

GENOMMA LAB
FIRST QUARTER
2025



Genomma Lab.®
Internacional



Genomma Lab Internacional Announces Results for the First Quarter 2025

Mexico City, April 30, 2025 – **Genomma Lab Internacional, S.A.B. de C.V.** (BMV: LAB B) (“Genomma” or “the Company”), today announced its results for the first quarter of 2025. All figures included herein are stated in nominal Mexican pesos and have been prepared in accordance with International Financial Reporting Standards (IFRS), unless otherwise mentioned.

Comments from Genomma’s CEO, Marco Sparvieri

“Genomma sales grew 5.0% in Q1 2025 while sell-out grew in the low teens. The sell-in / sell-out gap is mainly due to the U.S. and Argentina. In the U.S., a weaker-than-expected flu season and share loss in cough & cold impacted sell-in. In Argentina, lower inflation led customers to reduce inventories to improve productivity, reversing prior stockpiling behavior typical in a hyperinflationary environment. EBITDA grew 12.0%, with margin expanding 149 bps to 23.8%, driven by productivity gains. EPS increased 17.7% to Ps. 0.50 and free cash flow grew 62.4% to Ps. 2,678 million over the trailing twelve months. In conclusion, Genomma delivered strong EBITDA increase and an even stronger EPS growth.”

Mr. Sparvieri added, “Looking forward, Genomma targets low-teen sales growth in the mid-term by reinvesting excess profits and cash in ten specific projects, while sustaining a 24% average EBITDA margin.”

Q1 2025 Financial Summary

The following table provides a summary of the Company’s Income Statement, in millions of Mexican pesos.

	Q1 2025	% sales	Q1 2024	% sales	% var
Net Sales	4,406.3	100.0%	4,197.3	100.0%	+5.0%
Like-for-like Sales ⁽¹⁾					-2.1%
Gross Profit	2,767.3	62.8%	2,739.7	65.3%	+1.0%
Operating Income	960.6	21.8%	857.2	20.4%	+12.1%
EBITDA⁽²⁾	1,047.8	23.8%	935.6	22.3%	+12.0%
Net Income ⁽³⁾	498.7	11.3%	432.1	10.3%	+15.4%
EPS⁽³⁾	0.50		0.42		+17.7%

(1) Like-for-like (“LFL”) Sales are Net Sales expressed in constant currency and excludes the hyperinflationary subsidiary

(2) EBITDA defined as operating income before depreciation and amortization

(3) Continuous operations

Net sales: +5.0% increase reflecting strong Suerox sales growth across markets, primarily offset by a weaker-than-expected flu season and related market share loss of Genomma cough & cold brands in the US market. 86% of sales outpaced inflation and 72% maintained or increased market share.

Like-for-like (“LFL”) sales: -2.1% decrease when adjusting sales to constant currency and excluding the hyperinflationary subsidiary, reflecting weaker US market performance.

EBITDA: reached a 23.8% margin; a +12.0% increase reflecting a significant 149 basis-point expansion resulting from manufacturing cost efficiencies and company-wide productivity initiatives.

Net income: +15.4% increase due to a higher operating income and a favorable FX environment during the quarter.

EPS: Ps. 0.50 per share; a +17.7% increase reflecting higher net income and the cancellation of 20 million shares during the second quarter 2024.

Category Review

Genomma's strategy to focus on core brands continues to resonate on the Company's results, reflected in growth in five out of its nine core categories with 86% of sales increasing above inflation and 72% of sales maintaining or gaining market share. The following table provides a summary of sales per category for the three-month period ended March 31, 2025.

Rank	Core categories	Net Sales Growth	LFL Sales Growth
		Q1 2025 YoY	Q1 2025 YoY
1	Beverages	64.3%	54.7%
2	Skincare	6.3%	(7.6)%
3	Cough & Cold	(9.4)%	(19.8)%
4	Haircare	(1.2)%	(6.1)%
5	Derma OTC	11.6%	1.7%
6	Analgesics	6.6%	6.2%
7	Gastro	(3.4)%	(11.7)%
8	Infant Nutrition	(17.3)%	(17.3)%
9	Blades & Razors	6.0%	(0.3)%
Total		5.0%	-2.1%

Like-for-like ("LFL") Sales are Net Sales expressed in constant currency and excludes the hyperinflationary subsidiary

The following category review compares results of the current quarter with the same quarter of the prior year in sell-out terms:

Beverages: +32% sell-out increase driven by robust performance in key markets and expanding market share.

Skincare: flat sell-out with mixed results. While Cicatricure challenges persist, Asepxia is showing early signs of recovery, with a +24% sell-out in Mexico in the sixth week post-relaunch. Expansion plans for Asepxia are underway.

Cough & Cold: +13% sell-out increase with a weaker-than-expected flu season and market share losses in the U.S. Genomma brands gained market share in Mexico, despite a mild winter season.

Hair Care: +5% sell-out increase driven by a double-digit sellout growth of Tio Nacho in Brazil offset by ongoing challenges in Chile.

Derma OTC: +22% sell-out increase principally impacted by a strong recovery of Medicasp in the Peruvian market.

Analgesics: +27% sell-out increase with key markets performing well and expanding market share.

Gastro: +19% sell-out increase driven by a +9% increase in Mexico and solid market share gains in Chile.

Infant Nutrition: +4% sell-out increase with a double-digit growth in Rice, Premium and Reflux offset by a market share decrease in Constipation due to fill-rate issues. Supply stabilization and market share recovery plans are in place.

Blades & Razors: -3.8% sell-out decrease reflecting mixed results with double digit growth in Mexico offset by continued challenges in Chile.

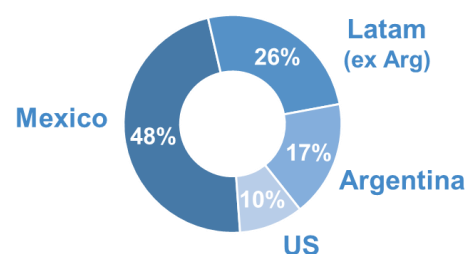
Review by Region

The following table provides a summary of sales performance in millions of Mexican pesos per region for the three-month period ended March 31, 2025:

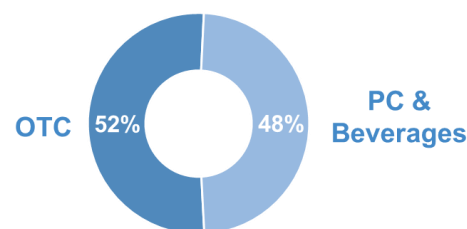
	Net sales		
	Q1 2025	Q1 2024	Δ%
Mexico	2,055.1	1,995.8	3.0%
Latam	1,920.7	1,775.4	8.2%
US	430.5	426.1	1.0%
Total Net Sales	4,406.3	4,197.3	5.0%
Total EBITDA	1,047.8	935.6	12.0%

Figures in millions of Mexican pesos

Net Sales by Region
TTM Q1 2025



Net Sales by BU
TTM Q1 2025



The following regional review compares results of the current quarter with the same quarter of the prior year:

Mexico: Net sales increased by +3.0% led by the relaunch of Asepxia and strong Suerox performance in the traditional channel, partially offset by a mild flu season, despite which Genomma OTC brands continued to gain market share. The EBITDA margin increased to 24.3%, a 145 basis-point expansion due to productivity gains.

Latam: Net sales increased by +8.2% led by a robust performance in Brazil, Peru, and Central America coupled with favorable FX. The EBITDA margin reached 24.8%, a 114-bps increase due to productivity gains and favorable FX.

- **Argentina:** Net sales increased +9.9% to Ps. 573.7 million reflecting softer growth due to clients reducing inventories to improve productivity amid lower inflation, reversing prior stockpiling behavior typical in a hyperinflationary environment. Sellout increased by double digits driven by market share gains in Suerox, Ibu 400 and Treg.

US: Net sales increased by +1.0% led by a strong Suerox performance and a favorable FX, while the resulting -15.2% net sales decrease in US dollars reflect a weaker-than-expected flu season and related market share loss of Genomma cough & cold brands. The EBITDA margin reached 16.9%, a 282 basis-point expansion due to productivity gains and favorable FX.

Working Capital

The following tables provide a summary of the Company's working capital.

	Q1 2025	Q1 2024	Δ	Q4 2024	Δ
Receivable days	103	100	3	86	17
Payable days	104	110	-6	94	10
Inventory days	117	113	4	117	0
Cash Conversion Cycle	116	103	13	109	7

Cash Conversion Cycle (CCC): amounted to 116 days mainly due to strategic Suerox inventory build-up and a reduction in payable terms as the company transitions to in-house OTC manufacturing in Mexico.

Free Cash Flow (FCF): increased 62.4% to Ps. 2,678 million during the trailing-twelve months (TTM) compared to the same period of the prior year. The Company converted 14.2% of the trailing twelve months (TTM) Net Sales into cash.

Cash Conversion Cycle



Figures in days

Days of Accounts Receivable (DSO)

	Q1 2025	Q1 2024	Q4 2024
Mexico	111	112	96
Latam	98	80	81
US	85	60	68
Consolidated	103	100	86

Capital Allocation

Dividends. Cash dividend of \$0.20000 Mexican pesos per share on common stock paid throughout the quarter, totaling Ps. 200 million. Genomma intends to continue quarterly dividend payments.

Share buybacks: 2.3 million shares repurchased during the quarter totaling Ps. 56.9 million.

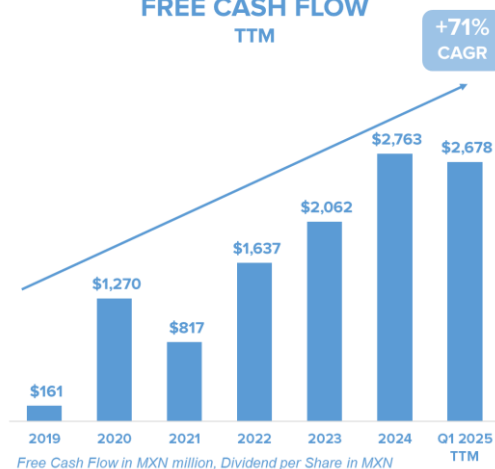
CAPEX: Investments in fixed assets totaled Ps. 106.0 million in Q1 2025, primarily allocated to the Company's manufacturing facility located in the State of Mexico.

Key Debt Ratios:

EBITDA / Debt Service: 4.8x

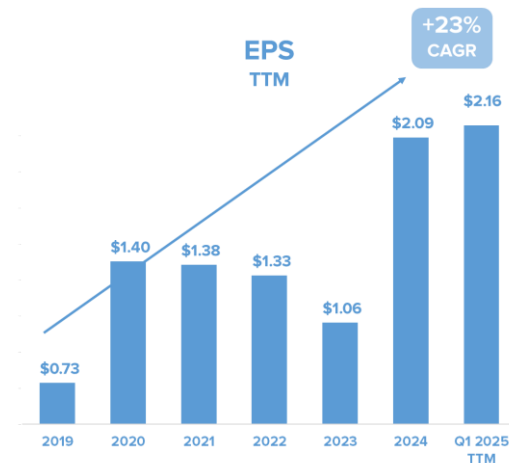
Net Debt / EBITDA: 1.1x

FREE CASH FLOW TTM



Free Cash Flow in MXN million, Dividend per Share in MXN

EPS TTM



Relevant Events

[IFRS-5 accounting effects related to the “discontinued operations” \(non-controlling investment held for sale in Marzam\)](#)

[Genomma Lab Announces Eleventh Dividend Payment](#)

Conference Call

Date: Friday, May 2, 2025

Time: 11:00 a.m. Mexico City Time

Webcast Registration: [Genomma's Q1 2025 Earnings Call](#)

Participants:

Marco Sparvieri, CEO
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Sell-side Analyst Coverage

As of April 30, 2025 “LABB” is covered by 9 sell-side analysts at the following brokerages: Actinver Casa de Bolsa, Banco Itaú BBA, BBVA Bancomer, BTG Pactual US Capital, GBM Grupo Bursátil Mexicano, Grupo Financiero Banorte, J.P. Morgan Securities, Monex Grupo Financiero and 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).



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.

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

For the three months ended March 31, 2025 and 2024

Thousands of Mexican pesos	Q1				
	2025	% Sales	2024	% Sales	Δ%
Net Sales	4,406,326	100.0%	4,197,320	100.0%	5.0%
Cost of goods sold	(1,639,005)	(37.2)%	(1,457,649)	(34.7)%	12.4%
Gross Profit	2,767,321	62.8%	2,739,671	65.3%	1.0%
Selling, general and administrative expenses	(1,720,669)	(39.0)%	(1,805,885)	(43.0)%	(4.7)%
Other income (expense)	1,161	0.0%	1,797	0.0%	(35.4)%
EBITDA	1,047,813	23.8%	935,583	22.3%	12.0%
Depreciation and amortization	(87,190)	(2.0)%	(78,334)	(1.9)%	11.3%
Income from operations	960,623	21.8%	857,249	20.4%	12.1%
Interest expense	(220,102)	(5.0)%	(200,616)	(4.8)%	9.7%
Interest income	28,246	0.6%	34,961	0.8%	(19.2)%
Foreign exchange result	(17,125)	(0.4)%	(86,889)	(2.1)%	(80.3)%
Inflationary result from monetary position	(50,470)	(1.1)%	(27,713)	(0.7)%	82.1%
Comprehensive financing income (cost)	(259,451)	(5.9)%	(280,257)	(6.7)%	(7.4)%
Associated company	0	0.0%	0	0.0%	n.a.
Income before income taxes	701,172	15.9%	576,992	13.7%	21.5%
Income tax expense	(202,453)	(4.6)%	(144,897)	(3.5)%	39.7%
Net income from continuous operations	498,719	11.3%	432,095	10.3%	15.4%
Results from discontinuous operations (Marzam)	0	0.0%	(59,989)	(1.4)%	(100.0)%
Continuous and Discontinuous Net Income	498,719	11.3%	372,106	8.9%	34.0%

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of March 31, 2025 and 2024 and December 31, 2024

<i>Thousands of Mexican pesos</i>	As of March 31,			As of December 31,	
	2025	2024	Δ%	2024	Δ%
ASSETS					
Current assets					
Cash and equivalents and restricted fund	2,157,025	1,142,126	88.9%	2,379,112	(9.3)%
Clients - Net	5,371,263	4,574,302	17.4%	4,444,414	20.9%
Recoverable Taxes	1,527,043	1,667,128	(8.4)%	1,492,538	2.3%
Other accounts receivable*	794,990	883,054	(10.0)%	702,175	13.2%
Inventory - Net	2,229,596	1,950,920	14.3%	2,176,087	2.5%
Prepaid expenses	973,441	848,979	14.7%	872,205	11.6%
Total current assets	13,053,358	11,066,509	18.0%	12,066,531	8.2%
Non-current assets					
Trademarks	5,770,100	5,092,672	13.3%	5,926,549	(2.6)%
Investment in shares	0	0	n.a.	0	n.a.
Discontinued Operations	0	669,163	(100.0)%	0	n.a.
Building, properties and equipment – Net	3,583,916	3,402,375	5.3%	3,526,885	1.6%
Deferred income tax, assets and others	1,603,440	1,023,095	56.7%	1,466,152	9.4%
Assets by right of use	69,562	57,974	20.0%	31,686	119.5%
Total non-current assets	11,027,018	10,245,279	7.6%	10,951,272	0.7%
TOTAL ASSETS	24,080,376	21,311,788	13.0%	23,017,803	4.6%
LIABILITIES AND STOCKHOLDERS' EQUITY					
Current Liabilities					
Short-term debt and Current portion of long-term debt	2,959,073	2,109,380	40.3%	1,364,832	116.8%
Suppliers	1,985,557	1,910,354	3.9%	1,738,018	14.2%
Other current liabilities	3,278,586	2,627,795	24.8%	3,277,059	0.0%
Income tax payable	169,347	238,806	(29.1)%	158,509	6.8%
Total current Liabilities	8,392,563	6,886,335	21.9%	6,538,418	28.4%
Non-current liabilities					
Long-term debt securities	2,192,523	3,182,755	(31.1)%	3,187,798	(31.2)%
Long-term loans with financial institutions	1,805,729	935,276	93.1%	1,877,012	(3.8)%
Deferred income tax and other long term liabilities	580,704	502,770	15.5%	529,719	9.6%
Payable dividends to shareholders	0	30,581	(100.0)%	0	n.a.
Total non-current Liabilities	4,578,956	4,651,382	(1.6)%	5,594,529	(18.2)%
TOTAL LIABILITIES	12,971,519	11,537,717	12.4%	12,132,947	6.9%
Stockholders' equity					
Contributed Capital	1,825,350	1,861,857	(2.0)%	1,825,350	0.0%
Retained earnings	11,815,006	11,007,955	7.3%	11,511,687	2.6%
Cumulative translation effects of foreign subsidiaries	(667,606)	(1,208,162)	(44.7)%	(653,102)	2.2%
Repurchased shares - Net	(1,866,231)	(1,889,917)	(1.3)%	(1,801,417)	3.6%
Fair value through profit OCI	2,338	2,338	0.0%	2,338	0.0%
Total Stockholders' Equity	11,108,857	9,774,071	13.7%	10,884,856	2.1%
TOTAL EQUITY AND LIABILITIES	24,080,376	21,311,788	13.0%	23,017,803	4.6%

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

For the three months ended March 31, 2025

	Q1 2025
<i>Thousands of Mexican pesos</i>	
Cash and cash equivalents beginning of period	2,379,112
Consolidated Net Income	498,719
Charges to results with no cash flow:	
Depreciation and amortization	97,018
Income tax	202,453
Accrued interest and others	251,027
Changes in Working Capital:	
Clients - Net	(890,406)
Recoverable VAT	(35,560)
Inventories	(80,522)
Suppliers	258,608
Other current assets	(142,490)
Paid income tax	(297,058)
Other current liabilities	(12,806)
Net cash generated (used) in operating activities	(151,017)
Investing activities:	
Investment in fixed assets	(105,995)
Resources from financial instruments	(4,649)
Sales of equipment	0
Other asset acquisitions	(6,921)
Interest collected	28,259
Net cash generated (used) in investing activities	(89,306)
Financing activities:	
Payments of borrowings with financial institutions	(336,116)
Loans with financial and securities institutions	850,000
Interest paid	(214,832)
Net Stock repurchase	(55,933)
Payment of liabilities for lease	(15,235)
Dividends paid to shareholders	(195,401)
Net cash used in financing activities	32,483
Net increase in cash and cash equivalents before foreign exchange adjustments coming from international operations and inflationary affects cash	(207,840)
Foreign exchange and inflationary effects from international operations	(14,247)
Accumulated cash flow at the end of the period	2,157,025
Less - restricted fund	12,513
Cash and cash equivalents at end of period balance for operation	2,144,512

ANNEX

EXCLUSION OF IAS 29 AND IAS 21 EFFECTS

For the three months and trailing twelve months ended March 31, 2025 and 2024

	Reported			2025		2024		Excl. IAS 29 & 21		
	Q1 2025	Q1 2024	Δ%	Inflation Effect (IAS 29)	Conversion Effect (IAS 21)	Inflation Effect (IAS 29)	Conversion Effect (IAS 21)	Q1 2025	Q1 2024	Δ%
Net Sales	4,406.3	4,197.3	5.0%	(8.6)	(17.6)	26.1	(12.5)	4,432.5	4,183.8	5.9%
EBITDA	1,047.8	935.6	12.0%	(0.8)	(4.9)	2.8	(4.6)	1,053.6	937.3	12.4%
EBITDA Margin	23.8%	22.3%						23.8%	22.4%	
Net Income	498.7	432.1	15.4%	(105.8)	(3.4)	(55.7)	(3.9)	607.9	491.7	23.6%
Net Margin	11.3%	10.3%						13.7%	11.8%	

	Reported			2025		2024		Excl. IAS 29 & 21		
	12M Q1 2025	12M Q1 2024	Δ%	Inflation Effect (IAS 29)	Conversion Effect (IAS 21)	Inflation Effect (IAS 29)	Conversion Effect (IAS 21)	12M Q1 2025	12M Q1 2024	Δ%
Net Sales	18,815.9	16,486.2	14.1%	519.4	11.1	1,271.9	(2,159.1)	18,285.4	17,373.4	5.2%
EBITDA	4,382.5	3,454.6	26.9%	173.2	5.3	408.1	(807.3)	4,204.0	3,853.8	9.1%
EBITDA Margin	23.3%	21.0%						23.0%	22.2%	
Net Income	2,157.7	1,146.6	88.2%	(646.3)	5.1	(271.4)	(447.3)	2,798.9	1,865.3	50.1%
Net Margin	11.5%	7.0%						15.3%	10.7%	

ANNEX

REGIONAL SALES BY BUSINESS UNIT

For the three months ended March 31, 2025 and 2024

Business Unit	Mexico			Latam			USA		
	Q1 2025	Q1 2024	Δ%	Q1 2025	Q1 2024	Δ%	Q1 2025	Q1 2024	Δ%
Over-the-Counter Medicines	942.5	981.9	(4.0)%	923.7	836.9	10.4%	153.4	227.9	(32.7)%
Personal Care & Beverages	1,112.6	1,013.9	9.7%	997.0	938.5	6.2%	277.1	198.2	39.8%
Total	2,055.1	1,995.8	3.0%	1,920.7	1,775.4	8.2%	430.5	426.1	1.0%



S&P Global ESG Score
"62"
 Record high from 58 last year



**Third improvement
 in last 4 yrs**



**19th consecutive
 year awarded**



+61,000
 Medicines donated during
 Q1 2025



**Third bee keeping lab
 in Costa Rica**
 Preserving **+300** hectares