,126 shares during the three months ended June 30, 2023, representing an approximately Ps. 67.4 million investment.

Free Cash Flow from Operations. Excluding investments made in the Company's new manufacturing facility, free cash flow for the six months ended June 30, 2023 would have reached Ps. 723.2 million. The majority of cash flow generated year to date has been directed towards the Company's ongoing debt repayment, the previously mentioned dividend payment and to increase its Share Buyback Program activities.

Key Financial Metrics

	Q2-2023
EBITDA / Interest Paid	5.0x
Net Debt / EBITDA	1.4x

CONFERENCE CALL Q2-2023

Thursday, July 27, 2023
at 1:00 p.m. ET /
11:00 a.m. Mexico City Time

Marco Sparvieri
CEO

Antonio Zamora
CFO

Register to Webcast:

[Genomma's Q2'23 Earnings Call](#)

Second Quarter 2023 Other Relevant Events

- [Genomma Lab Internacional Announces Fourth Dividend Payment representing a Total Amount of 200 Million Pesos](#)
Genomma Lab Internacional declared a cash dividend of \$ 200 million pesos payable to shareholders of record at the close of business on June 7th, 2023.
- [Genomma Lab Internacional Informs Total Prepayment of "LAB 20" Unsecured Local Bond \(CEBUR\)](#)

Additional Information

- [Impact to the Company's financials from the adoption of new Accounting Standards](#)
- [Application of IAS-36 and IFR-13 \(PIR\) effect on the "investment of shares" of the non-controlling investment in Marzam](#)

Sell-side Analyst Coverage

As of July 26, 2023 "LABB" is covered by 11 sell-side analysts at the following brokerages: Actinver Casa de Bolsa, Banco Itaú BBA, Barclays Bank, BBVA Bancomer, BTG Pactual US Capital, GBM Grupo Bursátil Mexicano, Grupo Financiero Banorte, 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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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.

Contact Information:

Daniel Suárez, Investor Relations
Tel: +52 (55) 5081-0075
investor.relations@genommalab.com

Barbara Cano, InspiR Group
Tel: +1 (646) 452-2334
barbara@inspirgroup.com

GENOMMA LAB INTERNACIONAL, S.A.B. DE C.V. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME

For the three and six months ended June 30, 2023 and 2022

Thousands of Mexican pesos

	SECOND QUARTER				ACCUMULATED			
	2023	% Sales	2022	% Sales	2023	% Sales	2022	% Sales
Net Sales	4,370,506	100.0%	4,323,637	100.0%	8,548,734	100.0%	8,338,446	100.0%
Cost of goods sold	1,705,706	39.0%	1,710,618	39.6%	3,320,202	38.8%	3,212,273	38.5%
Gross Profit	2,664,800	61.0%	2,613,019	60.4%	5,228,532	61.2%	5,126,173	61.5%
Selling, general and administrative expenses	1,795,646	41.1%	1,722,558	39.8%	3,540,530	41.4%	3,470,364	41.6%
Other (income) expense	(50,998)	(1.2)%	(1,520)	(0.0)%	(99,498)	(1.2)%	(62,783)	(0.8)%
EBITDA	920,152	21.1%	891,981	20.6%	1,787,500	20.9%	1,718,592	20.6%
Depreciation and amortization	49,086	1.1%	52,162	1.2%	112,630	1.3%	103,568	1.2%
Income from operations	871,066	19.9%	839,819	19.4%	1,674,870	19.6%	1,615,024	19.4%
Interest expense	(221,442)	(5.1)%	(126,313)	(2.9)%	(403,444)	(4.7)%	(226,472)	(2.7)%
Interest income	62,997	1.4%	30,540	0.7%	97,882	1.1%	40,279	0.5%
Foreign exchange result	(154,088)	(3.5)%	(28,483)	(0.7)%	(283,488)	(3.3)%	(54,457)	(0.7)%
Inflationary result from monetary position	19,673	0.5%	(74,330)	(1.7)%	(3,940)	(0.0)%	(206,611)	(2.5)%
Comprehensive financing income (cost)	(292,860)	(6.7)%	(198,586)	(4.6)%	(592,990)	(6.9)%	(447,261)	(5.4)%
Associated company	(3,355)	(0.1)%	(27,613)	(0.6)%	(15,774)	(0.2)%	(55,340)	(0.7)%
Income before income taxes	574,851	13.2%	613,620	14.2%	1,066,106	12.5%	1,112,423	13.3%
Income tax expense	157,454	3.6%	208,873	4.8%	290,704	3.4%	368,490	4.4%
Consolidated net income	417,397	9.6%	404,747	9.4%	775,402	9.1%	743,933	8.9%

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

As of June 30, 2023 and 2022 and December 31, 2022

<i>Thousands of Mexican pesos</i>	As of		As of
	June 30,	2022	December 31,
	2023	2022	2022
ASSETS			
Current assets			
Cash and equivalents and restricted fund	1,369,610	1,299,392	1,503,871
Clients - Net	4,538,830	4,654,087	4,270,528
Recoverable Taxes	1,564,023	1,431,546	1,625,167
Other accounts receivable*	933,262	963,493	868,468
Inventory - Net	2,215,218	2,517,158	2,397,039
Prepaid expenses	905,409	938,171	647,171
Total current assets	11,526,352	11,803,847	11,312,244
Non-current assets			
Trademarks	5,119,159	5,017,837	4,976,690
Investment in shares	759,657	697,339	787,752
Building, properties and equipment – Net	3,397,801	3,417,004	3,546,846
Deferred income tax, assets and others	824,898	1,021,603	937,223
Assets by right of use	51,968	56,622	45,775
Total non-current assets	10,153,483	10,210,405	10,294,286
TOTAL ASSETS	21,679,835	22,014,252	21,606,530
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities			
Short-term debt and Current portion of long-term debt	2,542,792	1,859,786	4,826,146
Suppliers	1,876,672	1,977,589	1,790,380
Other current liabilities	2,197,437	2,919,097	2,458,567
Income tax payable	364,899	304,358	281,350
Total current liabilities	6,981,800	7,060,830	9,356,443
Non-current liabilities			
Long-term debt securities	2,581,425	2,493,332	-
Long-term loans with financial institutions	1,148,386	1,094,453	1,551,515
Deferred income tax and other long term liabilities	477,546	571,903	515,491
Payable dividends to shareholders	30,581	15,667	30,581
Total liabilities	11,219,738	11,236,185	11,454,030
Stockholders' equity			
Contributed Capital	1,912,967	1,912,967	1,912,967
Retained earnings	10,478,421	10,164,335	10,045,828
Cumulative translation effects of foreign subsidiaries	(97,536)	(105,287)	(70,757)
Repurchased shares - Net	(1,836,093)	(1,196,286)	(1,737,876)
Fair value through profit OCI	2,338	2,338	2,338
Total stockholders' equity	10,460,097	10,778,067	10,152,500
TOTAL EQUITY AND LIABILITIES	21,679,835	22,014,252	21,606,530

*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 June 30, 2023

<i>Thousands of Mexican pesos</i>	Q2-2023
<i>Cash and cash equivalents beginning of period</i>	1,249,044
<i>Consolidated Net Income</i>	417,397
<i>Charges to results with no cash flow:</i>	
Depreciation and amortization	61,187
Income tax	157,454
Accrued interest and others	84,355
	720,393
<i>Changes in Working Capital:</i>	
Clients - Net	(221,203)
Recoverable VAT	39,127
Inventories	(34,475)
Suppliers	332,339
Other current assets	(26,621)
Paid income tax	(232,718)
Other current liabilities	(129,136)
	(272,687)
<i>Net cash generated (used) in operating activities</i>	447,706
<i>Investing activities:</i>	
Investment in fixed assets	(45,599)
Sales of equipment	5,817
Interest collected	(2,358)
Other asset acquisitions	62,980
<i>Net cash generated (used) in investing activities</i>	20,840
<i>Financing activities:</i>	
Payments of borrowings with financial institutions	(3,132,521)
Loans with financial and securities institutions	3,329,623
Interest paid	(217,084)
Stock repurchase	(403,345)
Sale of repurchased shares	336,644
Payment of liabilities for lease	(10,590)
Dividends paid to shareholders	(194,480)
<i>Net cash used in financing activities</i>	(291,753)
<i>Net increase in cash and cash equivalents before foreign exchange adjustments coming from international operations and inflationary affects cash</i>	176,793
Foreign exchange and inflationary effects from international operations	(56,227)
<i>Accumulated cash flow at the end of the period</i>	1,369,610
Less - restricted fund	(12,425)
<i>Cash and cash equivalents at end of period balance for operation</i>	1,382,035