

HIGHLIGHTS

Q3-2021 Sales increased by
Ps. 556.0 million;
+16.2% year-on-year

Q3-2021 EBITDA closed at
Ps. 819.0 million;
+6.5% year-on-year

Ps. 1.76 billion
 in **Cash & Equivalents**
 as of September 30, 2021

Q3-2021 Net Debt to EBITDA
 ratio of **1.49x**

The Company received
Good Manufacturing
Practices (GMP)
certification
 during **3Q-2021**

12th
Consecutive Quarter of
top-line growth

Record EBITDA
in absolute terms

Genomma Lab Internacional Reports Third Quarter 2021 Results

Mexico City, October 27, 2021 – **Genomma Lab Internacional, S.A.B. de C.V. (BMV: LAB B)** (“Genomma Lab” or “the Company”), today announced its results for the third quarter ended September 30, 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 third quarter 2021 as compared with the same period in 2020:

	Q3 2021	% Sales	Q3 2020	% Sales	Var. %
Net Sales	3,983.9	100.0%	3,427.9	100.0%	16.2%
Gross Profit	2,454.9	61.6%	2,189.9	63.9%	12.1%
Operating Income	783.5	19.7%	731.7	21.3%	7.1%
EBITDA⁽¹⁾	819.0	20.6%	769.4	22.4%	6.5%
Net Income	393.2	9.9%	409.1	11.9%	(3.9%)

1) EBITDA defined as operating income before depreciation and amortization

Comments from the CEO

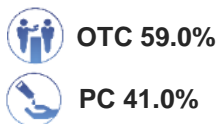
Mr. Jorge Luis Brake, Genomma Lab’s Chief Executive Officer, commented:

“We recently celebrated Genomma’s 25-year anniversary of delivering value to our many important stakeholders. The commemoration was also an opportunity to reflect on our Company’s commitment to strong sustainable growth through innovation and disruption. This long-term vision enabled another consecutive quarter of exceptional top-line, operational and profitability results despite the challenging operating environment, driven by an increased market presence with exciting line extensions, new formulations, and product launches during the quarter. Genomma’s success in this regard underscores our Company’s resilience, and our ability to flexibly adapt to consumers’ needs. However, it’s also testament to our operating management team’s considerable skill and experience, particularly our strengthened supply chain team, and their ability to maximize our potential by leveraging and expanding our innovation, portfolio and brands’ success throughout new channels and markets.”

He added: *“The GMP certification we were granted for our solids and semi-solids manufacturing facility during the third quarter was another important milestone in optimizing our supply chain- one of the four pillars of Genomma’s growth strategy. Our new fully-operational industrial cluster enables us to improve product quality and our overall value proposition while reducing manufacturing costs and inventory levels, with an improved cash conversion cycle.”*

KEY DATA

% Sales by Segment:



Tío Nacho[®]
with sustainable packaging
launched in **Mexico, Chile,
and Costa Rica**



Outstanding
Communications and Go-to-
Market with **Brazil** launch of
Liris[®] eye drops

Business Review

Third quarter 2021 net sales reached Ps. 3.98 billion; a 16.2% year-on-year increase. Accumulated net sales for the first nine months of 2021 reached Ps. 11.40 billion; a 9.6% year-on-year increase. The sequential sales increase reflects continued strong execution of Genomma's operating strategy during the quarter, specifically new innovative and profitable products, as well as channel and points of sale extensions in the different regions where the Company operates.

In absolute terms, EBITDA amounted to Ps. 819.0 million setting a new record for the Company. EBITDA margin for the quarter closed at 20.6%; a 180 bps year-on-year decrease which reflected FX headwinds and raw materials and packaging inflation, as well as increased marketing and advertising expenses. Third quarter 2021 EBITDA margin was also adversely impacted by a challenging year-on-year comparison due to elevated hand sanitizer demand in the third quarter 2020.

Third quarter 2021 performance reflected the following four pillars of Genomma's strategy:

Product Innovation and Portfolio Optimization

Genomma Lab remained focused on innovation, supported by continued operating discipline. This included important line extensions, new formulations, and new product launches which strengthened the portfolio during the quarter, as well as new environmentally sustainable packaging. These included the simultaneous Mexico, Chile, and Costa Rica launch of a new environmentally sustainable Tío Nacho[®] shampoo packaging integrating both recycled and recyclable materials, neutralizing this product's carbon footprint, as well as the launch within key Mexico retailers of Karboon by Groomen[®] razors with a more than 100-day cartridge life. During the quarter, Genomma further expanded its Novamil[®] presence in Mexico and completed several line extensions throughout Latin America including the launch of a new Cicatricure[®] Serum VIT C; the launch of Asepxia[®] GEN skin facial cleanser, which is Genomma's first specialized line dermatologically tested for oily skin; the launch of Next[®]-AB antibacterial liquid soap; and the Argentina launch of Tafirol[®] Flex in an ibuprofen/acetaminophen formulation with both analgesic and anti-inflammatory properties. US sales of Suerox[®] also grew sequentially during the third quarter 2021.

Strengthened Marketing and Perfect Go-To-Market Execution

The Company continued to expand within the regions where it operates through an increased presence of new and innovative brands, also within new channels and points of sale. Examples include: the launch of Groomen[®] and Suerox[®] in Chile and the Brazil launch of Liris[®], Genomma's new lubricating eye drop brand, all of which were driven by strong marketing strategies which increased market share and product visibility during the quarter. This strategy enables Genomma to further expand high-growth brands through strategic partners in key countries where the Company is present.



Genomma manufacturing facility received **GMP certification** for **solids** and **semi-solids** product lines
[\(See document\)](#)



Genomma builds **alliances** to **strengthen** institutions, foundations, and civil associations

Supply Chain

During the third quarter 2021, the Mexican health agency (COFEPRIS) granted Genomma Lab Good Manufacturing Practices (GMP) certification for the Company's Medicinas y Medicamentos Nacionales, S.A. de C.V. solids and semi-solids manufacturing facility in the State of Mexico. GMP certification enables Genomma to strengthen its competitive advantage and consumer appeal through an improved product value equation, specifically related to price, quality, and performance. This represents the achievement of an important goal related to the Company's four pillar strategy, in addition to establishing Genomma's Global Logistics Center and initiating its Personal Care manufacturing plant operations.

Genomma's Personal Care manufacturing plant's isotonic beverage production line reached production levels which exceeded 6,500,000 bottles during the month of September. The Plant also began test batches of its shampoo manufacturing line for its Vanart[®] and Tío Nacho[®] brands.

Genomma further improved service levels and fill-rates during the third quarter 2021, to reach levels which exceeded 90% despite global supply chain disruptions.

During the first nine months of 2021, investments related to the manufacturing plant reached Ps. 510.0 million, with pre-operating and production expenses of approximately Ps. 38.1 million for the third quarter 2021.

Sustainability and Corporate Culture

Genomma Lab was recognized within *Expansión CEO Magazine's* annual ranking of Mexico's top 'responsible companies' for its November 2021 issue. The ranking recognizes companies which have demonstrated successful social responsibility strategies based on the triple bottom line: environmental, social, and economic impact.

Genomma donated more than 100,000 products to local institutions supporting vulnerable children, adolescents, and the elderly, and donated more than 143,000 personal hygiene products, infant formulas and medicines to families affected by Haiti's earthquake. Further, more than 300 employees and family members who form a part of Genomma's *GEN Contigo* volunteer program participated in more than 35 activities to support more than 30 institutions in 10 countries throughout Latin America and the US.



Launch of **premium Karboon by Groomen[®] razors** within the Mexican market



Suerox[®]
New sugar-free coconut flavor with **Zinc**



Asepxia[®] GEN
First specially created line for **oily skin**, tested and developed with **dermatologists**

Mexico

Third quarter 2021 Mexico net sales reached Ps. 1.67 billion, a 12.3% year-on-year increase, primarily due to strong new category performance by products such as Novamil[®] and Groomen[®], as well as successful new line extensions and synergies achieved in the traditional channel through new products and presentations.

Third quarter 2021 EBITDA closed at Ps. 334.6 million, with a 20.1% EBITDA. The 270 bps year-on-year decrease was primarily due to COGS inflation that was partially offset by pricing during September and October.

U.S.

Net sales at Genomma's U.S. operation decreased by 11.6% reflecting a difficult year-on-year comparison due to extraordinary hand sanitizer sales as well as abnormally high pandemic-driven sales overall during the third quarter 2020. Adjusted for the third quarter 2020 hand sanitizer non-recurring effect in the U.S., consolidated net sales would have increased by double-digit growth. The new operational model in the U.S. shows early positive signs in Puerto Rico (under a focused team for that market), the launch of Suerox[®] in California and the performance of the e-commerce channel.

Third quarter 2021 EBITDA margin reached 12.7%; a 50 bps year-on-year increase reflecting strong cost and expense controls, as well as operational leverage in the e-commerce channel. This was partially offset by a slight decrease in sales of those products with a more significant margin contribution.

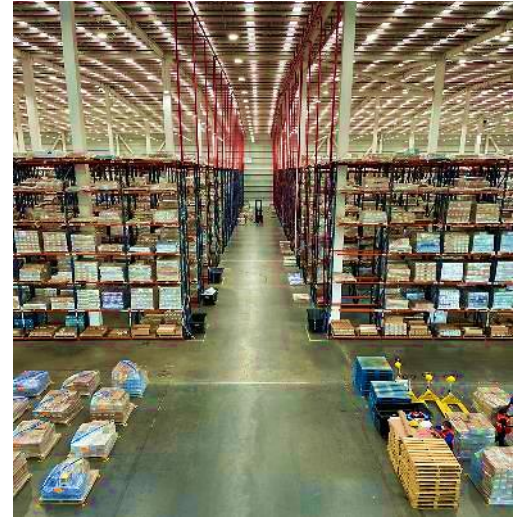
Latin America

Third quarter 2021 Latin America net sales reached Ps. 1.98 billion; a 26.7% year-on-year increase. This was primarily due to increased points of sale within the traditional channel with increased visibility of key products, as well as new product launches and line extensions throughout the region. Top-line growth on a local currency basis exceeded 30% but was partially offset by FX headwinds in the key countries where Genomma operates.

Third quarter 2021 EBITDA reached Ps. 442.0 million; a Ps. 76.9 increase compared to Ps. 365.1 million for the same quarter of 2020. EBITDA margin reached 22.3%; a 230 bps year-on-year contraction primarily due to inflation of certain raw materials. This was partially offset by favorable sales mix with higher operating leverage resulting from incremental sales during the third quarter 2021, and to a lesser extent by productivity and pricing initiatives that continued in October (Q4).

Genomma's New Industrial Cluster

+6,500,000 bottles
of **Suerox[®]** produced
during September 2021



Genomma's manufacturing
plant **produced more**
Suerox[®] during the first
seven months of 2021 than
any of Genomma's third-
party suppliers



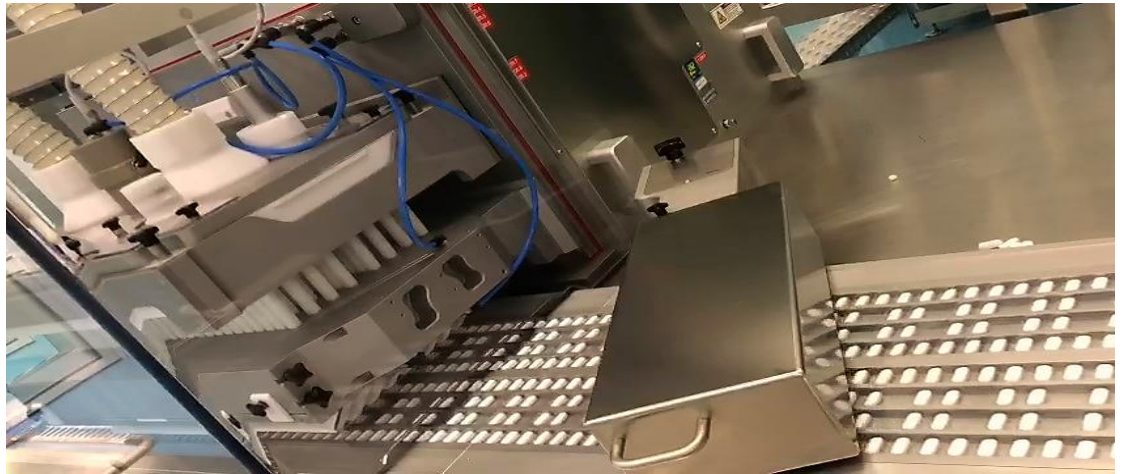
Highly trained team at the
shampoo manufacturing line



Pomada de La Campana[®] line
commissioning scheduled for
November 2021

Genomma's New Industrial Cluster

Pharma Manufacturing Plant
solids and **semi-solids**
ramp-up



State-of-the-Art Equipment

Pharma Plant **liquids** line
awaiting GMP approval



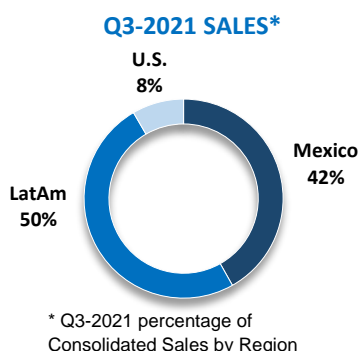
Semi-solid Manufacturing Line

Solid products direct
compression equipment with
capacity to produce **+270,000**
pills per hour



Pharma Plant Solid Products process with direct compression

www.genommalab.com/inversionistas/



Consolidated Results Third Quarter 2021

Third Quarter 2021 Net Sales reached Ps. 3.98 billion; a 16.2% year-on-year increase. The Ps. 556.0 increase is primarily due to improved sell-out in Mexico and Latin America as well as strong execution of the Company's four key pillar strategy, including product development, brand penetration, new packaging formats, formulation improvements and line extension expansion throughout the Latin American countries in which Genomma operates. This enabled the Company to partially offset regional FX headwinds.

Third Quarter 2021 EBITDA reached Ps. 819.0 million; an increase as compared to Ps. 769.4 million for the same period in 2020. Third quarter EBITDA margin closed at 20.6%; an 180bps year-on-year margin decrease, primarily due to continued commodity inflation with Latin America FX headwinds, as well as increased distribution expenses in line with the current growth strategy. Third quarter 2021 EBITDA margin decreased, to a lesser extent, due to extraordinary expenses related to innovation strategies and go-to-market initiatives.

Sales by Category & Region

(Figures in millions of Mexican Pesos)

	Over the counter (OTC)			Personal Care			Total		
	Q3'20	Q3'21	% Var.	Q3'20	Q3'21	% Var.	Q3'20	Q3'21	% Var.
Mexico	913.8	938.2	2.7%	570.9	728.5	27.6%	1,484.7	1,666.7	12.3%
LatAm	661.6	1,144.3	73.0%	903.3	838.3	(7.2%)	1,564.9	1,982.6	26.7%
U.S.	267.2	269.3	0.8%	111.1	65.3	(41.2%)	378.3	334.6	(11.6%)
Total	1,842.6	2,351.8	27.6%	1,585.3	1,632.1	3.0%	3,427.9	3,983.9	16.2%

Results by Region for the Third Quarter 2021

Mexico

Third quarter 2021 Net Sales reached Ps. 1.67 billion; a 12.3% year-on-year increase. This Ps. 182.0 million increase is mainly due to strong new category sales, including razors and infant formula brands, line extensions, product development, go-to market initiatives, in-store visibility improvements, as well as the increased traditional channel presence and POS served within this channel. The increase was also driven by certain key brands' expanded reach to a broader consumer base within the country through new marketing and commercial initiatives.

EBITDA for the quarter reached Ps. 334.6 million with a 20.1% margin; a 270bps decrease year-on-year. This was primarily due to COGS inflation and certain Manufacturing Plant startup expenses during the quarter. The adverse impact on third quarter 2021 EBITDA was partially offset through productivity and pricing initiatives that continued in October (Q4).

MEXICO

Sales in MXN: 1.67 billion

EBITDA Margin: 20.1%

U.S.

Sales in MXN: 334.6 million
EBITDA Margin: 12.7%

U.S.

Third quarter 2021 net sales for Genomma's U.S. operation decreased by 11.6%, to Ps. 334.6 million, due to a challenging year-on-year comparison base with increased third quarter 2020 hand sanitizer sales. This was partially offset by market share gains due to increased e-commerce sales, the performance of Puerto Rico (under a focused team for that market) and the launch of Suerox[®] in California.

Third quarter 2021 EBITDA reached Ps. 42.5 million with a 12.7% EBITDA margin, compared to Ps. 46.0 million for the same period of 2020. The 50bps margin increase was due to continued success of operational strategies during the quarter including, among others, a strong focus on cost and expense efficiency, operating savings, as well as an increased e-commerce sales during the quarter.

LATIN AMERICA

Sales in MXN: 1.98 billion
EBITDA Margin: 22.3%

Latin America

Net Sales for the quarter increased by 26.7% year on year, to Ps. 1.98 billion. Sales also reflected a double-digit increase when expressed in local currency. Increased sales were primarily due to strong traditional channel execution, marketing initiatives, new product launches and successful line extensions implemented across the countries where the Company operates. To a lesser extent, sales increased due to an expanded presence of Genomma's product at the point of sale. Third quarter Net Sales were impacted by FX headwinds in some key countries where Genomma operates.

Third quarter 2021 EBITDA reached Ps. 442.0 million with a 22.3% EBITDA margin, compared to Ps. 365.1 million with a 24.6% EBITDA margin for the same period in 2020; a 230bps year-on-year margin contraction. EBITDA for the third quarter 2021 was adversely impacted by macro headwinds and local currency depreciation within key countries in which Genomma has a presence. This was partially offset by a favorable sales mix and by increased operating leverage resulting from increased third quarter 2021 sales.

**Local Currency FX
Expressed in MXN**

	COP (12.0%)
	UYU (10.3%)
	PYG (8.6%)
	CLP (8.3%)
	BRL (6.8%)

* Exchange rate on
September 30, 2021.

Other Income Statement Results for the Third Quarter of 2021

Gross Profit increased by 12.1%, to Ps. 2.45 billion, compared to Ps. 2.19 billion for the third quarter of 2020. Third quarter 2021 gross margin decreased by 230 bps year-on-year to close at 61.6%, primarily due to COGS inflation across all markets, as well as foreign exchange impact when consolidating currencies which depreciated during the quarter.

Selling, General, Marketing and Administrative Expenses increased as a percentage of sales, to 42.3% for the third quarter of 2021 from 41.4% for the prior year. SGM&A increased due to marketing investments during the quarter and, to a lesser extent, was due to operating expenses related to Genomma's new Industrial Cluster.

Net Income reached Ps. 393.2 million; a Ps. 15.9 million year-on-year decrease primarily due to increased income tax expense, due to the fiscal effects of cash dividend repatriation from international subsidiaries operations. To a lesser extent, net income declined due to increased all-in cost of financing (non-cash) associated with the Company's monetary position and related losses accounted during the quarter, including inflationary accounting for Argentina.

Non-Operating Result for the Third Quarter 2021

Comprehensive Financing Result represented a Ps. 205.2 million expense for the third quarter of 2021, compared to a Ps. 169.6 million in the third quarter 2020. The Ps. 35.6 million expense increase is due to: i) a Ps. 51.4 million year-on-year net increase in the financial interest expense during the quarter, and ii) a Ps. 40.4 million year-on-year net foreign exchange increase of the Company's monetary position within its inflationary subsidiary. This was partially offset by: i) Ps. 36.4 million increase in financial interest income during the quarter and, ii) a Ps. 19.8 million increase in Foreign Exchange Gain.

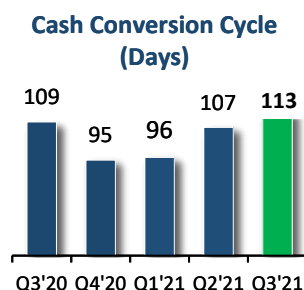
Income Tax Expense for the third quarter 2021 reached Ps. 187.6 million as compared to a Ps. 157.8 million in the third quarter 2020, derived by the tax impact on dividend repatriation

Financial Position

Working Capital and the cash conversion cycle ended at 113 days; a 4-day year on year increase during the third quarter 2021.

- **Accounts Receivable** amounted to Ps. 4.39 billion as of September 30, 2021. Days of consolidated accounts receivable amounted to 106; a 5-day decrease when compared to the end of September 2020.
- **Inventories** closed at Ps. 2.44 billion as of September 30, 2021. Days of Inventories amounted to 154; a 4-day improvement when compared to the end of September 2020. This reflects an improved fill-rate and related improvements to the cash conversion cycle.
- **Trade Payables** amounted to Ps. 1.78 billion as of September 30, 2021. Days Payable Outstanding (DPO) decreased to 147 days, from 160 days on September 30, 2020.

Fixed Assets. The Company invested Ps. 510.0 million during the nine months ended September 30, 2021, primarily in construction and commissioning of new lines at the Company's new Industrial Cluster located in the State of Mexico.



Q3-2021
Net Debt to EBITDA ratio
 closed at **1.49x**

41,760,168 shares
repurchased
 as of September 30, 2021

Recoverable Taxes. This position is comprised of claims against the tax authorities relating mostly to VAT (IVA) and income taxes. The position decreased by Ps. 141.2 million year-to-date.

Net Financial Debt at the end of September 30, 2021, decreased year-on-year:

- **Cash and Equivalents** amounted to Ps. 1.76 billion as of September 30, 2021; a 12.0% increase as compared to September 30, 2020.
- **Gross Financial Debt** amounted to Ps. 6.29 billion as of September 30, 2021, compared to Ps. 6.50 billion as of September 30, 2020; a Ps. 213.2 million year-on-year decrease. The Company's long-term debt represented 62.9% of gross financial debt at the end of the third quarter 2021.
- **Net Financial Debt** amounted to Ps. 4.53 billion as of September 30, 2021; a Ps. 400.5 million year-on-year decrease.

Share Buyback Program. The Company repurchased a total of 1,895,590 shares during the three months ended September 30, 2021, representing an investment of approximately Ps. 36.8 million.

Free Cash Flow from Operations. Excluding investments made in the Company's new manufacturing facility, free cash flow for the nine months ended September 30, 2021 would have reached Ps. 798.9 million. Most of the cash flow generated year to date has been directed towards the Company's new Industrial Cluster as well as towards other working capital investments to drive growth.

Key Financial Metrics

	Q3-2021
EBITDA / Interest Paid	6.5x
Net Debt / EBITDA	1.5x

CONFERENCE CALL Q3-2021

Thursday, October 28, 2021
at 11:00 a.m. ET /
10:00 a.m. CST

Jorge Luis Brake
CEO

Antonio Zamora
CFO

Webcast:

[Genomma's Q3'21 Earnings Call](#)

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

United States:
+1 877-407-0784

International:
+1 201-689-8560

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

Third Quarter 2021 Other Relevant Events

- [Genomma Lab Internacional receives Good Manufacturing Practices \(GMP\) certification](#)
"GMP certification is a critical component to optimizing Company's supply chain."
- [Ps. 557.0 million issued through six unsecured short-term local bonds](#)

Additional Information

- [New Accounting Standards Impact \(April 29, 2019\)](#)
- [Genomma Lab Internacional 2020 Integrated Annual Report](#)
- [2020 Audited Results \(XBRL Format\)](#)

Sell-side Analyst Coverage

As of October 27, 2021 "LABB" is covered by 14 sell-side analysts at the following brokerages: Actinver Casa de Bolsa, Banco Itaú BBA, BBVA Bancomer, Barclays Bank, 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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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:

Investor Relations

Tel: +52 (55) 5081-0075
investor.relations@genommalab.com

Barbara Cano, InspiR Group

Tel: +1 (646) 452-2334
barbara@inspigroup.com

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

For the three and nine months ended September 30, 2021, and 2020

Thousands of Mexican pesos	THIRD QUARTER				ACCUMULATED			
	2021	% Sales	2020	% Sales	2021	% Sales	2020	% Sales
Net Sales	3,983,928	100.0%	3,427,909	100.0%	11,396,943	100.0%	10,398,770	100.0%
Cost of goods sold	1,528,997	38.4%	1,237,991	36.1%	4,409,980	38.7%	3,968,861	38.2%
Gross Profit	2,454,931	61.6%	2,189,918	63.9%	6,986,963	61.3%	6,429,909	61.8%
Selling, general and administrative expenses	1,684,277	42.3%	1,419,261	41.4%	4,712,996	41.4%	4,236,662	40.7%
Other (income) expense	48,359	1.2%	1,287	0.0%	46,187	0.4%	(9,413)	(0.1)%
EBITDA	819,013	20.6%	769,370	22.4%	2,320,154	20.4%	2,202,660	21.2%
Depreciation and amortization	35,563	0.9%	37,708	1.1%	107,938	0.9%	115,586	1.1%
Income from operations	783,450	19.7%	731,662	21.3%	2,212,216	19.4%	2,087,074	20.1%
Interest expense	(172,623)	(4.3)%	(121,253)	(3.5)%	(344,971)	(3.0)%	(364,131)	(3.5)%
Interest income	51,044	1.3%	14,652	0.4%	55,812	0.5%	27,059	0.3%
Foreign exchange result	1,103	0.0%	(18,663)	(0.5)%	(29,054)	(0.3)%	112,538	1.1%
Inflationary result from monetary position	(84,693)	(2.1)%	(44,330)	(1.3)%	(227,319)	(2.0)%	(130,738)	(1.3)%
Comprehensive financing income (cost)	(205,169)	(5.1)%	(169,594)	(4.9)%	(545,532)	(4.8)%	(355,272)	(3.4)%
Associated company	2,479	0.1%	4,818	0.1%	42,356	0.4%	23,893	0.2%
Income before income taxes	580,760	14.6%	566,886	16.5%	1,709,040	15.0%	1,755,695	16.9%
Income tax expense	187,557	4.7%	157,750	4.6%	617,216	5.4%	612,108	5.9%
Consolidated net income	393,203	9.9%	409,136	11.9%	1,091,824	9.6%	1,143,587	11.0%

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of September 30, 2021, and 2020 and December 31, 2020

<i>Thousands of Mexican pesos</i>	As of September 30, 2021	As of September 30, 2020	As of December 31, 2020
ASSETS			
CURRENT ASSETS			
Cash and equivalents and restricted fund	1,755,220	1,567,634	2,103,870
Clients - Net	4,385,775	4,223,216	4,027,382
Recoverable Taxes	1,528,632	1,574,290	1,669,847
Other accounts receivable*	1,930,903	1,279,902	1,613,649
Inventory - Net	2,441,728	2,268,870	2,045,983
Prepaid expenses	644,681	964,982	576,743
Total current assets	12,686,939	11,878,894	12,037,474
Non-current assets			
Trademarks	4,952,167	4,901,213	4,851,459
Investment in shares	1,743,347	1,658,613	1,700,991
Building, properties and equipment – Net	3,199,894	2,564,826	2,795,312
Deferred income tax, assets and others	601,667	759,644	690,527
Assets by right of use	46,889	18,603	56,853
Total non-current assets	10,543,964	9,902,899	10,095,142
TOTAL ASSETS	23,230,903	21,781,793	22,132,616
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities			
Current portion of long-term debt	2,331,623	1,873,827	1,970,239
Suppliers	1,781,774	1,749,172	1,644,766
Other current liabilities	2,615,096	2,770,368	2,686,346
Income tax payable	386,070	250,607	275,791
Liabilities from short-term leases	30,744	2,763	36,829
Total current liabilities	7,145,307	6,646,737	6,613,971
Non-current liabilities			
Long-term debt securities	2,488,886	2,482,253	2,484,386
Long-term loans with financial institutions	1,465,248	2,142,965	1,969,361
Deferred income tax and other long term liabilities	716,526	360,016	609,928
Payable dividends to shareholders	800,000	800,000	800,000
Liabilities from long-term leases	20,133	19,081	20,783
Total liabilities	12,636,100	12,451,052	12,498,429
Stockholders' equity			
Contributed Capital	1,912,967	1,912,967	1,912,967
Retained earnings	9,955,776	8,736,005	8,876,426
Cumulative translation effects of foreign subsidiaries	(38,464)	85,901	(22,359)
Repurchased shares - Net	(1,235,476)	(1,404,132)	(1,132,847)
Total stockholders' equity	10,594,803	9,330,741	9,634,187
TOTAL EQUITY AND LIABILITIES	23,230,903	21,781,793	22,132,616

*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 September 30, 2021

Thousands of Mexican pesos

3Q-2021

Cash and cash equivalents beginning of period	1,408,994
Consolidated Net Income	393,203
Charges to results with no cash flow:	
Depreciation and amortization	37,474
Income tax	187,557
Accrued interest and others	176,920
	795,154
Changes in Working Capital:	
Clients - Net	1,169
Recoverable VAT	112,183
Inventories	64,701
Suppliers	(254,846)
Other current assets	(37,077)
Paid income tax	(61,412)
Other current liabilities	(64,561)
	(239,843)
Net cash generated (used) in operating activities	555,311
Investing activities:	
Investment in fixed assets	(153,922)
Sales of equipment	1,920
Other asset acquisitions	30,642
Net cash generated (used) in investing activities	(121,360)
Financing activities:	
Payments of borrowings with financial institutions	(935,746)
Loans with financial and securities institutions	1,056,758
Interest paid	(173,617)
Stock repurchase	(36,784)
Payment of liabilities for lease	(7,369)
Net cash used in financing activities	(96,758)
Net increase in cash and cash equivalents before foreign exchange adjustments coming from international operations and inflationary affects cash	337,193
Foreign exchange and inflationary effects from international operations	9,033
Accumulated cash flow at the end of the period	1,755,220
Less - restricted fund	44,455
Cash and cash equivalents at end of period balance for operation	1,710,765