



***Genomma Lab.®***  
***Internacional***



***Genomma Lab.***®  
***Internacional***



# **INVESTOR RELATIONS**

## **CORPORATE PRESENTATION**

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.

# Content

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Who We Are: Our Footprint

2

4-year Profit & Growth Strategy

3

Unleashing Shareholder Value

4

Financial Review





**Genomma Lab<sup>®</sup>**  
*Internacional*

## **\* New High-Growth Strategy**

- **Leading Pharmaceutical and Personal Care Company**

- Consistent base growth
- Best-in-Class Go-To-market
- Superior Brand Value (Methodology, Quality, Communications, Accesibility)



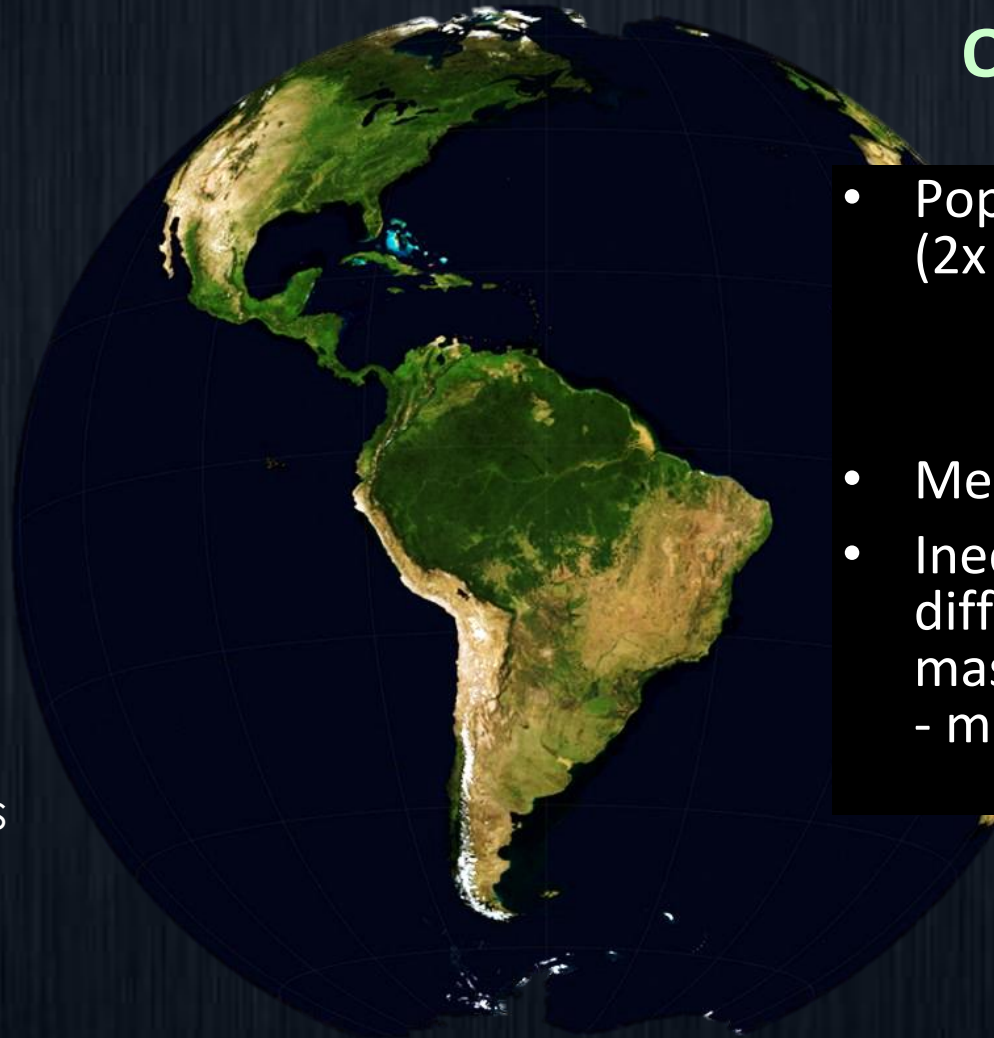
- **“The ideal Partner for Latin America and the U.S. Hispanic Market”**

- Europe : United Pharmaceuticals
- U.S. : Edgewell
- Japan : Rohto
- Israel : Oramed
- Assessing selected **high-ROIC** potential partnerships focused in
  - 1) Aging population
  - 2) Gen Y and Z markets
  - 3) Climate and sustainability positive impact
  - 4) Technology leveraging our capabilities

# Footprint : Latin America

## CHALLENGES

- General economy stagnation
- Political instability
- Employment & Livelihood crisis
- Increment in illicit economic activity
- Countries recessions



## OPPORTUNITIES

- Population + **663** million (2x USA)
  - GDP per capita 0.2 x USA
  - Total GDP = 0.4x USA
- Median Age : **31** years
- Inequality translates into different **consumer categories** - mass market - masstige

# Genomma's Solid Base Business

## Double Digit Growth

**50% of all Categories**  
despite macroeconomic  
and supply chain  
headwinds



## Single Digit Growth

3 out of 14 categories

Infant Formula  
impacted by Palm Oil  
Contingency

Anti-acne, Cosmetics &  
Skin Care categories  
impacted by lockdowns

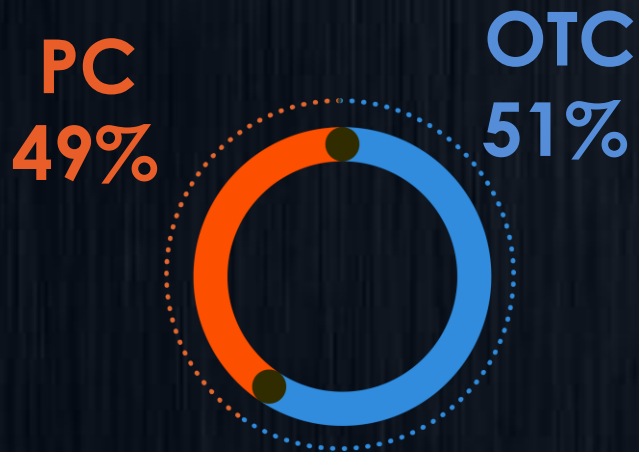
Net sales growth (Full Year 2022 vs Full Year 2021)



# Genomma Lab Internacional : Base Business

- Genomma develops, manufactures and markets a broad range of **premium branded products**, many of which are leaders in their categories

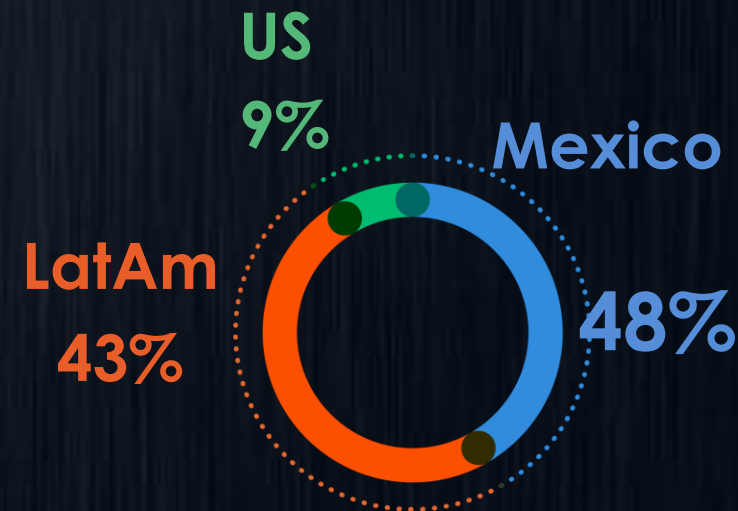
## SEGMENT



## MEGA-BRANDS



## GEOGRAPHY



# Over The Counter Products (OTC): 50.8% Of Total Sales\*



**Pain Relief**



**Cough & Cold**



**Gastro & Anti-Hemorrhoids**



**Anti-mycotics & Sexual Health**



**Isotonic beverages**



**Anti-Flu**



# Personal Care Products (PC): 49.2% Of Total Sales\*



**Specialized Hair Care**



**Skin Care**



**Beauty Care**



**Shampoo**



**Anti-Acne & Cosmetics**





Antibacterial



Male Care & Grooming



Infant Nutrition

# Proven International Business Model



## INTERNATIONAL

## MEXICO



US dollar:

**9.0%**

Other currencies:

**43.4%**

1. Brazilian Real
2. Colombian Peso
3. Chilean Peso
4. Peruvian Sol
5. Argentine Peso
6. Uruguayan Peso
7. Paraguayan Guarani

Mexican peso

# Genomma Lab Internacional in Summary



Asepxia, Cicatricure, Suerox, Tio Nacho, Tafirol, Novamil, Groomen, Goicoechea, XL-3, Alliviax, Nizkon, QG-5, Lomecan, Unesia, Sistema GB, Teatrical, DiabeTX, Vanart

As of August, 2023

# Content

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## PURPOSE:

Empower people to have  
amazing health and wellness



## VISION:

A leading company in the  
categories in which  
we compete

### NET SALES

+1.0bn USD

### EBITDA

25%

### CCC

50 days

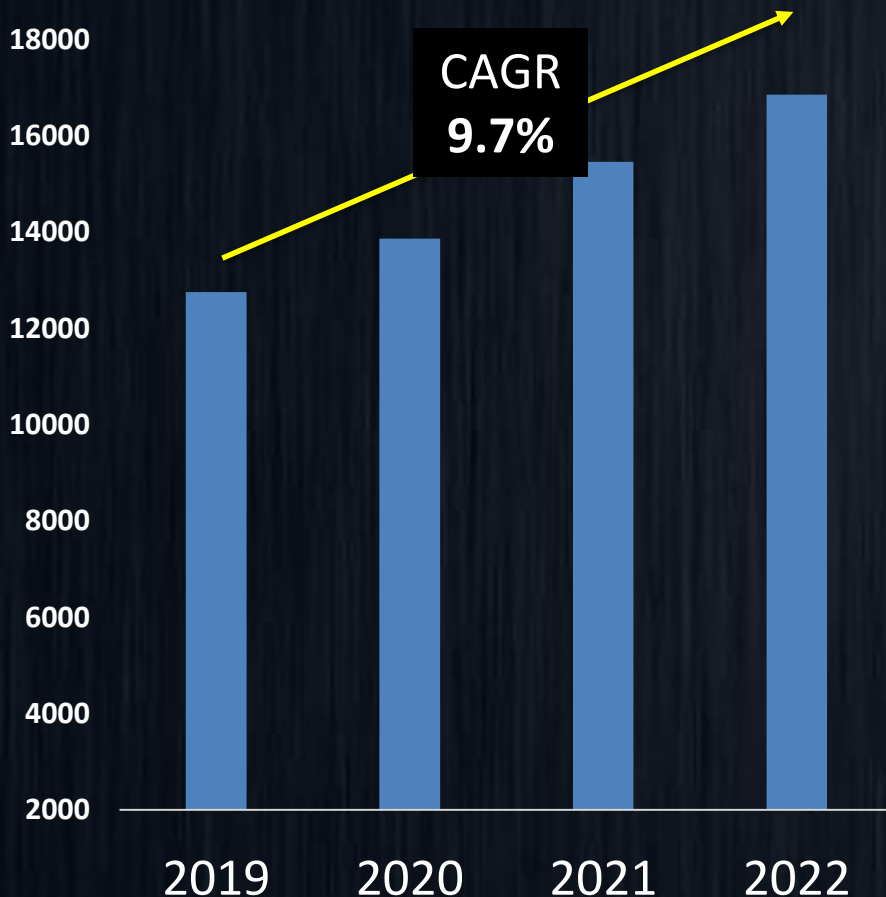


# Evolution of Growth Strategy

## 4-year trend : consistent Sales and Profit growth

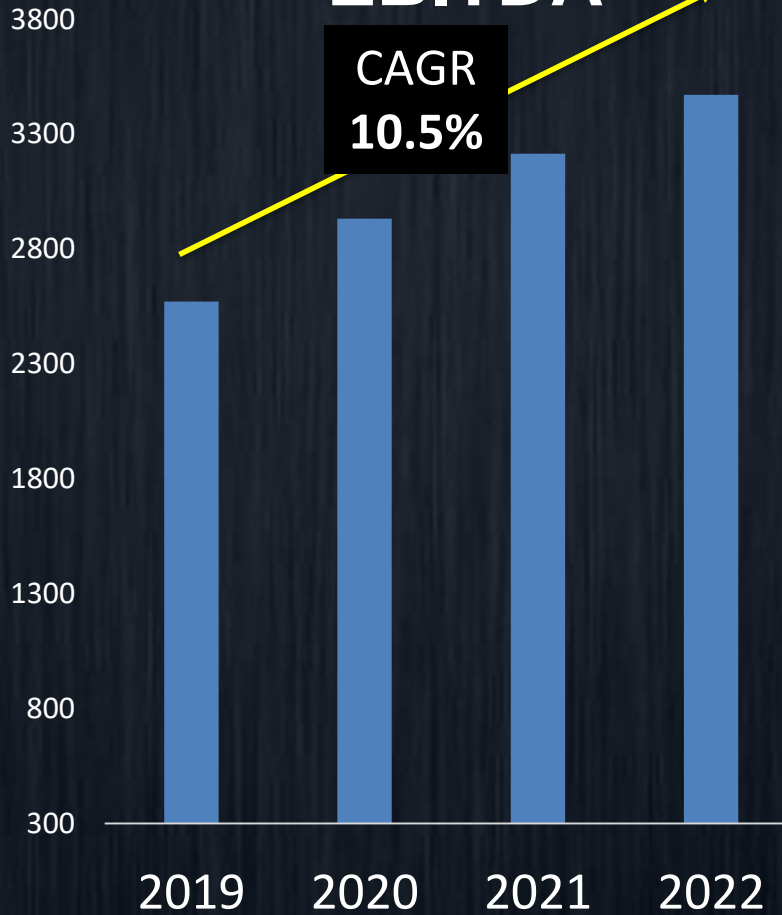
MM PS

### Net Revenues



MM PS

### EBITDA



### INITIATIVES TO FURTHER IMPROVE PROFITABILITY

- Manufacturing Plant and Supply Chain synergies
- AI-based media investment optimization
- Cost optimization strategies
- Strategic Partnerships leveraging infrastructure and capabilities
- Sweeten Product Portfolio Mix



# Growth Strategic Framework → 2025





# Product Innovation



Royal Jelly Shampoo  
Healthy Hair, Healthy Planet



Recycled

Eco-friendly

Recycled

High quality ingredients

Conscious communication

100% sustainable packaging



100% recycled and recyclable PETE bottle

Recycling meeting points





# Product Innovation

# Cicatricure® GOLD LIFT

**Masstige**  
**Affordable**  
**Luxury**

**Hi-quality**  
**Performance**



**Genomma Lab.®**  
**Internacional**



# New High (Inorganic) Growth Strategy

## M&A

- Current environment : high valuations due to global appetite in OTC and PC brands, and low interest rates

## PARTNERSHIPS

- Innovative products and services
- Extensive R&D capabilities
- Low capital investments
- Leverage existing manufacturing infrastructure



**High ROIC ->  
Shareholder  
value creation**

# “The ideal Partner **for** Latin America **and the U.S. Hispanic Market**”



UP International





New category with  
**growth potential** for  
Mexico & LatAm

Manufactured by  
Edgewell PC  
**(Strategic Partnership)**

Market Value  
opportunity of  
**>100mm USD**



# Strategic Alliances



UP International



Manufactured by  
UP International  
(Strategic Partnership)

**Exclusivity** in Mexico  
and Latin America  
ex. Brazil

Market Value  
opportunity of  
>80mm USD

# Exploring expansion to other territories

- Developing a **franchise business** to expand the presence of power brands in other territories, partnering with strong local players **overseas**
- Low cost manufacturing, sustainable products
- Full marketing/advertising and Point-of-Sale material



- Cicatricure, Suerox, Tio Nacho, Asepxia
- Eventually Pharma

# Superior Brand Communication



Novamil®



Cicatricure®



180 AÑOS  
TÍO NACHO  
EFICACIA



GROOMEN



Sistema GB



SUEROX®



SOCIAL  
RESPONSIBILITY

Click on images to watch the latest product communication

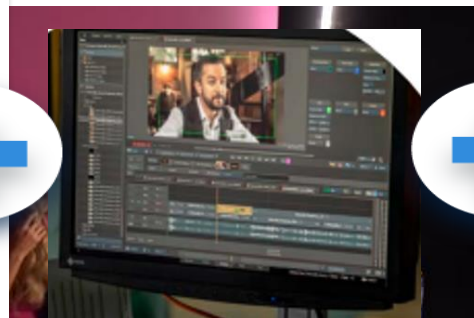


# Proprietary Process to Win the Consumer Experience

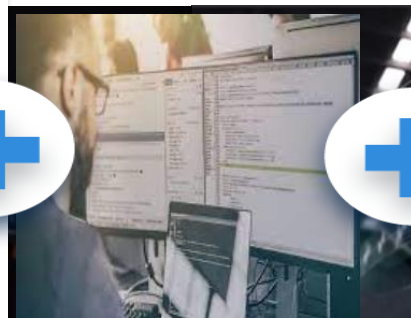
## Always-on Analytics and Precision Marketing



Understanding  
of Consumers  
Choices



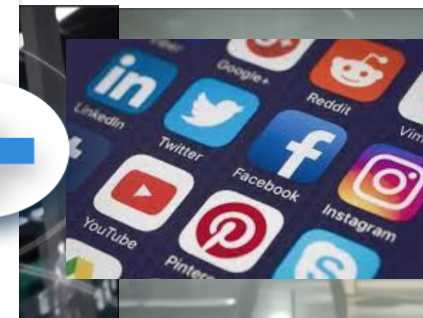
Online Market  
Research with  
Thousands of  
Consumers



Design Experts  
in  
E-Commerce  
& Digital



Effective  
communication  
vehicles



Across all  
media  
platforms

# The largest Content Studio (25 years) in the world of CPGs and Pharma Companies, now including Digital Content



TV, Digital, Multi-format capabilities

- 25 years developing the largest multi-media content in Latin America
- > 2.1 PetaBytes of media content  
(Over 2,140,000,000 GB of photos, videos, animation & digital content produced in-house)
- Cost to produce content: 70-80% lower cost
- Use of AI to optimize media investments

# From the Bottom-of-the-Pyramid to the top

## Best in Class Go-to-Market

### Traditional Channel

- **+308,000**  
Points of Sale



### Multi- Channel

- Modern Trade
- Pharma Wholesalers
- Pharma Chain
- E-Commerce (B2C)
- Amazon & other e-Retailers
- Direct Sales Distribution (DSD)
- Independent Pharmacies
- Mom & Pops (bodegas)

### Superior POS visibility





## Genomma Way



## Breaking Down Barriers



## Equal opportunity

How are we doing it?

- Upskilling
- Competitive Compensation
- Career Development
- Connected Organization



[Click here to read our 2025 Sustainability Strategy](#)



Member of  
**Dow Jones  
Sustainability Indices**

Powered by the S&P Global CSA

**+10 Years Being Recognized  
As One Of The Leading  
Companies In ESG Practices.**



# Capital Allocation, Ratings & Long-term Financing

- CASH DIVIDEND
- SHARE BUY-BUCKS
- OPTIMIZE FINANCIAL LEVERAGE
- STRATEGIC PARTNERSHIPS / M&A

FitchRatings

Short-Term:  
**F1+(mex)**

Long-Term:  
**AA+(mex)**

Outlook:  
**Stable**

Short-Term:  
**HR+1**

Long-Term:  
**HR AA+**

Outlook:  
**Stable**



Credit  
Rating  
Agency



# World-class Manufacturing & Supply Chain



US\$ 100 MM  
8 years term  
loan

Enhanced Value Equation  
Higher Gross Margin  
Superior Product Quality  
Reliable Product Supply





# PC Manufacturing Facility **Update**



Suerox® Manufacturing Line  
**+8,000,000 bottles**  
produced in June-23





## Isotonic Beverage Line





# Central Warehouse, PC and OTC Manufacturing Facility





# OTC Manufacturing Facility **Update**

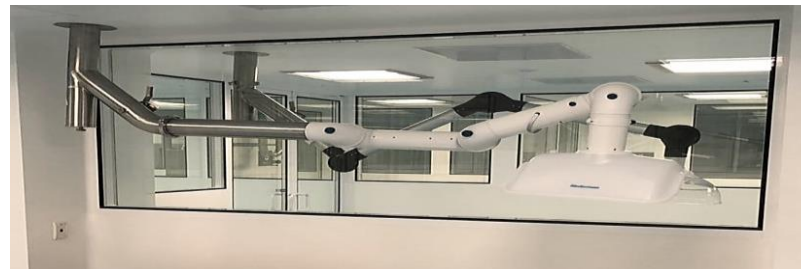
**Tube filling equipment for semi-solid production line**



**Water chiller system for OTC Plant**



**Semi-solid production line**



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



**Tanks system for liquid OTC production**



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# Upside Potential LABB

1.



2.



3. **L**😊**bb**

4.





# 25 years Building what **no other Company has !**

- **1.5 million minutes** on the air every year
- **# 1 TV advertiser** in LATAM
- **1,700 new Spots** produced every year
- **12,000 Spots** produced in our history
- **3 days** to produce a new campaign
- **10,000 USD** is the aprox cost of a new spot
- **Continuous innovation** capabilities

\*In HPC category

- **20 Countries** with fully owned and standardized operations
- **Best of Industry** executives / talent
- **6 months** is what it takes to fully roll out a new brand to all countries
- **Strongest** local government and regulatory know-how

- **+ 400,000 POS** touched on a weekly basis
- **384** direct customers
- **1,900+** "feet on the street"
- **Unique GTM platforms**
- **BIC in POS Marketing**

  
PerfectStore®

  
GEN

**Consumer  
Communication**

**Geographic  
Footprint**

**GTM**

**Strengthening  
CORE  
CATEGORIES**



# Shareholder value creation

2024-2025

**NEW**

+ MXN **10 Bn**

**NEW**

+ MXN **1.8 Bn**

## Current Targets

- +MXN 20 Bn Net Sales
- 24% - 25% EBITDA Margin

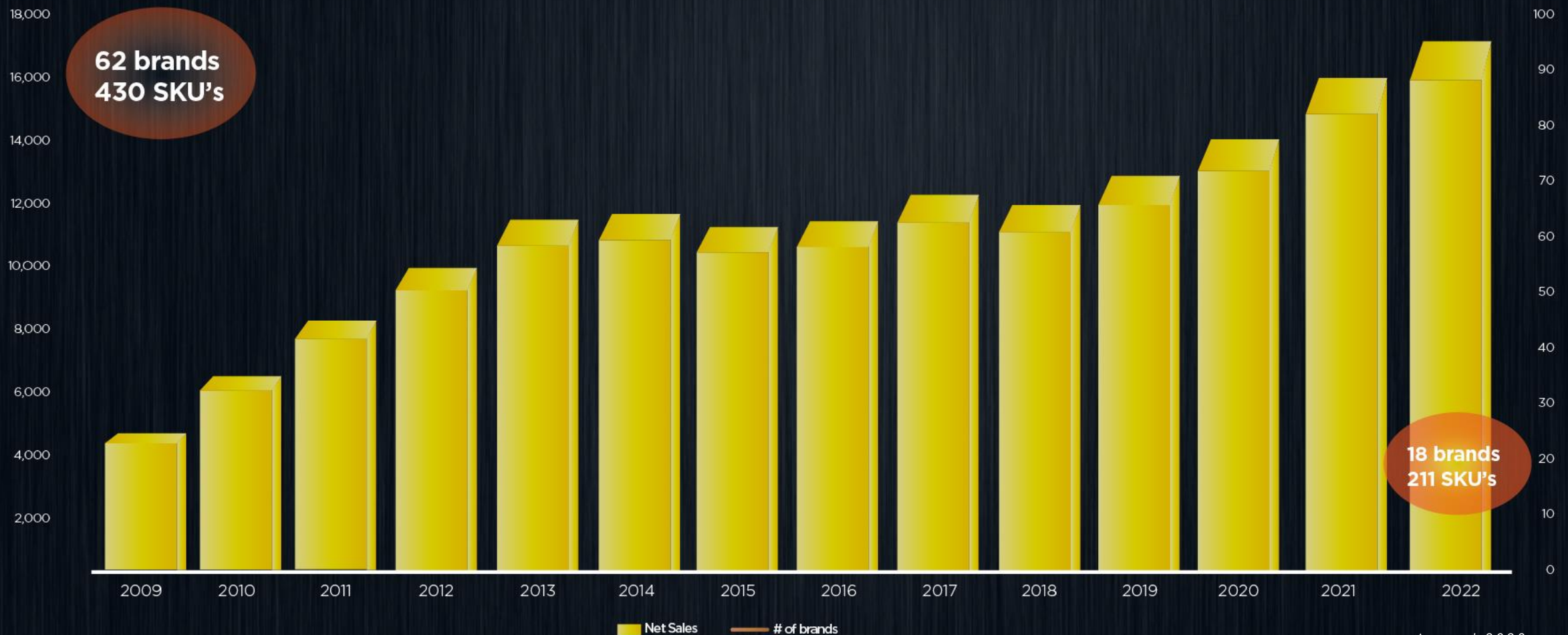
## Intentional focus on core brands

1.
  - Sell or divest non-core brands
  - Narrow management focus
  - Unlock working capital

## Productivity is a Top Priority

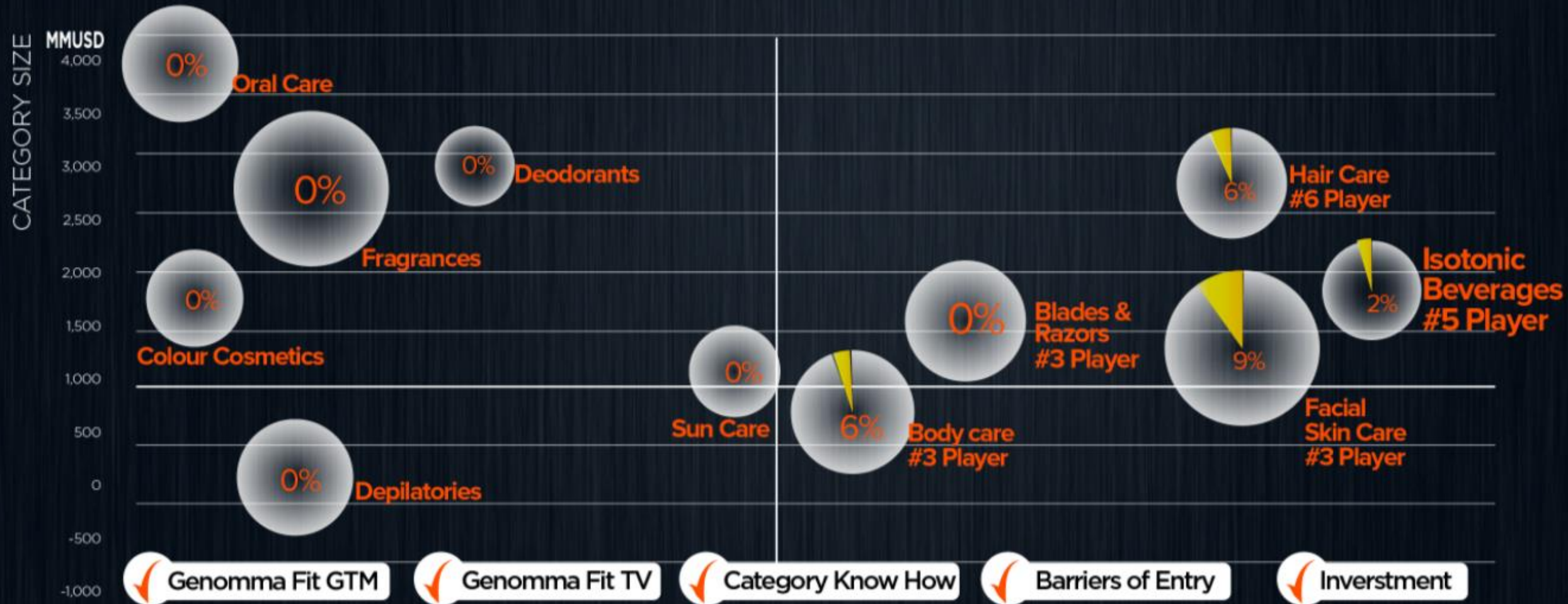
2.
  - Manufacturing / COGS
  - Scale
  - GTM cost optimization
  - Automation of core processes
  - Packaging/ product reengineering

# Strengthening Core Brands





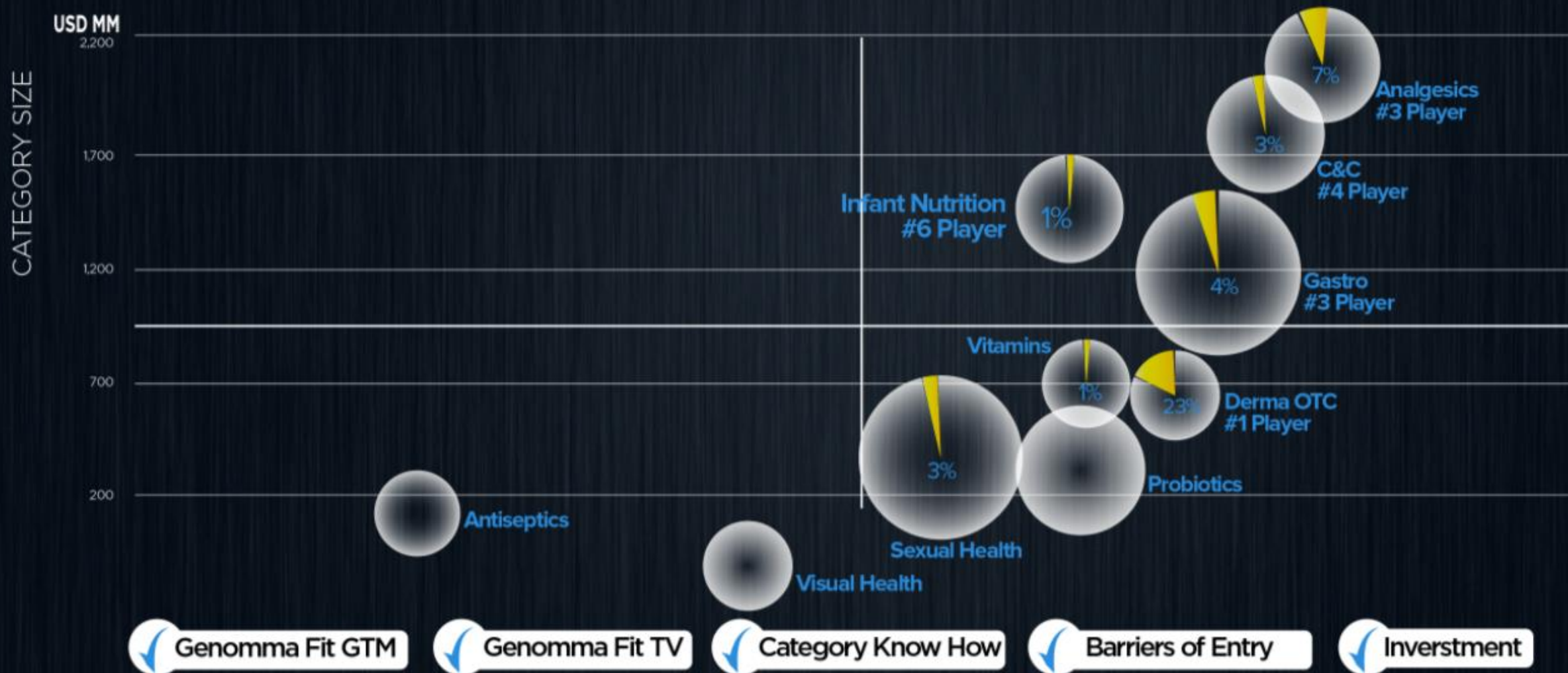
# CHOSEN PERSONAL CARE CATEGORIES



COMPANY FIT



# CHOSEN OTC CATEGORIES



COMPANY FIT

# + 10 Bn Building Blocks

<b>ISOTONIC BEVERAGES</b>		+2,850 MM	Grow SOM Geographic Expansion Product Innovation
<b>GASTRO</b>	 	+1,140 MM	Grow SOM Geographic Expansion GTM
<b>SKIN CARE/ DERMA</b>	 	+1,000 MM	Grow SOM Product Innovation
<b>HAIR CARE</b>	 	+950 MM	Grow SOM Product Innovation
<b>ANALGESICS</b>	 	+810 MM	Grow SOM Product Innovation GTM
<b>C&amp;C</b>	Tukol D  	+800 MM	Grow SOM Product Innovation GTM
<b>INFANT NUTRITION</b>		+500 MM	Grow SOM Geographic Expansion
<b>RAZORS &amp; BLADES</b>	<b>GROOMEN</b>	+150 MM	Grow SOM Geographic Expansion
<b>OTHERS</b>		+1,800 MM	

**+\$10,000 MM**





Category size: **2.5 Bn USD** (3%)  
SOM:

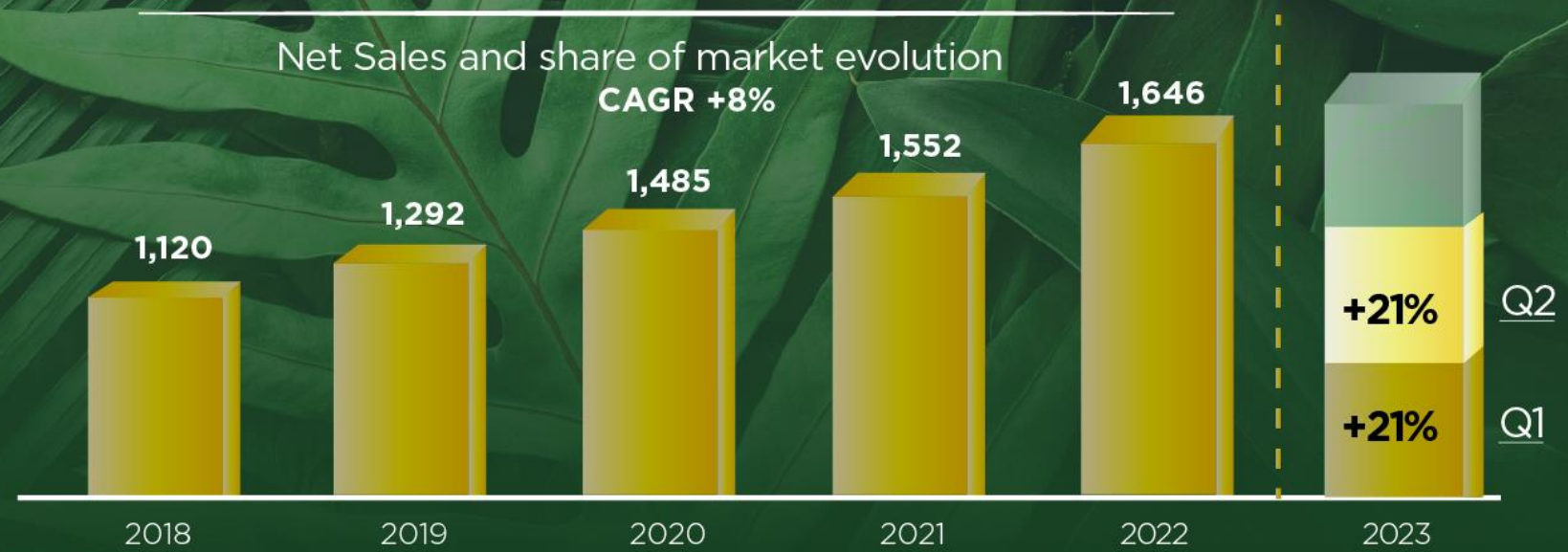
**Leads the natural products industry trend  
100% sustainably sourced packaging**

**KEY HIGHLIGHTS:**

- Successful launch of “anti-canás”
- Introduction of the 950ml size

		MARKET LEADER
	YTC '22	YTC '22
<b>Chile</b>	7	11.5
<b>Brasil</b>	4.3	9.5
<b>Colombia</b>	4.6	8
<b>Perú</b>	4.5	11.5
<b>Argentina</b>	3.4	13
<b>México</b>	3.2	8.7
<b>USA</b>	0.3	8.1

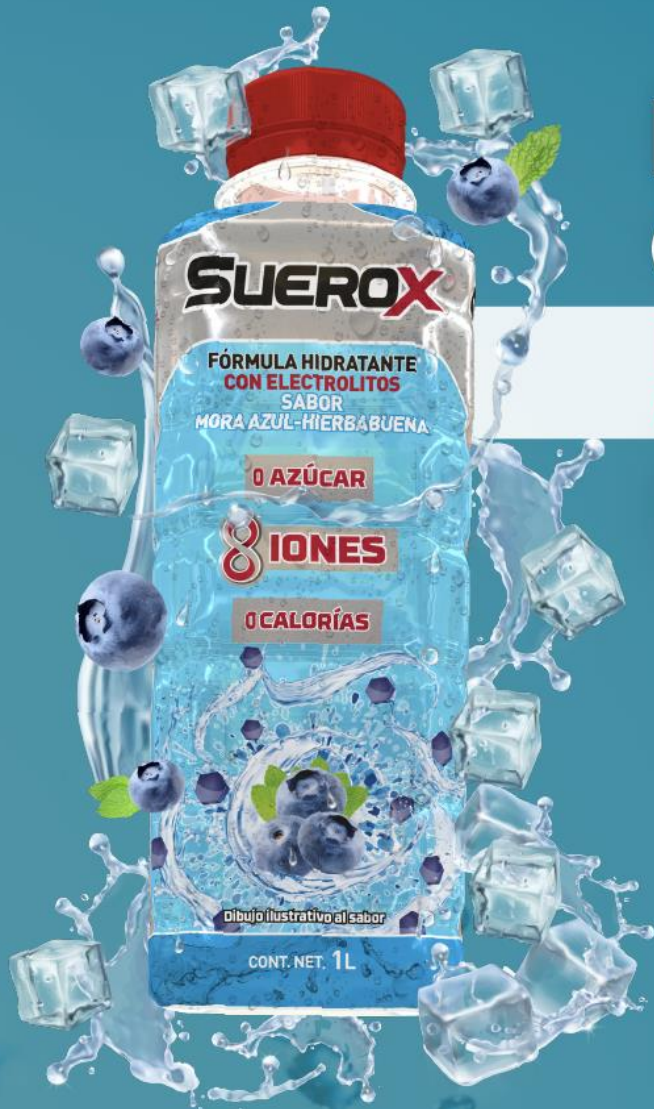
Net Sales and share of market evolution  
CAGR +8%



\*2023 growth rate in like for like currency, excluding Argentina

PS. MILLION





# Isotonic Beverages CATEGORY

Category size: **1.9 Bn USD** (2%)  
SOM:

**Leads the world hydration trend**  
8 ions, no sugar, no calories

## KEY HIGHLIGHTS:

- Mexico record high sell out of + 44%
- Chile all time high market share of 18.8 pts
- US + 67% YoY Growth
- Argentina, Central America, Brazil and Peru all ahead of budget

Net Sales and share of market evolution  
**CAGR +48%**



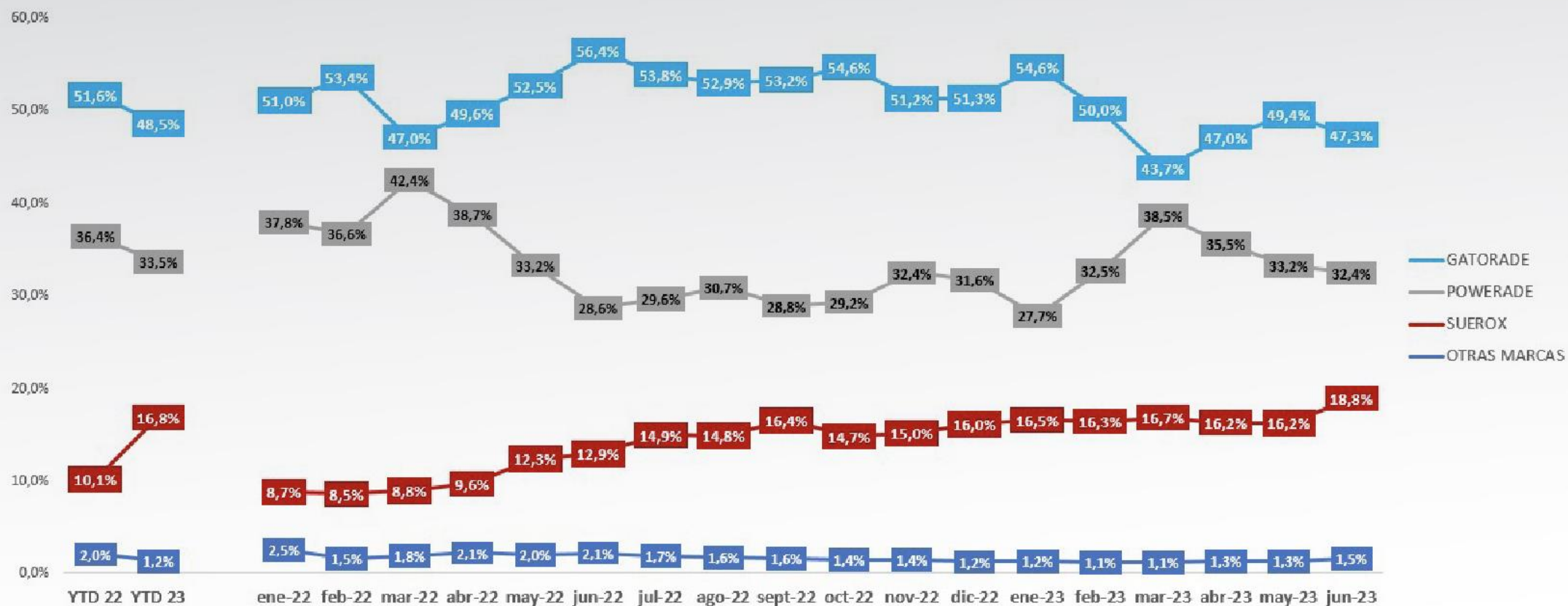
\*2023 growth rate in like for like currency, excluding Argentina

PS. MILLION



# Chile

## TOTAL SHARE ISOTONIC BEVERAGES





# SUEROX<sup>®</sup> COUNTRY EXPANSION

## 2022 COUNTRY FOOTPRINT



## 2023 PLAN







# Analgesics

Category size: **2 Bn USD**  
SOM: **(5%)**

**Tafirol** (Arg.) #1 OTC brand  
**Alliviax** (Mx.) #3 Analgesic Brand  
**XRay** (Col.) #3 Analgesic Brand

Net Sales and share of market evolution

**CAGR +28%**

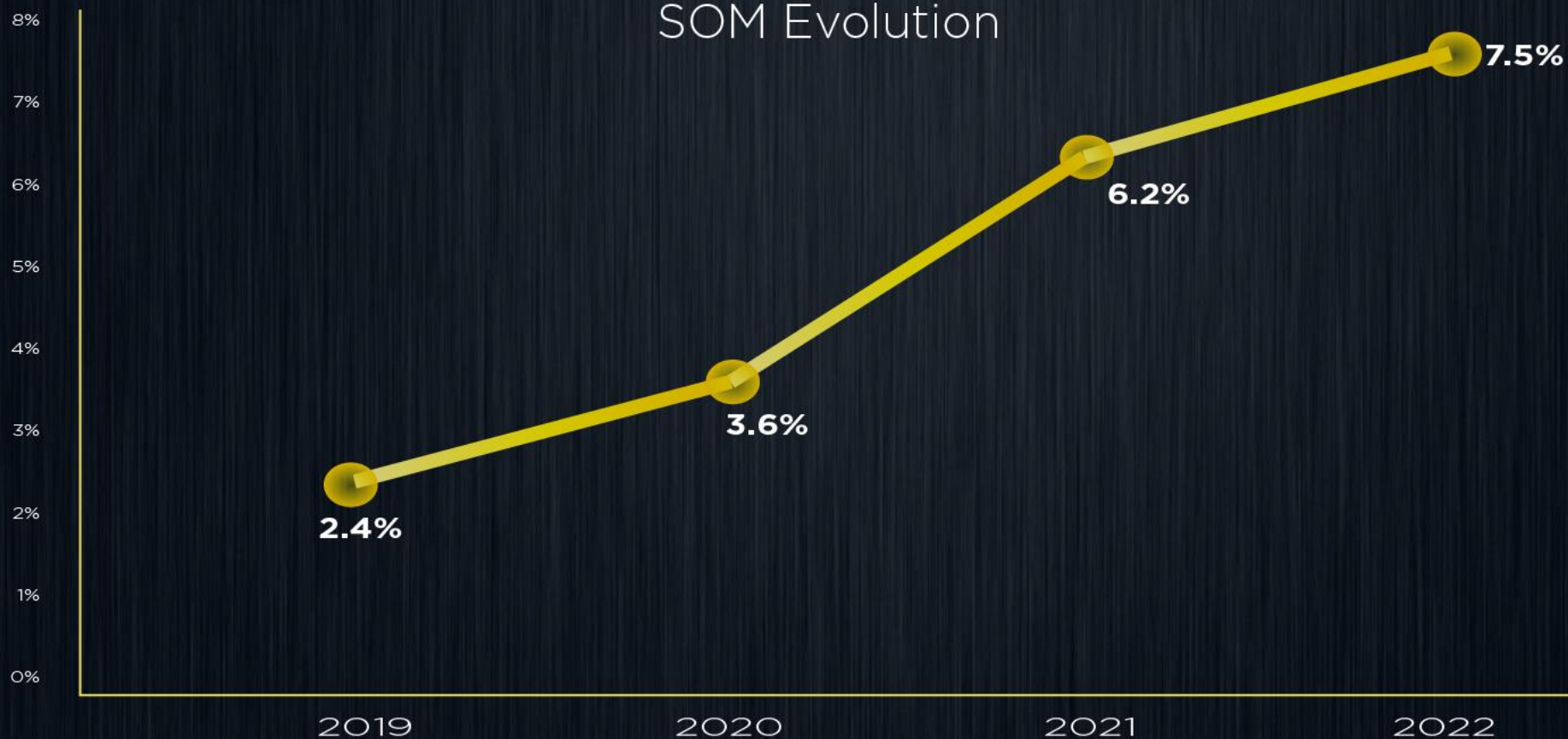




# XRay Colombia

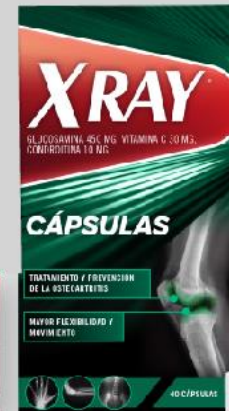
XRay (Col.) #3 Analgesic Brand

## SOM Evolution





# Analgesics Megabrand





# Analgesics

Category size: **2 Bn USD**  
SOM: **(5%)**

**Tafirol** (Arg.) #1 OTC brand  
**Alliviax** (Mx.) #3 Analgesic Brand  
**XRay** (Col.) #3 Analgesic Brand

## KEY HIGHLIGHTS:

- X Ray Colombia record high Market share of 8.7% (#3 player)
- X Ray Chile + Ecuador 224% and 120% YoY growth
- Alliviax Mexico 39% YoY growth







**Tafirol**  
+66.7%

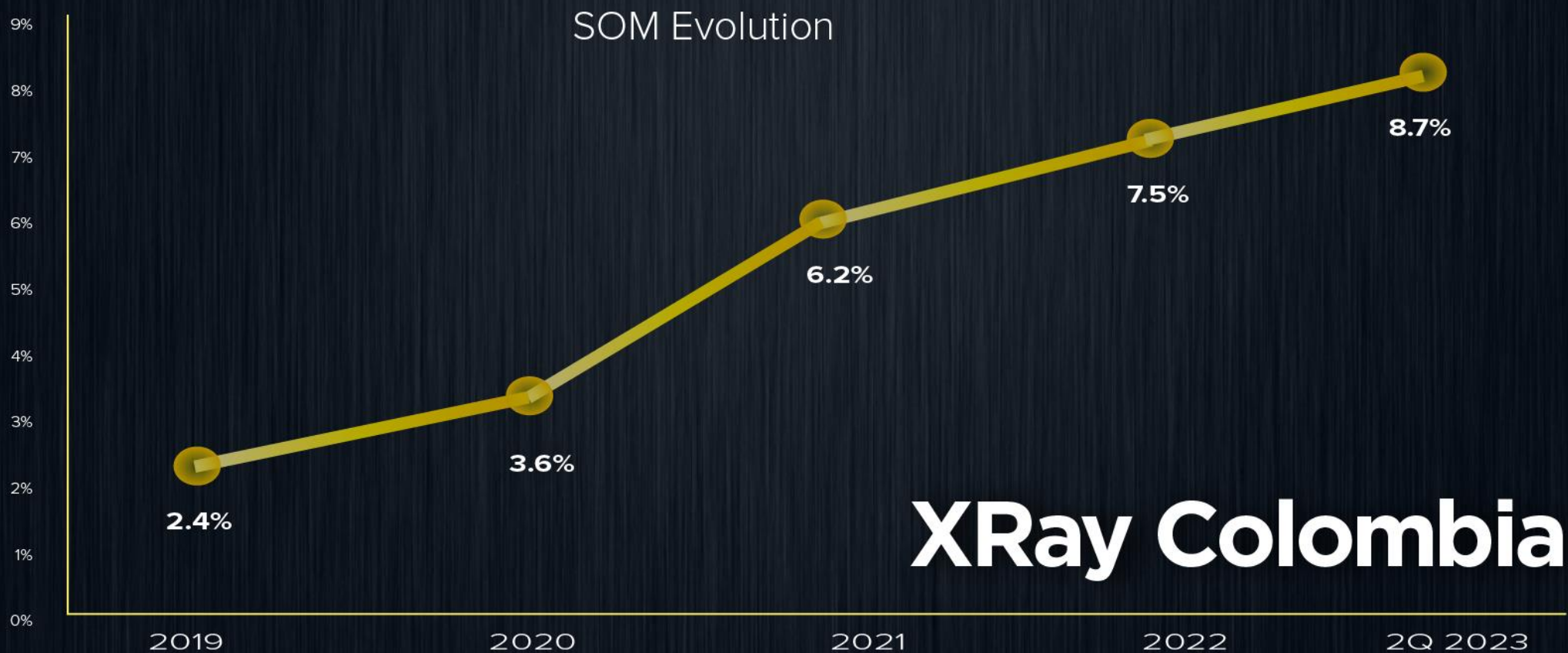
**Alliviax**  
+39%

**XRAY**  
+88%

**BIO Electro**  
+24%

**ULTRA BENGUE**  
-3%

XRay (Col.) #3 Analgesic Brand



\*Source: CLOSE UP



# GROOMEN

Category size:

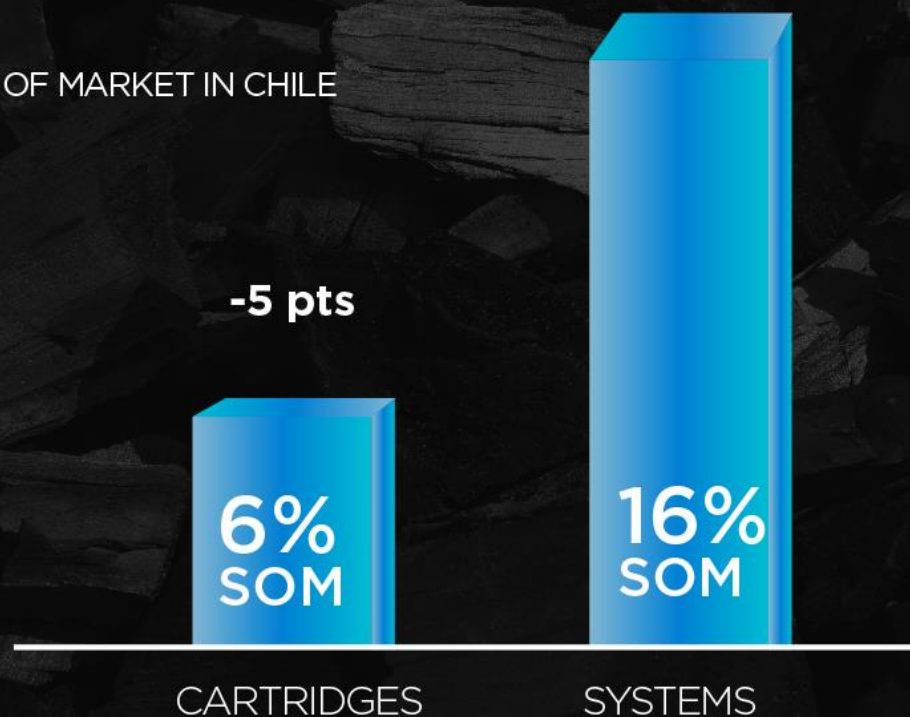
1.2 Bn USD (0,5%)

SOM:

**Superior technology**  
Diamond coating VS DLC\* Coating

Diamon like carbon

SHARE OF MARKET IN CHILE







# Cough & Cold

Category size:  
1.8 Bn USD

SOM:  
(3%)

Tukol #1 C&C Brand  
XL3 (Mx.) #3 C&C Brand  
Next Global C&C Brand

	TUKOL MARKET SHARE
México*	13.2%
Argentina*	20.2%
Colombia*	9.2%
Perú	7.5%



\* Tukol Record High Share

^2Q 2023 growth rate in like for like currency, excluding Argentina



# All Novamil variants growing share

## TO FEED, TO CARE, TO MANAGE

A range of superior science based infant formulas to manage different baby's needs and improve their quality of life... and that of their families!

SEGMENT	MARKET SHARE	Var vs 2022
<b>Constipation (AE)</b>	41.8%	2.9 pts
<b>Cow Milk Allergy (Rice)</b>	23.2%	6.5 pts
<b>Healthy Premium (Symbiotic)</b>	1.8%	0.7 pts
<b>Reflux (New ARD Pax)</b>	2.0%	2.0 pts

Source: Knobloch MFPM, Values YTD May'23





# Skin Care/ Derma CATEGORY

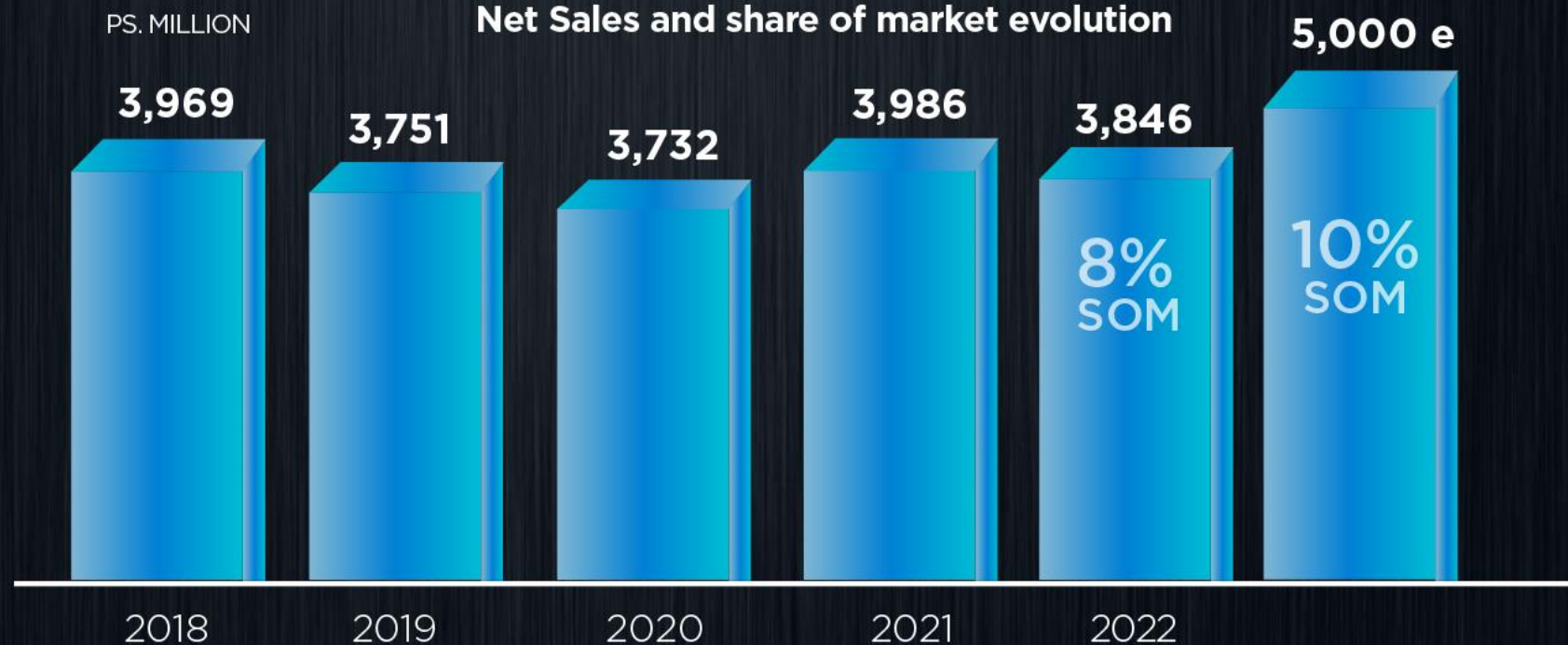
Category size:  
2.4 Bn USD (8%)  
SOM:

## Genomma Lab #1 Category

	GENOMMA YTC '22	MARKET LEADER YTC '22
Argentina	13.5%	31%
Brasil	7.1%	31.3%
Chile	7.9%	40.2%
Colombia	17.7%	11.6%
Perú	14.9%	20.3%
México	6.5%	34.9%

PS. MILLION

### Net Sales and share of market evolution



# + 1.8 Bn Productivity Building Blocks

## OPTIMIZATION AREAS

### MANUFACTURING PLANT

MXN 600 mm

-San Cayetano

### VERTICAL INTEGRATION

MXN 100 mm

-Vertical integration

### PRODUCT COST

MXN 300 mm

- Packaging reengineering
- Formula reengineering
- Scale negotiations

### SGM&A

MXN 400 mm

- Advertising & Marketing expenses
- Headcount
- Administrative expenses

### GTM EXPENSES

MXN 400 mm

- Gross to net
- Product mix
- Customer tailing
- Instore as media

**+MXN 1,800 MM**



# Productivity Examples

## LABELS COST OPTIMIZATION PROJECT

From 16 suppliers to 2 suppliers

# TOTAL SAVINGS 22MM



# Productivity Examples

## Vanart

### MXN 93 MM SAVINGS

#### Implemented productivity actions in Vanart:

- Packaging reengineering
- Formula reengineering
- Vertical integration of the bottle production process
- Packaging & Raw Materials re-negotiations





# Productivity Examples

## CARTON FOLDING ESTANDARIZATION PROJECT

From 23 suppliers to 2 suppliers

From 72 SKUs to 12 SKU's

+ **MXN 20/30 MM**



# What to expect in 2023

1. **Double digit growth in all markets**  
(including Mexico) in local currency
2. **Mid single digit growth in MXN**  
(high dependance on strength/weakness of MXN)
3. **EBITDA Margin expansion will follow an exponential growth curve**



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## Financial Highlights





# Income Statement

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%
<b>Gross Profit</b>	<b>2,664,800</b>	<b>61.0%</b>	<b>2,613,019</b>	<b>60.4%</b>	<b>5,228,532</b>	<b>61.2%</b>	<b>5,126,173</b>	<b>61.5%</b>
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)%
<b>EBITDA</b>	<b>920,152</b>	<b>21.1%</b>	<b>891,981</b>	<b>20.6%</b>	<b>1,787,500</b>	<b>20.9%</b>	<b>1,718,592</b>	<b>20.6%</b>
Depreciation and amortization	49,086	1.1%	52,162	1.2%	112,630	1.3%	103,568	1.2%
<b>Income from operations</b>	<b>871,066</b>	<b>19.9%</b>	<b>839,819</b>	<b>19.4%</b>	<b>1,674,870</b>	<b>19.6%</b>	<b>1,615,024</b>	<b>19.4%</b>
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)%
<b>Comprehensive financing income (cost)</b>	<b>(292,860)</b>	<b>(6.7)%</b>	<b>(198,586)</b>	<b>(4.6)%</b>	<b>(592,990)</b>	<b>(6.9)%</b>	<b>(447,261)</b>	<b>(5.4)%</b>
Associated company	(3,355)	(0.1)%	(27,613)	(0.6)%	(15,774)	(0.2)%	(55,340)	(0.7)%
<b>Income before income taxes</b>	<b>574,851</b>	<b>13.2%</b>	<b>613,620</b>	<b>14.2%</b>	<b>1,066,106</b>	<b>12.5%</b>	<b>1,112,423</b>	<b>13.3%</b>
Income tax expense	157,454	3.6%	208,873	4.8%	290,704	3.4%	368,490	4.4%
<b>Consolidated net income</b>	<b>417,397</b>	<b>9.6%</b>	<b>404,747</b>	<b>9.4%</b>	<b>775,402</b>	<b>9.1%</b>	<b>743,933</b>	<b>8.9%</b>

# Financial Position

Thousands of Mexican pesos	As of		As of
	June 30,	2022	December 31,
	2023	2022	2022
<b>ASSETS</b>			
<b>Current assets</b>			
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
<b>Total current assets</b>	<b>11,526,352</b>	<b>11,803,847</b>	<b>11,312,244</b>
<b>Non-current assets</b>			
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
<b>Total non-current assets</b>	<b>10,153,483</b>	<b>10,210,405</b>	<b>10,294,286</b>
<b>TOTAL ASSETS</b>	<b>21,679,835</b>	<b>22,014,252</b>	<b>21,606,530</b>



# Financial Position

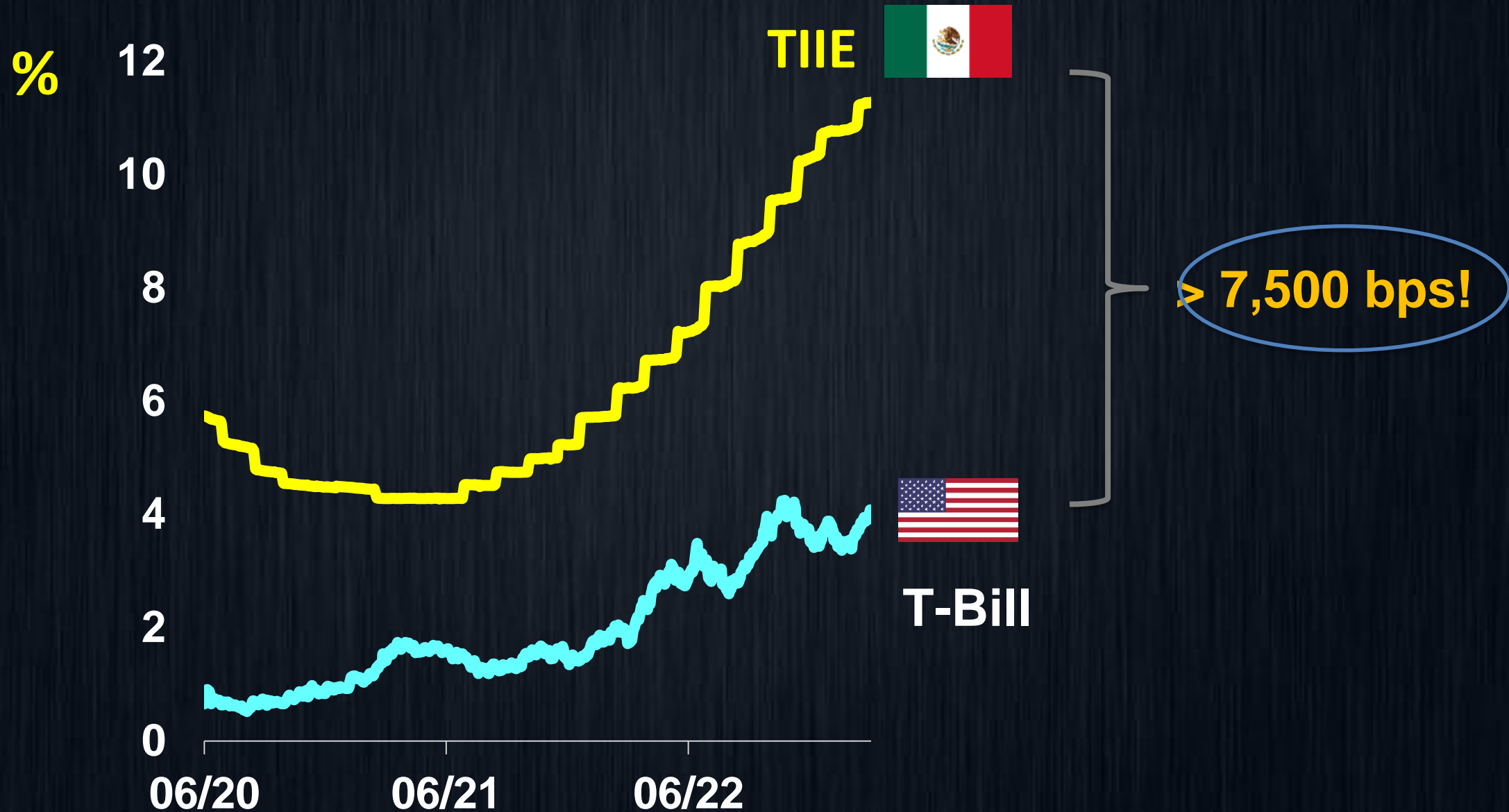
Thousands of Mexican pesos	As of June 30,		As of December 31,
	2023	2022	2022
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
<b>Current Liabilities</b>			
Short-term debt and Current portion of long-term debt	2,542,792	1,859,786	4,826,146
Suppliers	1,876,672	1,977,589	1,790,380
Other current liabilities	2,197,437	2,919,097	2,458,567
Income tax payable	364,899	304,358	281,350
<b>Total current liabilities</b>	<b>6,981,800</b>	<b>7,060,830</b>	<b>9,356,443</b>
<b>Non-current liabilities</b>			
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
<b>Total liabilities</b>	<b>11,219,738</b>	<b>11,236,185</b>	<b>11,454,030</b>
<b>Stockholders' equity</b>			
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
<b>Total stockholders' equity</b>	<b>10,460,097</b>	<b>10,778,067</b>	<b>10,152,500</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>21,679,835</b>	<b>22,014,252</b>	<b>21,606,530</b>

# Exchange Rate: MXN / USD





# Interest Rate differential between MX & USA

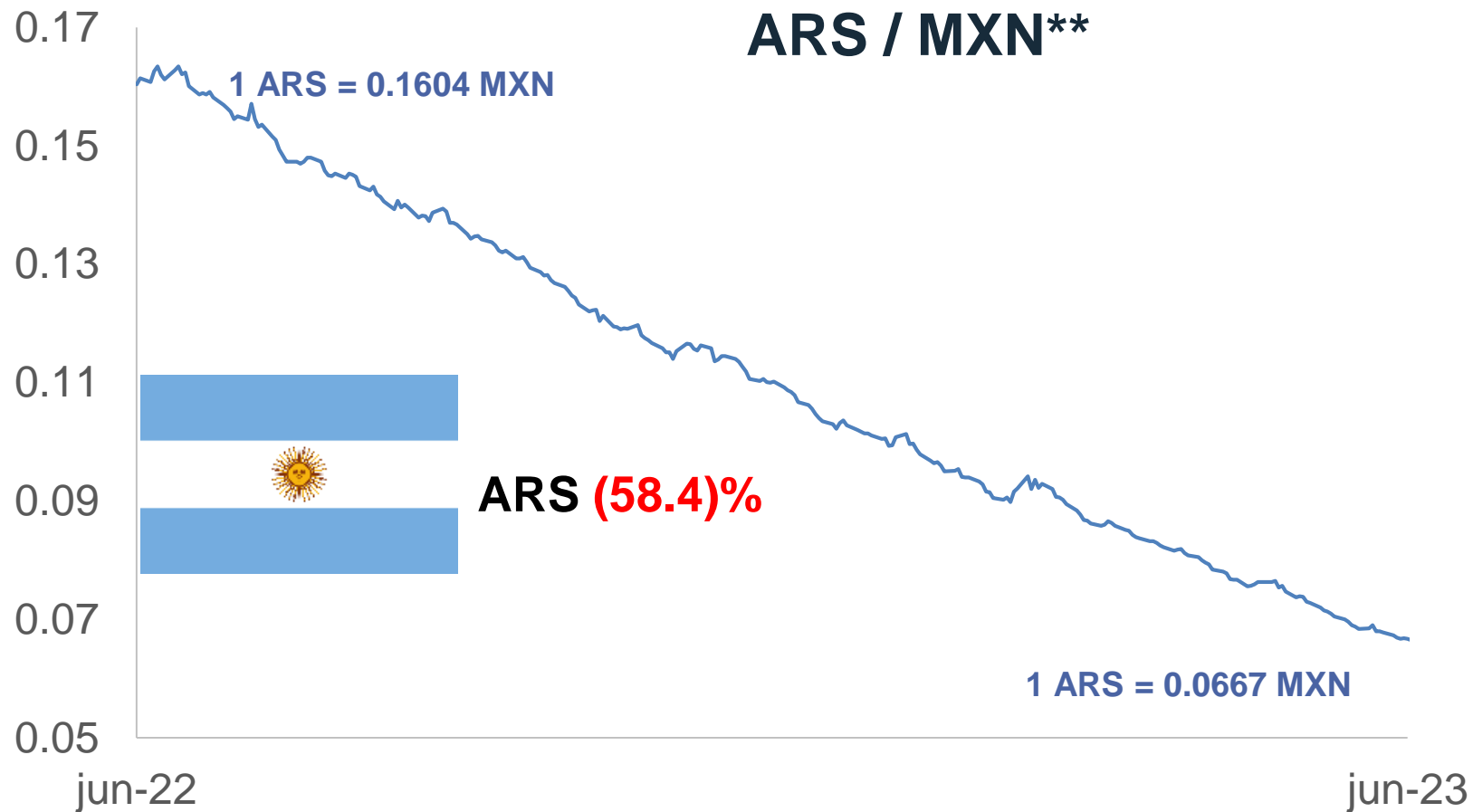


# 18-year Evolution of Interest Rate differential (MX vs USA)







Interest Rate  
Differential







Local Currency  
expressed in MXN\*

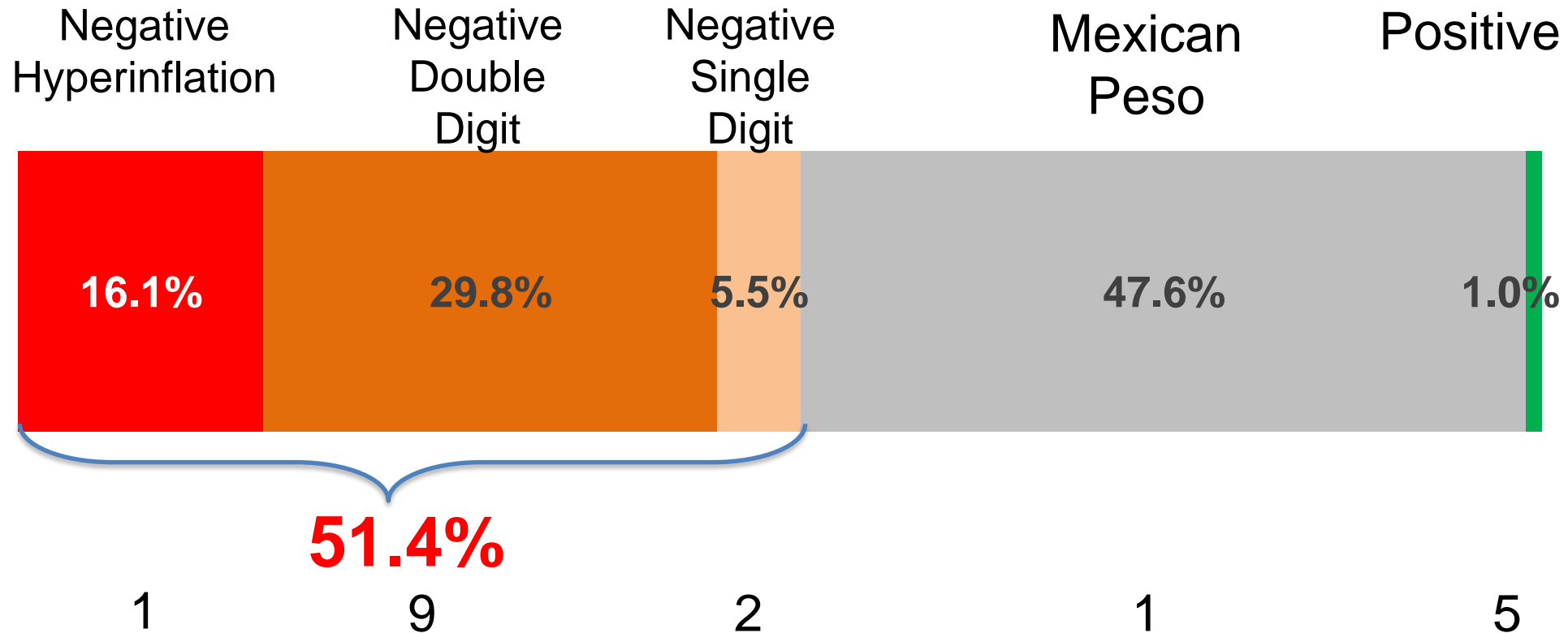
	COP (21.7%)
	PYG (16.1%)
	BRL (12.3%)
	PEN (10.8%)
	UYU (7.4%)
	CLP (7.1%)

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

\*\*Exchange rate for the ARS/MXN at the end of each Quarter.

# Net Sales Breakdown by Size of FX Fluctuation

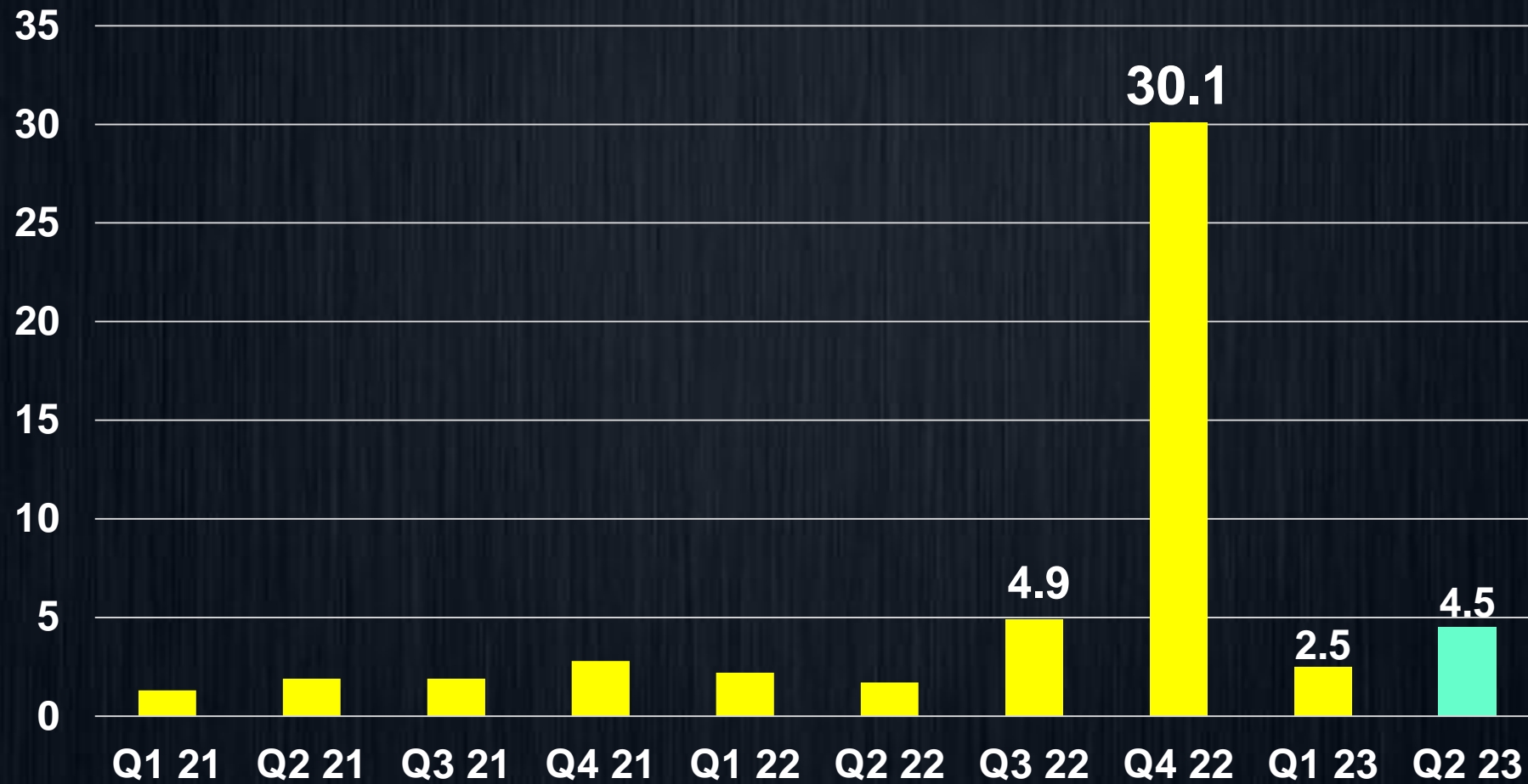
**Consolidated Sales classified by  
relative FX depreciation vs MXN, year-on-year**





# LABB Share buyback

Million shares



# Canceling Shares

- **28 million** shares to be cancelled in April 28
- **New total** number of shares outstanding  
1,020,000,000
- Please update **EPS** calculation

# Fourth Dividend Payment

Of total amount of **200 MXN** paid on June 07, 2023

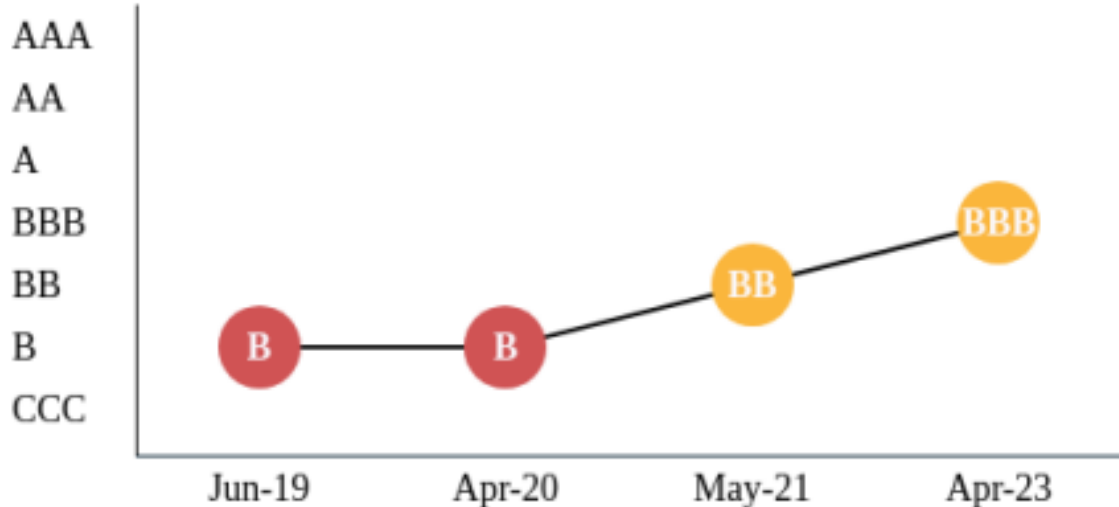
Intention to make  
**dividend payments on a Quarterly basis\***



# MSCI ESG Rating Upgrade

Improved two notches in a 3 year period

## ESG Rating history



ESG Rating history shows five most recent rating actions

**MSCI**  
ESG RATINGS



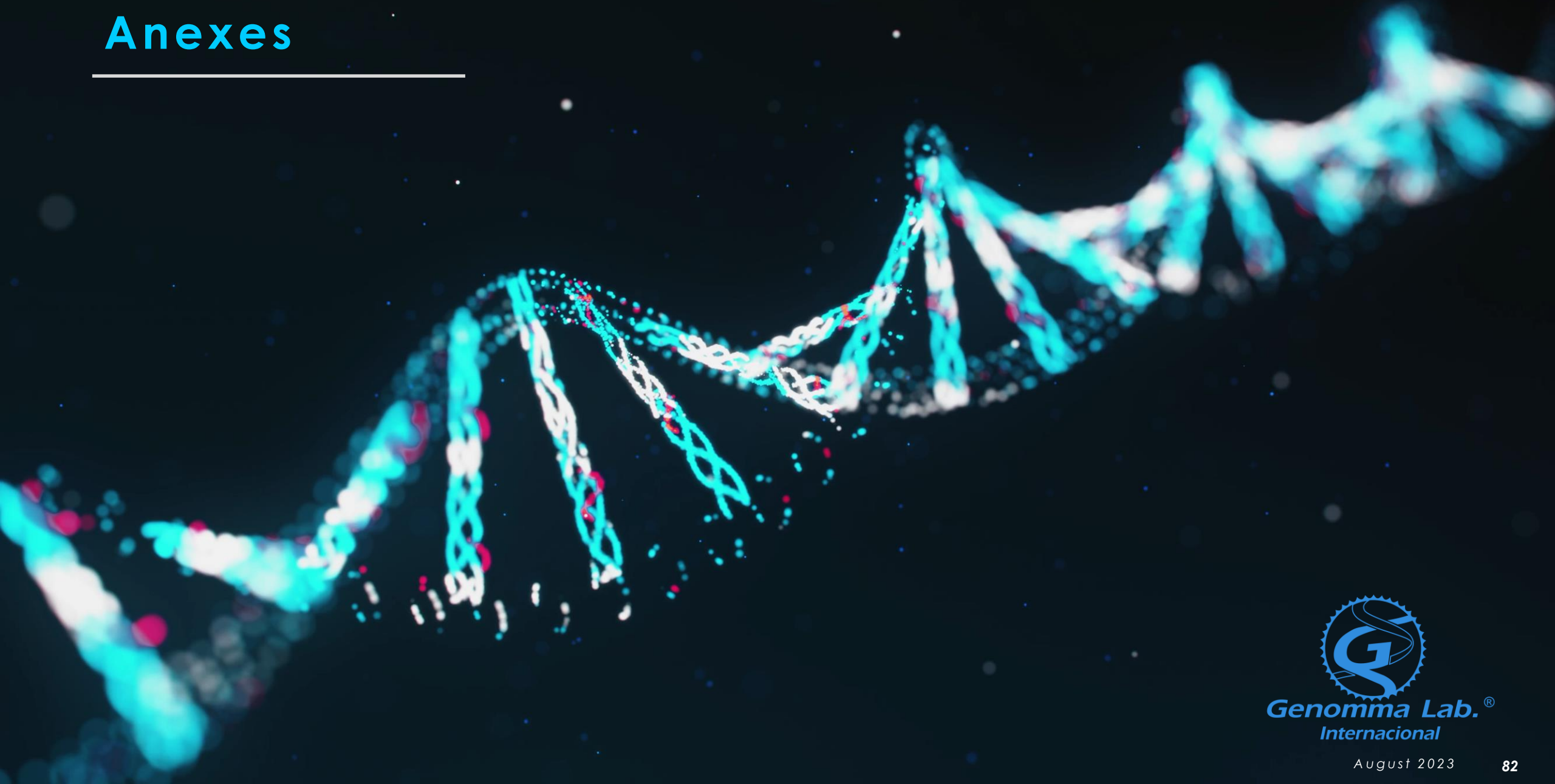
CCC	B	BB	BBB	A	AA	AAA
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RATING ACTION DATE: April 14, 2023

LAST REPORT UPDATE: July 12, 2023

# Anexes

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**Genomma Lab.®**  
Internacional

August 2023

# 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
 <p>Suppliers</p>	<p>Higher COGS due to co-packers profit margin</p>	<p>Eliminate co-packers profit margin</p>
 <p>Logistics</p>	<p>Suppliers scattered throughout the country</p> <p>Inefficient inbound and outbound truck-based logistics</p>	<p>Integration of suppliers to industrial park</p> <p>Leverage freight consolidation and low-cost train logistics for exports</p>
 <p>Inventories</p>	<p>Higher inventories due to multiple warehouse network</p>	<p>Lower safety stocks required for raw materials and finished products</p>

# OTC Market Share By Country

## Top Two Countries



**MEXICO**



**ARGENTINA**



## Growth Potential

**CAM <sup>(1)</sup>**

position  
**4th.**



**ECUADOR**

position  
**4th.**



**CHILE**

position  
**5th.**



**PERÚ**

position  
**6th.**



**COLOMBIA**

position  
**7th.**



## Leadership



**> 70% share  
in the Region**



**> 30% share  
in Argentina**

# Profitability Through COGs Reduction

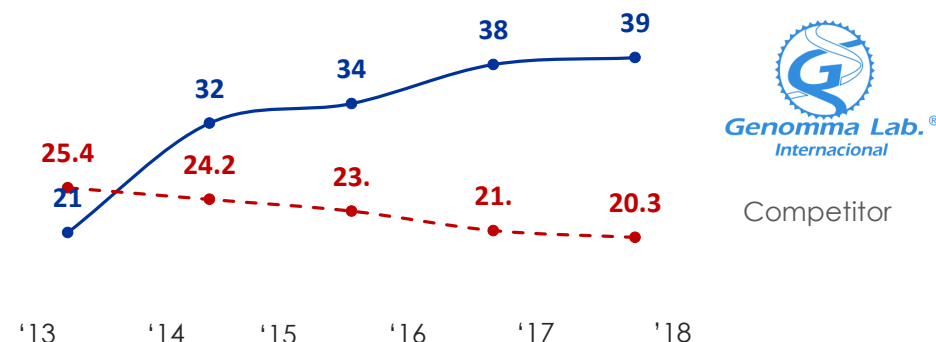
## Tafirol®

Acquired in 2012  
from Sidus

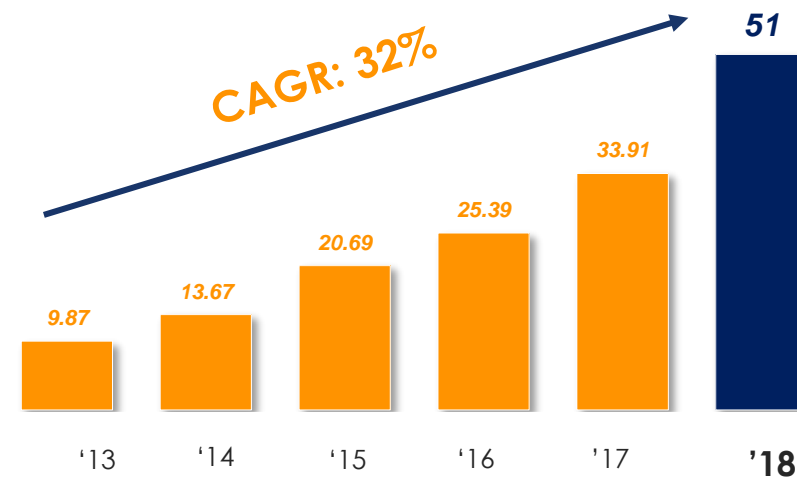


Portfolio of products

Market  
Share in  
units (%)

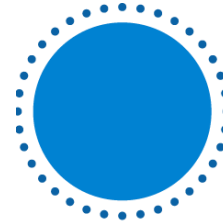


Net Sales  
in USD  
million

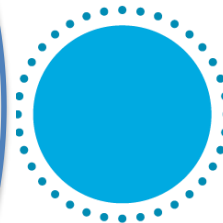




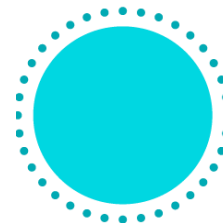
# Industrial Complex– **EDGE** Certification



**GENOMMA LAB ACHIEVES WORLD BANK /  
IFC's EDGE CERTIFICATION**

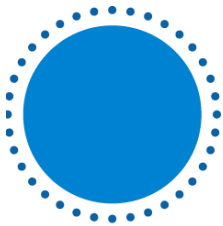


**EDGE ISA GREEN BUILDING STANDARD  
AND A GLOBAL CERTIFICATION SYSTEM**



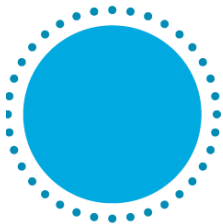
**FIRST PHARMACEUTICAL PLANT IN THE  
WESTERN HEMISPHERE TO MEET  
STANDARDS**

## Plant design enables:



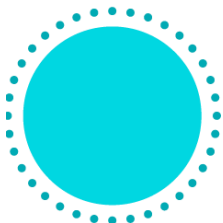
### PERSONAL CARE PLANT SAVINGS:

- 31% in energy
- 41% in embodied energy
- 52% in water
- 87 tons of CO2



### PHARMA PLANT SAVINGS:

- 45% in energy
- 42% in embodied energy
- 37% in water
- 33 tons of CO2



### DISTRIBUTION CENTER SAVINGS:

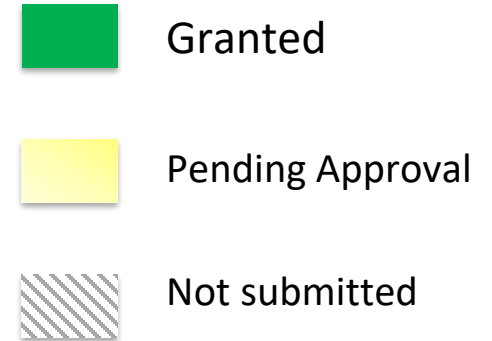
- 26% in energy
- 38% in embodied energy
- 54% in water
- 227 tons of CO2

# OTC Manufacturing Plant Permits **Update**

INTERNATIONAL  
GMPs

MEXICO  
GMP

SANITARY  
LICENSE



INTERNATIONAL GMPs					
MEXICO GMP					
SANITARY LICENSE					

Solid

Semi-Solid

Oral Liquid

Topical Liquid

Coating





# IFC and Genomma Lab

## Multi-currency Long-term Loan

- **IFC's first multi-currency investment in the pharmaceutical industry anywhere in the world**
- 



*Creating Markets, Creating Opportunities*

**US\$60 million loan:**

- **CHILEAN PESOS**
- **PERUVIAN SOLES**
- **US DOLLARS**
- **MEXICAN PESOS**
- **COLOMBIAN PESOS**

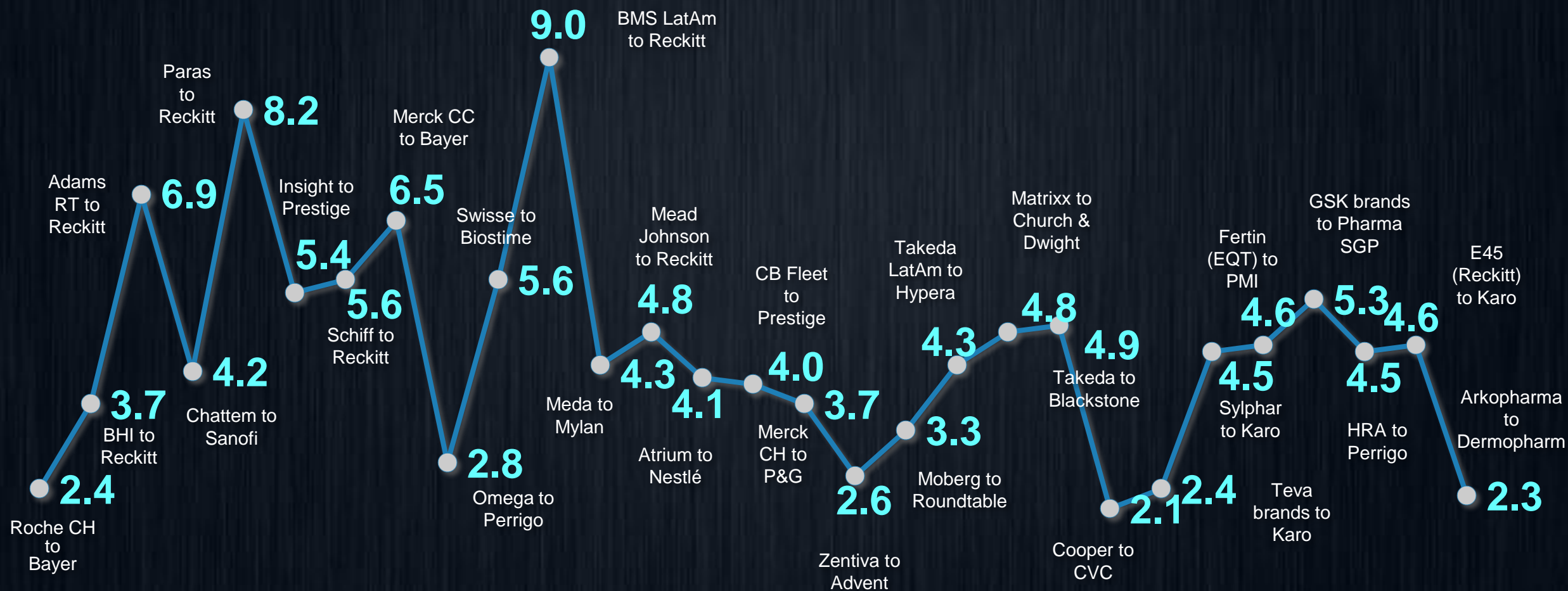
# Enhancing our Megabrand potential

## Example of Analgesics category



# M&A Transactions in Consumer Health Categories

CHC MAJOR ACQUISITION MULTIPLE **EV / Sales Multiple**

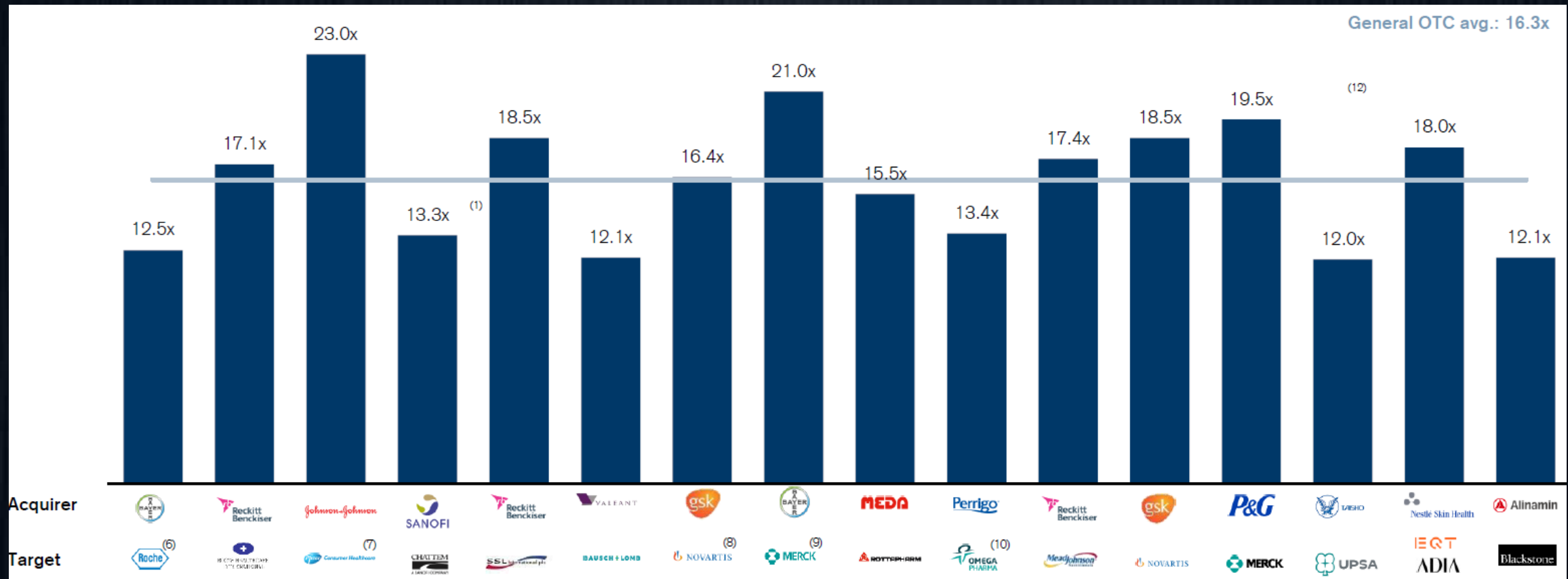


Source: Nicholas Hall

2004 2005 2008 2010 2011 2012 2014 2014 2014 2015 2015 2016 2017 2017 2017 2018 2018 2019 2020 2020 2020 2021 2021 2021 2021 2021 2021 2022 2022



# OTC Pharma EV / LTM EBITDA Transaction Multiples Average 16.3 x

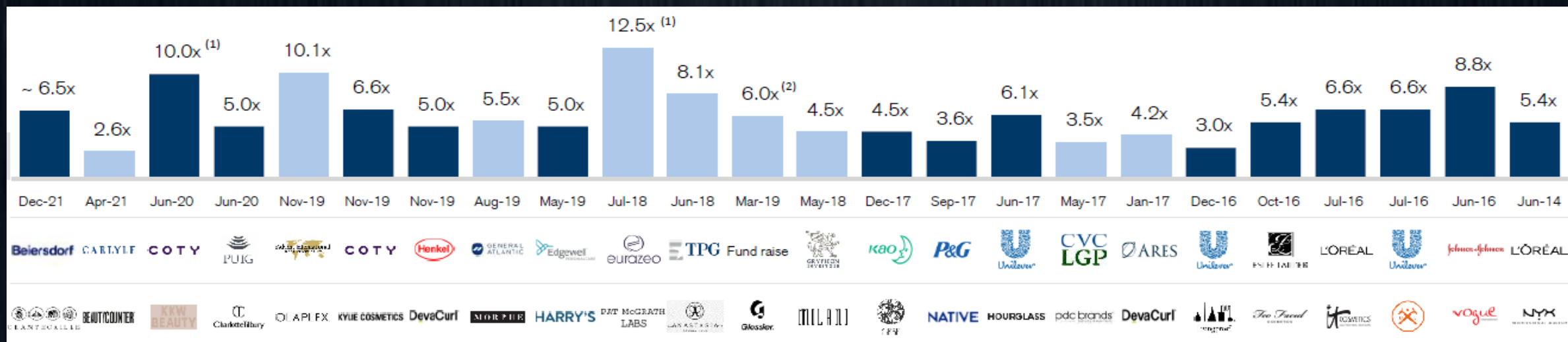


Source: Credit Suisse

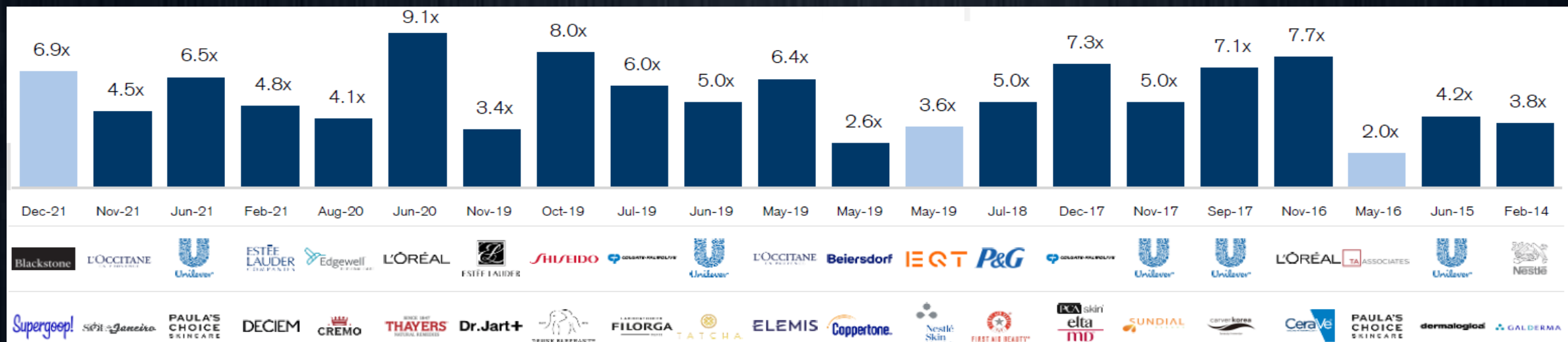
# Dynamism in M&A Pharma



# PERSONAL CARE Price/Sales Transaction Multiples



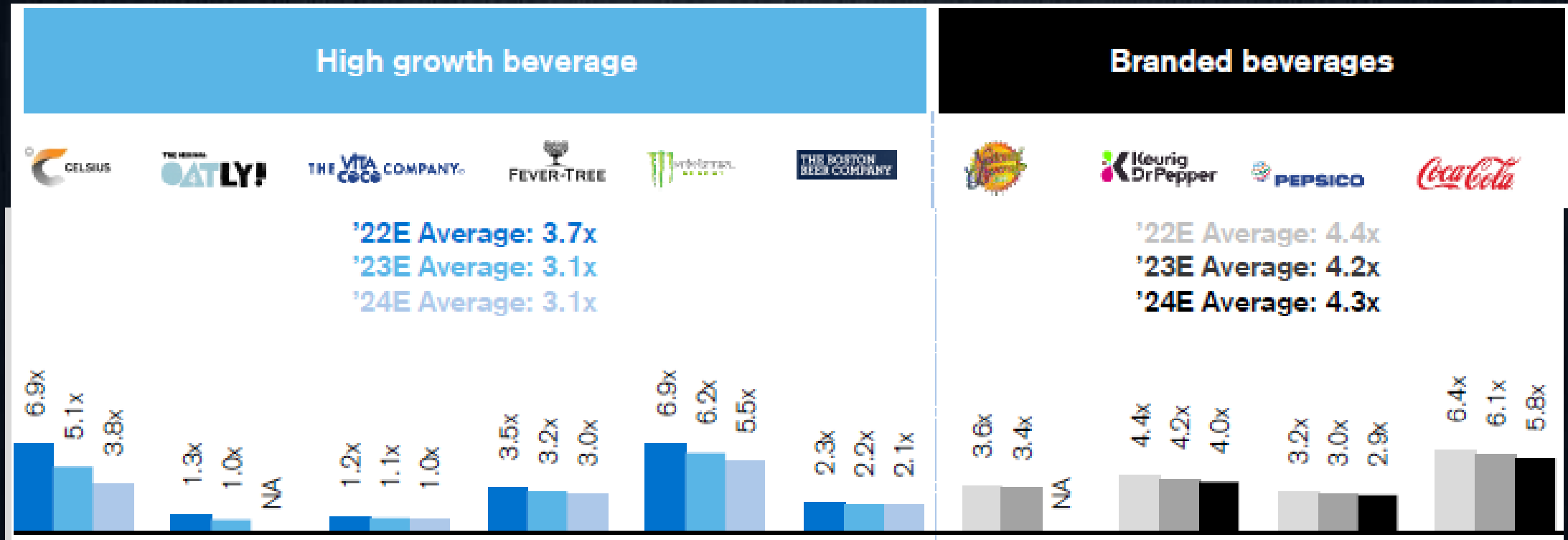
# SKIN CARE Price/Sales Transaction Multiples





# Comparables in the Beverage Industry

## BEVERAGES EV/Sales Transaction Multiple














# M&A Dynamism in the Beverage Industry

## Focused on high growth / high margin brands

Acquiror	Target
	
	
	
	
	
	
	

Acquiror	Target
	
	
	
	
	
	
	

Acquiror	Target
	
	
	
	
	
	
	

# Genomma Brands Estimated Value

PS. BILLION	NET SALES		CATEGORIES ESTIMATED VALUE		
	2022	3X	4X	5X	
SKIN CARE	3.7	11.0	14.7	18.3	
ANALGESICS	2.9	8.8	11.8	14.7	
COUGH & COLD	2.0	6.0	8.0	10.0	
HAIR CARE	1.8	5.5	7.3	9.2	
ISOTONIC BEVERAGES	1.6	4.9	6.5	8.2	
GASTO	1.0	2.9	3.9	4.9	
RAZORS & BLADES	0.1	0.3	0.5	0.6	
OTHERS	3.7				
<b>TOTAL</b>	(13.2) <b>16.9</b>	<b>39.5</b>	<b>52.7</b>	<b>65.9</b>	