

Operating results affected by Covid-19 Pandemic

Sales and EBITDA reduction of 10% and 33%, respectively

Figures in millions of nominal Mexican Pesos. Figures may vary due to rounding.
 Figures calculated under IFRS.

| Income Statement | 2 Q | 2 Q | |
|-------------------------------------|-------------|-------------|--------------|
| | 2019 | 2020 | Var % |
| Net Sales | 4,299 | 3,523 | -18% |
| Cost of Sales | 2,537 | 2,272 | -10% |
| Gross Profit | 1,762 | 1,251 | -29% |
| Gross Margin | 41% | 36% | |
| Operating Expenses | 1,084 | 957 | -12% |
| Operating Income | 684 | 317 | -54% |
| Operating Margin | 16% | 9% | |
| EBITDA | 869 | 447 | -49% |
| EBITDA Margin | 20% | 13% | |
| Comprehensive Financing Cost | 90 | -176 | |
| Net Income | 369 | 450 | 22% |
| Net Margin | 9% | 13% | |

| YTD | YTD | |
|-------------|-------------|--------------|
| 2019 | 2020 | Var % |
| 8,777 | 7,927 | -10% |
| 5,219 | 4,791 | -8% |
| 3,559 | 3,136 | -12% |
| 41% | 40% | |
| 2,197 | 2,138 | -3% |
| 1,413 | 887 | -37% |
| 16% | 11% | |
| 1,786 | 1,192 | -33% |
| 20% | 15% | |
| 158 | 1,511 | 859% |
| 762 | -475 | -162% |
| 9% | -6% | |

| | 2 Q | 2 Q | |
|----------------------|-------------|-------------|--------------|
| | 2019 | 2020 | Var % |
| Foreign Sales | 1,342 | 815 | -39% |

| YTD | YTD | |
|-------------|-------------|--------------|
| 2019 | 2020 | Var % |
| 2,640 | 2,032 | -23% |

| | DEC | JUN | |
|---|-------------|-------------|--------------|
| | 2019 | 2020 | Var % |
| Net Debt | 7,079 | 8,130 | 15% |
| Net Debt / EBITDA ⁽¹⁾ | 2.0 | 2.8 | |
| Capex ⁽²⁾ | 352 | 178 | |

(1) Ebitda Last Twelve Months.

(2) Refers to year-to-date investments as of June.

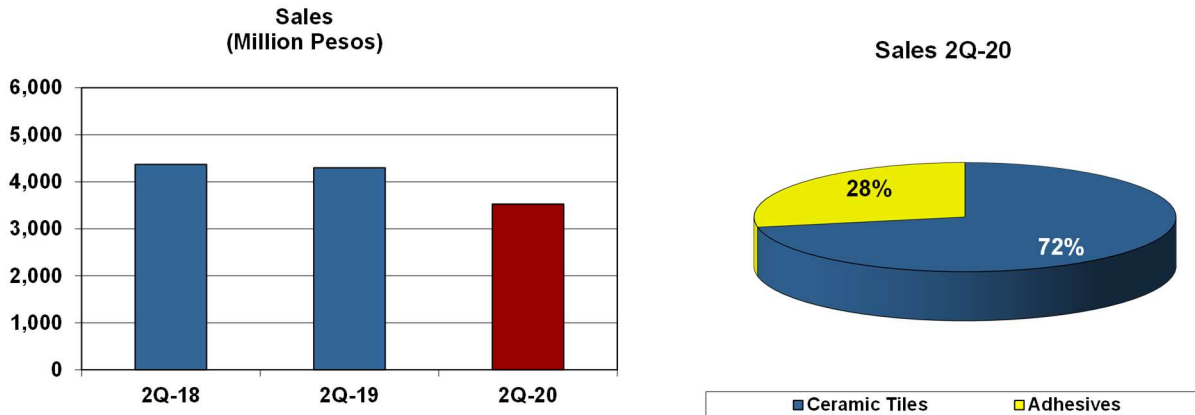
Grupo Lamosa's results at the end of the first half of the year reflected the repercussions caused by the COVID-19 pandemic, which significantly affected the company's operations in Mexico and abroad, particularly during the second quarter of the year. The consideration of the construction sector as a non-essential activity during most of the quarter, both in Mexico and in other countries where the company operates, implied important reductions in its sales volumes.

San Pedro Garza García, Nuevo León, México, July 28th, 2020. Grupo Lamosa, announces its results related to the second quarter of 2020.

Figures in millions of Mexican Pesos. Figures may vary due to rounding.

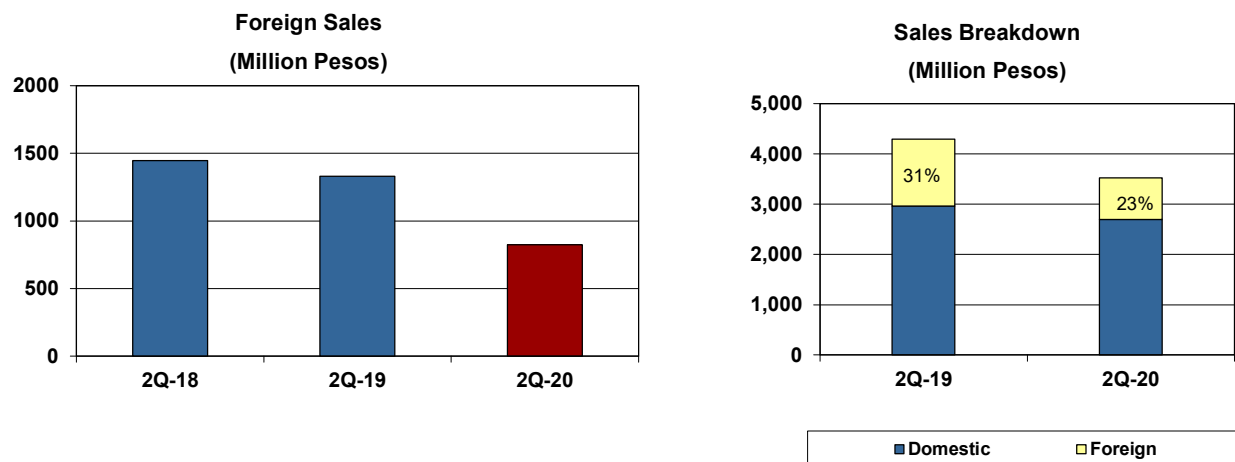
SALES

Consolidated sales at the end of the first half of the year amounted to \$7,927 million pesos, showing a 10% reduction when compared to sales of \$8,777 million in the first half of 2019.



FOREIGN SALES

Foreign sales during the first six months of the year totaled \$2,032 million pesos, a 23% reduction when compared to foreign sales of \$2,640 million recorded during the same period of the previous year. This result was derived by the restriction of activities decreed by the authorities of countries in South America, adversely affecting the income of subsidiaries in that region.



Despite the impact of measures taken to face one of the most relevant health emergencies in the last decades, businesses showed mixed results.

PERFORMANCE PER BUSINESS SEGMENT

| | CERAMIC TILES | | | ADHESIVES | | | TOTAL | | |
|---|---------------|--------|------|-----------|--------|-----|--------|--------|------|
| | Jun-19 | Jun-20 | Var | Jun-19 | Jun-20 | Var | Jun-19 | Jun-20 | Var |
| Total Sales | 6,695 | 5,810 | | 2,083 | 2,117 | | 10,613 | 9,697 | |
| Intersegment Sales | 0 | 0 | | 0 | 0 | | -1,836 | -1,771 | |
| Net Sales | 6,695 | 5,810 | -13% | 2,083 | 2,117 | 2% | 8,777 | 7,927 | -10% |
| EBIT | 978 | 545 | -44% | 463 | 469 | 1% | 1,413 | 887 | -37% |
| Dep. Amort. & Asset impairment | 318 | 245 | -23% | 25 | 28 | 8% | 373 | 306 | -18% |
| EBITDA | 1,296 | 790 | -39% | 488 | 497 | 2% | 1,786 | 1,192 | -33% |
| % | 19% | 14% | | 23% | 23% | | 20% | 15% | |

| | CERAMIC TILES | | | ADHESIVES | | | TOTAL | | |
|---|---------------|-------|------|-----------|-------|-----|-------|-------|------|
| | 2Q-19 | 2Q-20 | Var | 2Q-19 | 2Q-20 | Var | 2Q-19 | 2Q-20 | Var |
| Total Sales | 3,257 | 2,544 | | 1,042 | 978 | | 5,191 | 4,309 | |
| Intersegment Sales | 0 | 0 | | 0 | 0 | | -892 | -786 | |
| Net Sales | 3,257 | 2,544 | -22% | 1,042 | 978 | -6% | 4,299 | 3,523 | -18% |
| EBIT | 477 | 145 | -70% | 223 | 221 | -1% | 684 | 317 | -54% |
| Dep. Amort. & Asset impairment | 157 | 101 | -36% | 13 | 14 | 1% | 185 | 130 | -29% |
| EBITDA | 634 | 245 | -61% | 236 | 235 | -1% | 869 | 447 | -49% |
| % | 19% | 10% | | 23% | 24% | | 20% | 13% | |

CERAMIC TILE BUSINESS

The wall and floor tiles business, with presence in the Americas, achieved accumulated sales at the end of the second quarter of the year of \$5,810 million pesos, which represented 73% of the company's consolidated sales, and a reduction of 13% when compared to sales of \$6,695 million recorded during the first half of 2019.

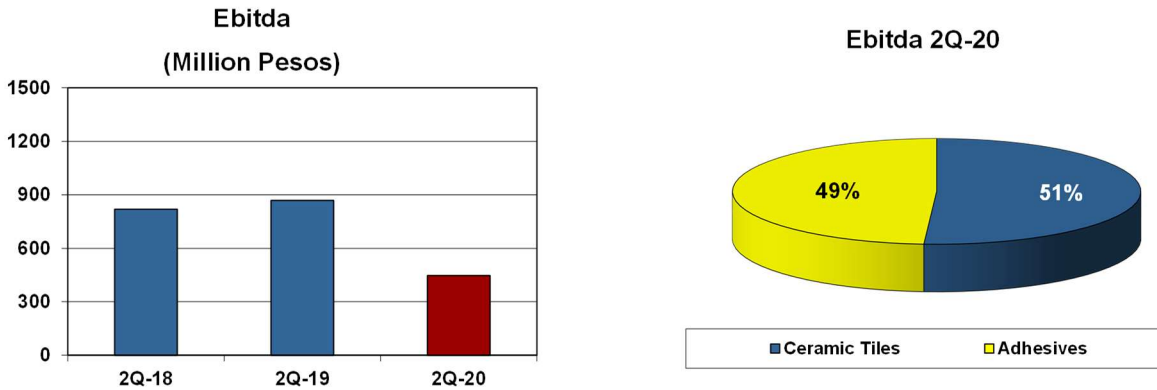
ADHESIVES BUSINESS

Adhesives business sales during the first half of the year represented 27% of the company's total sales, amounting to \$2,117 million pesos, 2% higher than sales of \$2,083 million recorded during the first six months of 2019.

OPERATING INCOME

Operating results were affected by the lower level of income and the 22% devaluation of the peso against the US dollar during the first half of 2020, which implied an operating foreign exchange loss derived from the company's inputs and raw materials denominated in dollars. The operating profit recorded during the first six months of the year amounted to \$887 million pesos, showing a sales margin of 11%, and a reduction of 37% when compared to the operating profit of \$1,413 million recorded during the first half of 2019.

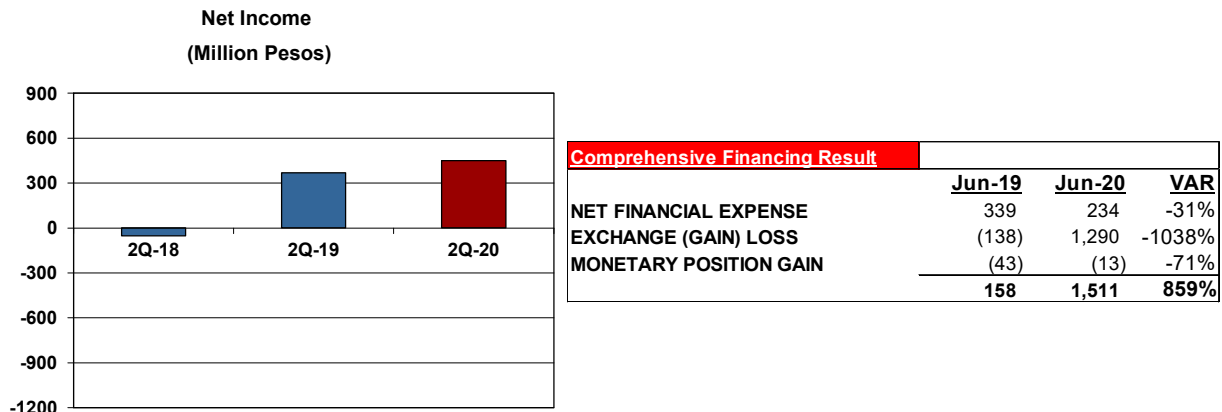
Ebitda during the first half of the year ascended to \$1,192 million pesos, representing a sales ratio of 15% and a reduction of 33% compared to the Ebitda of \$1,786 million recorded during the same period last year.



NET INCOME

During the first half of the year, the company's net financial expense showed a significant reduction of 31%, from \$339 million pesos during the first half of 2019 to \$234 million pesos at the end of the first half of this year. However, the comprehensive financing result was affected due to the above-mentioned devaluation, which brought as a consequence an exchange loss of \$1,290 million pesos, compared to an exchange gain of \$138 million registered during the first semester of the previous year. The comprehensive financing result during the first semester of the year increased by \$1,353 million pesos from \$158 million at the end of the first semester of 2019, to \$1,511 million at the end of the first semester of this year.

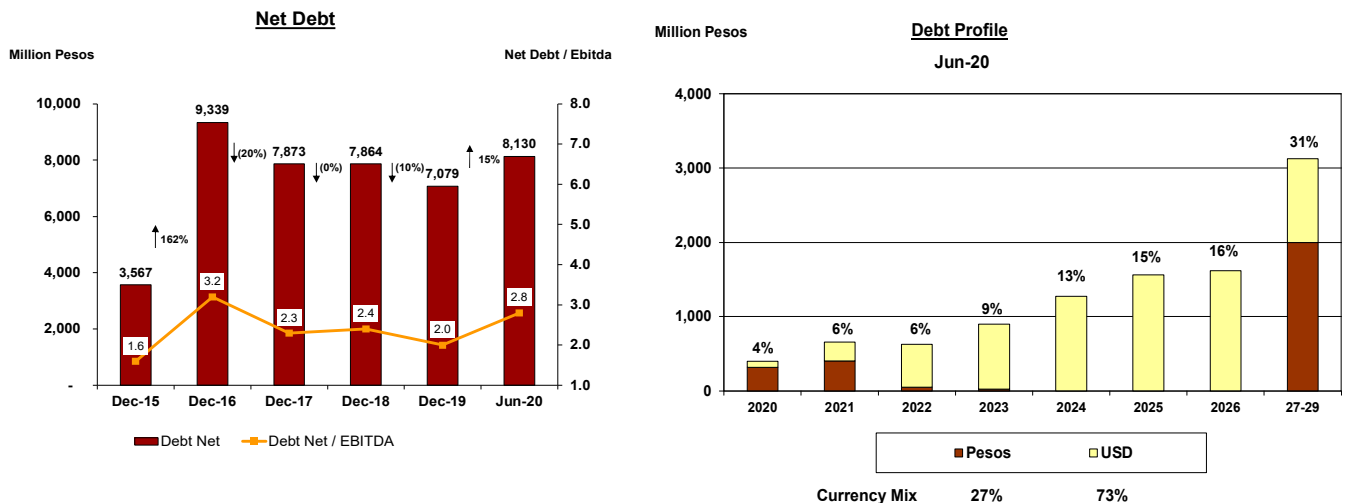
The lower operating results and the effect of the exchange loss during the first half of the year had a negative impact on the net result of the year. During the first half of the year a net loss of \$475 million pesos was recorded, showing a reduction of 162% when compared to the net profit of \$762 million recorded during the first half of 2019.



FINANCIAL PERFORMANCE

Given the complicated and uncertain environment that prevailed due to Covid-19 health emergency, Grupo Lamosa maintained a focus on liquidity in order to ensure the proper functioning of the company's operations. During the first half of the year, an efficient management of working capital was carried out and short-term credit lines were made available, maintaining a healthy financial structure at the end of the second quarter of the year.

Consolidated net debt at the end of the first half of the year was \$8,130 million pesos, showing an increase of 15% in relation to the net debt of \$7,079 million recorded at the end of 2019. The net debt to Ebitda ratio for the last twelve months was 2.8 times, complying with the financial obligations contained in the different credit agreements in force.



Without a doubt, the unfavorable conditions prevailing during the second quarter of the year made it one of the most challenging periods in recent years. Nevertheless, the positioning and financial strength of Grupo Lamosa are variables that will allow it to continue to face adverse situations in the market in the best possible way.

Contacts:

Moisés Benavides
 Investor Relations LAMOSA
 Tel: (0181) 8047-4231
 Fax: (0181) 8047-4200
moises.benavides@lamosa.com

Javier Montaña
 Grayling
 Tel: (0152) 5446-7482
 Fax: (0152) 5630-6320
javier.montano@grayling.com