

HIGHLIGHTS

Q2-2022 Sales increased by
Ps. 458.3 million;
+11.9% year-on-year

Q2-2022 EBITDA closed at
Ps. 892.0 million;
+14.9% year-on-year

Cash & Equivalents
closed at
Ps. 1.30 billion
as of June 30, 2022

Q2-2022 Net Debt to EBITDA
ratio closed at **1.21x**

7,800,000 bottles of **Suerox®**
produced in-house
during **June 2022;**
+11% increase in productivity

Capex Investments reached
Ps. 124.4 million.
in the six months ended
June 30, 2022

Genomma Lab Internacional Reports Second Quarter 2022 Results

Mexico City, July 27, 2022 – **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, 2022. 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 second quarter 2022 as compared with the same period in 2021:

	Q2 2022	% Sales	Q2 2021	% Sales	Var. %
Net Sales	4,323.6	100.0%	3,865.4	100.0%	+11.9%
Gross Profit	2,613.0	60.4%	2,351.6	60.8%	+11.1%
Operating Income	839.9	19.4%	742.0	19.2%	+13.2%
EBITDA⁽¹⁾	892.0	20.6%	776.5	20.1%	+14.9%
Net Income	404.7	9.4%	379.2	9.8%	+6.7%

1) EBITDA defined as operating income before depreciation and amortization

Comments from the CEO

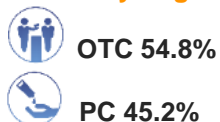
Mr. Jorge Luis Brake, Genomma Lab’s Chief Executive Officer, commented:

“Second quarter of 2022 marks Genomma’s fifteenth consecutive quarter of consistent growth. We continue to reimagine our well-established product lines while ensuring our value propositions are right for today’s consumer in a uniquely challenging environment. During the quarter we also again effectively replicated our strategy of expanding Genomma’s strongest product lines, what we call our ‘proven innovation’, to new countries and markets. Aligned with our commitment to long-term shareholder value, Genomma paid its second dividend in the last twelve months which signaled the conclusion of the investment phase related to Genomma’s manufacturing plant in the State of Mexico and underscored the Company’s continued focus on cash flow generation.”

He added, *“We are honored to be the only pharmaceutical company in the Western Hemisphere to have been granted the EDGE Certification (Excellence in Design for Greater Efficiencies) for our Industrial Complex. I am personally committed to our progress towards Genomma’s ambitious 2025 Sustainability Strategy goals.”*

KEY DATA

% Sales by Segment:



Suerox® launch in Chile

Business Review

Net sales for the second quarter reached Ps. 4.32 billion; an +11.9% year-on-year increase. Performance again reflected a solid growth trend driven by the Company's strategy. These included innovation initiatives to enhance in-store visibility, strong communications strategies for key brands and increased points of sale served with new product launches and line extensions in all regions during the quarter. This was partially offset by supply chain and macroeconomic headwinds.

Second quarter EBITDA margin was 20.6%; a +50bps year-on-year increase primarily due to successful pricing initiatives as well as a slight sales recovery in higher margin categories enabling the Company to offset COGS inflation and FX headwinds in some countries where it operates.

The following are relevant examples on Genomma's overall strategy progress during the second quarter 2022:

Product Innovation and Portfolio Optimization

Innovation continued to drive growth during the quarter, broadening consumer access to an expanded portfolio of brands with new formulations and line extensions launched. Examples of said innovation strategies include: 1) successful launch of Suerox® in Chile, the third country to which the brand has expanded; 2) expanded the Lomecan V® brand portfolio, the most important OTC women's intimate health brand in Argentina for the prevention and treatment of infections, with three new SKUs; and 3) US launch of Goicoechea® Crio Gel which uses cryolipolysis technology to target cellulite and redefine body contour.

Strengthened Marketing and Perfect Go-To-Market Execution

Genomma expanded its presence within the Mexico traditional channel. Genomma has become the number three ranked distributor of personal care products within this channel; a one position year on year increase. Genomma is implementing an aggressive exclusivity agreement strategy on more than 550 sales routes. The traditional channel has therefore become a key sales driver for core brands such as Suerox®, which has doubled its traditional channel sales over the last twelve months.

Genomma continued the successful implementation of its e-commerce strategy. Second quarter 2022 sales through e-commerce represented the most significant year on year increase to date; more than 10% of total second quarter 2022 personal care sales in the US, Argentina, and Colombia.



EDGE certification



Included within the
**“S&P/BMV Total Mexico
ESG Index”**
for the
third consecutive year

MEXICO
Sales in MXN: 1.74 billion
EBITDA Margin: 20.1%

World-Class Supply Chain

Genomma’s Beverage and Personal Care Manufacturing Plant reached full production of its Suerox® line during the second quarter 2022 with an estimated 7.8 million bottles of Suerox® produced during June 2022. The shampoo and pomade lines continued the ramp-up process, producing 1.8 million bottles of shampoo during the quarter. Pomade manufacturing line ramp-up reached a 45% utilization rate by the end of June 2022. Two additional lines, Body and Facial creams, will begin operation in early August 2022.

Genomma’s pharmaceutical manufacturing plant increased production levels during the second quarter 2022, reaching total production of 1.5 million pills and 316 thousand of semi-solid units during the month of June.

Investments related to Genomma’s manufacturing facilities reached Ps. 124.4 million for the first six months of 2022.

Sustainability and Corporate Culture

Genomma Lab received EDGE Certification (Excellence in Design for Greater Efficiencies) for each of its main buildings: Pharmaceutical Plant, Personal Care Plant and Distribution Center. EDGE is an innovation of the International Finance Corporation (IFC), the private arm of the World Bank, that certifies the design and resource efficiency of green buildings.

Genomma Lab’s Industrial Complex is the first pharmaceutical plant in the Western Hemisphere to meet EDGE certification standards. During the first half 2022 the Industrial Complex also achieved its zero waste to landfill goal, aligned with the Company’s 2025 Sustainability Strategy goals.

Genomma was once again included within the “S&P/BMV Total Mexico ESG Index” for the third consecutive year. The index, previously known as “IPC Sustentable”, is comprised of 30 public companies recognized for their outstanding ESG practices based on the S&P’s Corporate Sustainability Assessment (CSA).

Mexico

Second quarter 2022 Mexico net sales increased by +5.8%, to reach Ps. 1.74 billion. The Ps. +96.2 million year on year sales increase is primarily due to increased points of sale served and product innovation on core brands. Global supply chain challenges continued to adversely impact Genomma’s Novamil infant formula category.

EBITDA for the quarter was Ps. 350.7 million with a 20.1% margin; a (10) bps decrease. This was primarily due to inflation of certain raw materials prices as well as one-time investments related to the manufacturing line ramp-up process at the industrial complex during the quarter. This was partially offset by successful pricing initiatives as well as operating leverage resulting from incremental sales.

U.S.

Sales in MXN: 360.8 million

EBITDA Margin: 5.3%

U.S.

Net sales at Genomma's U.S. operation grew broad-based by +13.2% year on year to close at Ps. 360.8 million. Increased sales are primarily due to:

1) CATEGORIES/BRANDS:

- Strong Isotonic Beverage category performance with record quarterly sales; which increased 6.1 times year on year;
- Out-of-Home local advertising which drove double digit year-on-year growth in core key brands including **Cicatricure[®]**, **Tio Nacho[®]**, **Silka[®]** and **Tukol[®]**

2) GEOGRAPHIES:

- Solid performance in Genomma's key markets: **Puerto Rico sales increased by +12% and California sales increased by +24%** due to a focus on the traditional/independent retailer channel with customized media and exclusive brand ambassadors

3) E-COMMERCE SALES: Representing more than **10% of total US Personal Care sales.**

EBITDA margin for the quarter closed at 5.3%, a +170 bps increase. This was primarily due to successful pricing initiatives with continued investments in digital and broadcast TV advertising.

LATIN AMERICA

Sales in MXN: 2.22 billion

EBITDA Margin: 23.5%

Latin America

Net sales for the second quarter 2022 reached Ps. 2.22 billion; a broad-based growth in terms of countries and brands that represented an increase of +16.8% year-on-year. Increased sales was mainly attributed to the continued innovation and expansion strategies, as well as increased points of sale served.

Remarkable growth during the quarter in Cough & Cold, Anti-flu, Gastro brands in all LatAm, and Suerox in Chile. Sales growth during the quarter was led by Colombia, Peru, Argentina and Brazil operating performance.

This was partially offset by local currency depreciation in some countries where Genomma operates.

EBITDA margin for Latin America closed at 23.5%; +70 bps increase. This was primarily due to a positive price/mix with increased operating leverage resulting from increased sales, successful cost and expense control management and targeted price increases which mitigated macroeconomic headwinds.

Genomma's New Industrial Cluster

+7,800,000 bottles
of **Suerox®** produced
during June 2022

**+11% increase in
productivity**



Isotonic Beverage manufacturing line

1.8 million
shampoo bottles
produced during Q2-2022



Shampoo manufacturing line



50%
of Mexican demand for
Next[®]
addressed through internal
production



Solids Manufacturing Line

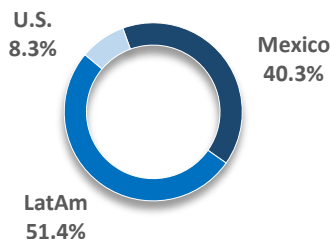


100%
of Mexican demand for
X Ray[®] Gel
addressed through internal
production



Semi-solids Manufacturing Line

Q2-2022 SALES



* Q2-2022 percentage of Consolidated Sales by Region.

FX from Local Currency Expressed in MXN



* Exchange rate at the end of the period.
**Average Exchange rate Q2-21 vs. Q2-22.

Consolidated Results Second Quarter 2022

Second Quarter 2022 Net Sales reached Ps. 4.32 billion; an +11.9% year-on-year increase. This increase was primarily due to successful line extensions and product launches within key regions, as well as increased points of sale served with an expanded presence within the traditional channel. These results were partially offset by macroeconomic headwinds with local currency depreciation.

Second Quarter 2022 EBITDA increased by Ps. +115.5 million year-on-year, to Ps. 892.0 million. Second quarter EBITDA margin closed at 20.6%; a +50 bps year-on-year increase. This was primarily due to pricing initiatives, a higher operating leverage resulting from increased sales and successful cost and expense control management. These negative effects were partially offset by FX headwinds and commodities inflation.

Sales by Category & Region

(Figures in millions of Mexican Pesos)

	Over-the-counter (OTC)			Personal Care			Total		
	Q2'22	Q2'21	% Var.	Q2'22	Q2'21	% Var.	Q2'22	Q2'21	% Var.
Mexico	796.9	770.2	+3.5%	945.6	876.1	+7.9%	1,742.5	1,646.3	+5.8%
LatAm	1,384.2	1,001.3	+38.2%	836.1	899.1	(7.0)%	2,220.3	1,900.4	+16.8%
U.S.	190.2	174.1	+9.2%	170.6	144.6	+18.0%	360.8	318.7	+13.2%
Total	2,371.3	1,945.6	+21.9%	1,952.3	1,919.8	+1.7%	4,323.6	3,865.4	+11.9%

Other Income Statement Results for the Second quarter of 2022

Gross Profit increased by +11.1%, to Ps. 2.61 billion, compared to Ps. 2.35 billion for the second quarter of 2021. Second quarter 2022 gross margin decreased by 40 bps year-on-year to close at 60.4%, primarily due to a negative price mix and foreign exchange headwinds across all markets during the quarter.

Selling, General, Marketing and Administrative Expenses decreased as a percentage of sales, to 39.8% for the second quarter of 2022 from 40.7% second quarter of 2022. SGM&A decreased due to productivity initiatives and expense containment.

Non-Operating Result for the Second Quarter 2022

Comprehensive Financing Result represented a Ps. 198.6 million expense for the second quarter of 2022, compared to a Ps. 211.2 million in the second quarter 2021. The Ps. 12.6 million expense decrease is due to: a i) Ps. 29.2 million increase in financial interest income; a ii) Ps. 25.0 million year-on-year net decrease in Foreign Exchange Losses during the quarter; and a iii) Ps. 0.8 million year-on-year net decrease in the Company's monetary position within its inflationary subsidiary. This was partially offset by i) a Ps. 42.4 million increase in financial interest expenses.

Income Tax Expense for the second quarter 2022 reached Ps. 208.9 million as compared to a Ps. 167.5 million in the second quarter 2021.

Net Income reached Ps. 404.7 million; a Ps. +25.5 million year on year increase. Despite FX headwinds, positive net income is mainly due to strengthened operating income with a reduced cost of comprehensive financing.

Net Income for the second quarter 2022 was adversely impacted by results from Genomma’s associated distribution company, Grupo Comercial e Industrial Marzam, S.A.P.I. de C.V. (“Grupo Marzam”), in which Genomma is a non-controlling minority shareholder and therefore over which it does not exercise control. Excluding this effect, Genomma’s net income for the second quarter 2022 would have been Ps. 432.4 million, as compared to an ex-Marzam net income of Ps. 363.3 million for the second quarter of 2021. This represents a Ps. 69.1 million, or +19%, year-on-year increase in second quarter 2022 net income for Genomma, ex-Marzam. It’s important to note that the above is a non-cash loss.

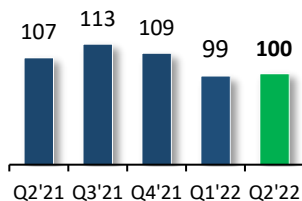
Financial Position

Working Capital was adjusted during the second quarter 2022 and the cash conversion cycle ended at 100 days; a 7-day year on year decrease:

- **Accounts Receivable** amounted to Ps. 4.65 billion as of June 30, 2022. Days of consolidated accounts receivable amounted to 102; a 9-day improvement when compared to the end of June 2021.
- **Inventories** closed at Ps. 2.52 billion as of June 30, 2022. Days of Inventories amounted to 145; a 23-day improvement when compared to the end of June 2021.
- **Trade Payables** amounted to Ps. 1.98 billion as of June 30, 2022. Days Payable Outstanding (DPO) decreased to 147 days, from 171 days on June 30, 2021.

Fixed Assets. The Company invested Ps. 124.4 million during the six months ended June 30, 2022, primarily related to the Company’s Industrial Complex ramp-up of new manufacturing lines.

Cash Conversion Cycle (Days)



Days of Accounts Receivable (DSO)

	2T21	1T22	2T22
Mexico	151	135	136
LatAm	151	78	79
U.S.	69	66	73
Consolidado	101	101	102

Q2-2022
Net Debt to EBITDA ratio
closed at **1.21x**

A total balance of
48,433,287 shares
in the **Buyback Program**
as of June 30, 2022

Net Financial Debt at the end of June 30, 2022 reflected a year-on-year decrease:

- **Cash and Equivalents** amounted to Ps. 1.30 billion as of June 30, 2022; a 7.8% year on year decrease primarily due to debt repayment year to date.
- **Gross Financial Debt** amounted to Ps. 5.45 billion as of June 30, 2022, compared to Ps. 6.17 billion as of June 30, 2021; a Ps. 726.9 million year-on-year decrease. The Company's long-term debt represented 65.9% of gross financial debt at the end of the second quarter 2022.
- **Net Financial Debt** amounted to Ps. 4.15 billion as of June 30, 2022; a Ps. (617.3) million year on year decline.

Share Buyback Program. The Company repurchased a total of 1,661,680 shares during the three months ended June 30, 2022, representing an investment of approximately Ps. 33.1 million.

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, 2022 would have reached Ps. 1.22 billion. Cash allocation during the quarter includes investments made related to the Company's new Industrial Cluster as well as working capital investments to drive growth.

Dividend Payment. Genomma Lab paid a cash dividend on its common stock of Ps. 0.381679389 per share, or a total amount of Ps. 400 million pesos, payable to shareholders of record at the close of business on June 8, 2022.

Key Financial Metrics

	Q2-2022
EBITDA / Interest Paid	6.87x
Net Debt / EBITDA	1.21x

CONFERENCE CALL Q2-2022

Thursday, July 28, 2022
at 11:00 a.m. ET /
10:00 a.m. CST

Jorge Luis Brake
CEO

Antonio Zamora
CFO

Webcast:

[Genomma's Q2'22 Earnings Call](#)

To participate, please
dial-in:

United States:
+1 877-407-0784

International:
+1 201-689-8560

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

Second Quarter 2022 Other Relevant Events

- [Genomma Lab Internacional announces second dividend payment](#)
- [Genomma Lab Achieves World Bank / IFC's EDGE \(Green Building\) Certification](#)
- [Genomma Lab Internacional included within the S&P/BMV Total Mexico ESG Index for third consecutive year](#)

Additional Information

- [Application of IAS-36 and IFR-13 \(PIR\) effect on the "investment of shares" of the non-controlling investment in Marzam](#)
- [Genomma Lab Internacional 2021 Integrated Annual Report](#)
- [2021 Audited Results \(XBRL Format\)](#)

Sell-side Analyst Coverage

As of July 27, 2022 "LABB" is covered by 12 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, 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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Powered by the S&P Global CSA

Note on Forward-Looking Statements

This report may contain certain forward-looking statements and information relating to the Company that reflect the current views and/or expectations of the Company and its management with respect to its performance, business and future events. Forward looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words like "believe," "anticipate," "expect," "envisages," "will likely result," or any other words or phrases of similar meaning. Such statements are subject to a number of risks, uncertainties and assumptions. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in this presentation and in oral statements made by authorized officers of the Company. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. Risks and uncertainties include, but are not limited to: risks related to the impact of the 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.

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

For the three and six months ended June 30, 2022 and 2021

Thousands of Mexican pesos

	SECOND QUARTER				ACCUMULATED			
	2022	% Sales	2021	% Sales	2022	% Sales	2021	% Sales
Net Sales	4,323,637	100.0%	3,865,365	100.0%	8,338,446	100.0%	7,413,015	100.0%
Cost of goods sold	1,710,618	39.6%	1,513,800	39.2%	3,212,273	38.5%	2,880,983	38.9%
Gross Profit	2,613,019	60.4%	2,351,565	60.8%	5,126,173	61.5%	4,532,032	61.1%
Selling, general and administrative expenses	1,722,558	39.8%	1,574,008	40.7%	3,470,364	41.6%	3,028,721	40.9%
Other (income) expense	(1,520)	(0.0)%	1,094	0.0%	(62,783)	(0.8)%	2,171	0.0%
EBITDA	891,981	20.6%	776,463	20.1%	1,718,592	20.6%	1,501,140	20.3%
Depreciation and amortization	52,162	1.2%	34,473	0.9%	103,568	1.2%	72,375	1.0%
Income from operations	839,819	19.4%	741,990	19.2%	1,615,024	19.4%	1,428,765	19.3%
Interest expense	(126,313)	(2.9)%	(83,922)	(2.2)%	(226,472)	(2.7)%	(172,348)	(2.3)%
Interest income	30,540	0.7%	1,346	0.0%	40,279	0.5%	4,769	0.1%
Foreign exchange result	(28,483)	(0.7)%	(53,490)	(1.4)%	(54,457)	(0.7)%	(30,157)	(0.4)%
Inflationary result from monetary position	(74,330)	(1.7)%	(75,161)	(1.9)%	(206,611)	(2.5)%	(142,626)	(1.9)%
Comprehensive financing income (cost)	(198,586)	(4.6)%	(211,227)	(5.5)%	(447,261)	(5.4)%	(340,362)	(4.6)%
Associated company	(27,613)	(0.6)%	15,933	0.4%	(55,340)	(0.7)%	39,877	0.5%
Income before income taxes	613,620	14.2%	546,696	14.1%	1,112,423	13.3%	1,128,280	15.2%
Income tax expense	208,873	4.8%	167,493	4.3%	368,490	4.4%	429,659	5.8%
Consolidated net income	404,747	9.4%	379,203	9.8%	743,933	8.9%	698,621	9.4%

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

As of June 30, 2022 and 2021 and December 31, 2021

<i>Thousands of Mexican pesos</i>	As of June 30,	As of December 31,	
	2022	2021	
ASSETS			
Current assets			
Cash and equivalents and restricted fund	1,299,392	1,408,994	1,264,832
Clients - Net	4,654,087	4,396,078	4,233,015
Recoverable Taxes	1,431,546	1,639,604	1,452,537
Other accounts receivable*	963,493	1,770,056	1,714,360
Inventory - Net	2,517,158	2,509,667	2,201,872
Prepaid expenses	938,171	657,064	654,441
Total current assets	11,803,847	12,381,463	11,521,057
Non-current assets			
Trademarks	5,017,837	4,897,089	4,966,159
Investment in shares	697,339	793,437	765,000
Building, properties and equipment – Net	3,417,004	3,076,162	3,317,346
Deferred income tax, assets and others	1,021,603	45,035	924,626
Assets by right of use	56,622	729,161	48,772
Total non-current assets	10,210,405	9,540,884	10,021,903
TOTAL ASSETS	22,014,252	21,922,347	21,542,960
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities			
Short-term debt and Current portion of long-term debt	1,859,786	2,064,651	2,072,309
Suppliers	1,977,589	2,039,209	1,439,640
Other current liabilities	2,919,097	2,734,508	2,620,624
Income tax payable	304,358	258,668	438,568
Total current liabilities	7,060,830	7,097,036	6,571,141
Non-current liabilities			
Long-term debt securities	2,493,332	2,487,586	2,490,384
Long-term loans with financial institutions	1,094,453	1,622,190	1,341,649
Deferred income tax and other long term liabilities	571,903	728,073	659,316
Payable dividends to shareholders	15,667	800,000	408,244
Total liabilities	11,236,185	12,734,885	11,470,734
Stockholders' equity			
Contributed Capital	1,912,967	1,912,967	1,912,967
Retained earnings	10,164,335	8,515,480	9,418,955
Cumulative translation effects of foreign subsidiaries	(105,287)	(42,293)	(47,944)
Repurchased shares - Net	(1,196,286)	(1,201,030)	(1,214,090)
Fair value through profit OCI	2,338	2,338	2,338
Total stockholders' equity	10,778,067	9,187,462	10,072,226
TOTAL EQUITY AND LIABILITIES	22,014,252	21,922,347	21,542,960

www.genommalab.com/inversionistas/

*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, 2022

<i>Thousands of Mexican pesos</i>	Q2-2022
Cash and cash equivalents beginning of period	1,553,561
Consolidated Net Income	404,747
Charges to results with no cash flow:	
Depreciation and amortization	56,918
Income tax	208,873
Accrued interest and others	119,637
	790,175
Changes in Working Capital:	
Clients - Net	(284,115)
Recoverable VAT	15,379
Inventories	(162,288)
Suppliers	209,452
Other current assets	(145,096)
Paid inc	(265,625)
Other current liabilities	117,861
	(514,432)
Net cash generated (used) in operating activities	275,743
Investing activities:	
Investment in fixed assets	(73,218)
Sales of equipment	556
Interest collected	(2,553)
Other asset acquisitions	30,535
Net cash generated (used) in investing activities	(44,680)
Financing activities:	
Payments of borrowings with financial institutions	(365,956)
Loans with financial and securities institutions	399,000
Interest paid	(118,153)
Effect of transactions with treasury shares	10,895
Stock repurchase	(117,834)
Sale of repurchased shares	167,735
Payment of liabilities for lease	(12,699)
Dividends paid to shareholders	(392,577)
Net cash used in financing activities	(429,589)
Net increase in cash and cash equivalents before foreign exchange adjustments coming from international operations and inflationary affects cash	(198,526)
Foreign exchange and inflationary effects from international operations	(55,643)
Accumulated cash flow at the end of the period	1,299,392
Less - restricted fund	55,680
Cash and cash equivalents at end of period balance for operation	1,243,712