

Grupo Rotoplas (AGUA*)

Earnings Results Conference Call 2Q19

July 25th, 2019

Forward Looking Statements

This presentation contains certain forward-looking statements and information relating to Grupo Rotoplas S.A.B. de C.V. and its subsidiaries (collectively, "ROTOPLAS") that are based on its knowledge of present facts, expectations and projections, circumstances and assumptions about future events. Many factors could cause the actual results, performance or achievements of ROTOPLAS to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic, political, governmental, and business conditions globally and in the countries in which ROTOPLAS operates, ROTOPLAS' ability to continue developing innovative solutions, changes in interest rates, changes in inflation rates, changes in exchange rates, the cyclical activity of the water sector generally, changes in demand, consumer preferences, and prices of our solutions, ROTOPLAS' ability to execute its corporate strategies to new markets and regions, changes in raw material and energy prices, changes in business strategy, changes in the prevailing regulatory framework, competition, natural disasters and other unforeseen events and various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or targeted. Forward-looking statements are made as of the date hereof, and ROTOPLAS does not intend, nor is it obligated, to update these forward-looking statements, whether as a result of new information, future events or otherwise.

Copyright Grupo Rotoplas S.A.B. de C.V. and its Subsidiaries



Carlos Rojas Aboumrad
CEO



Mario Romero Orozco
CFO



Bring more and better
water



What
pushes us
forward

Digital technology

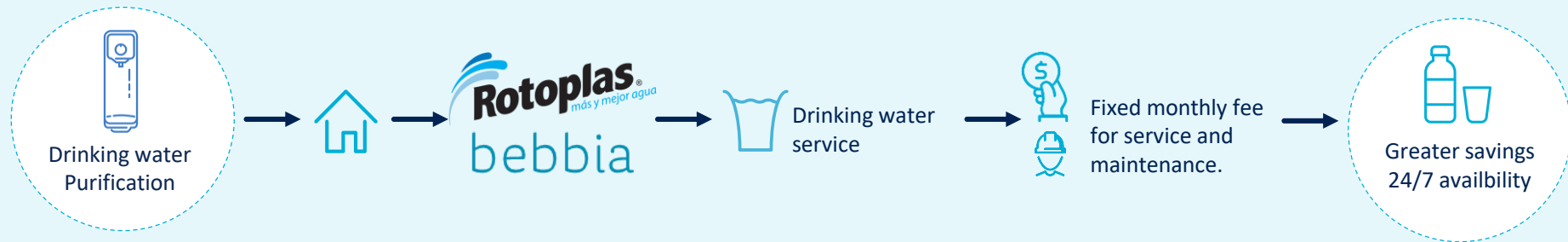


Products and services
innovation



Talent development

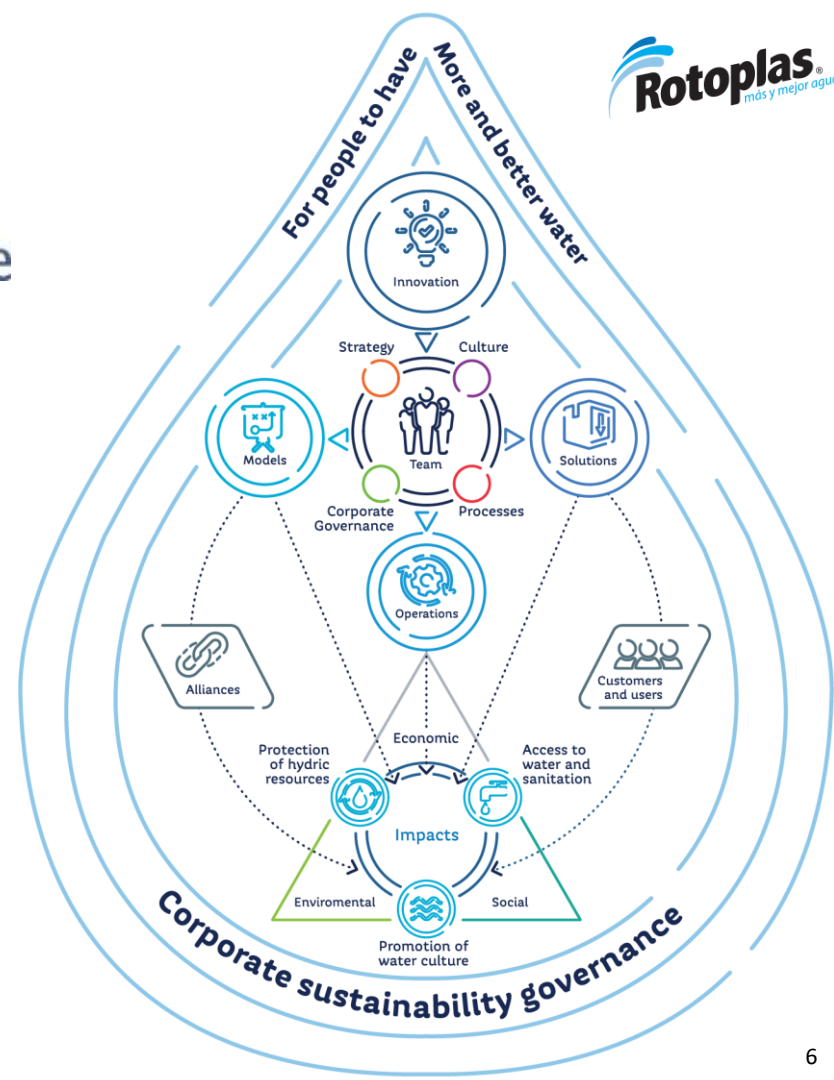
Water as a service platform



Inclusion of Rotoplas in the S&P/BMV IPC Sustainable Index



- Includes the 30 companies with best sustainability performance
- Measures ESG topics
- Proof of our commitment to create and share value



Financial Highlights

Financial Highlights

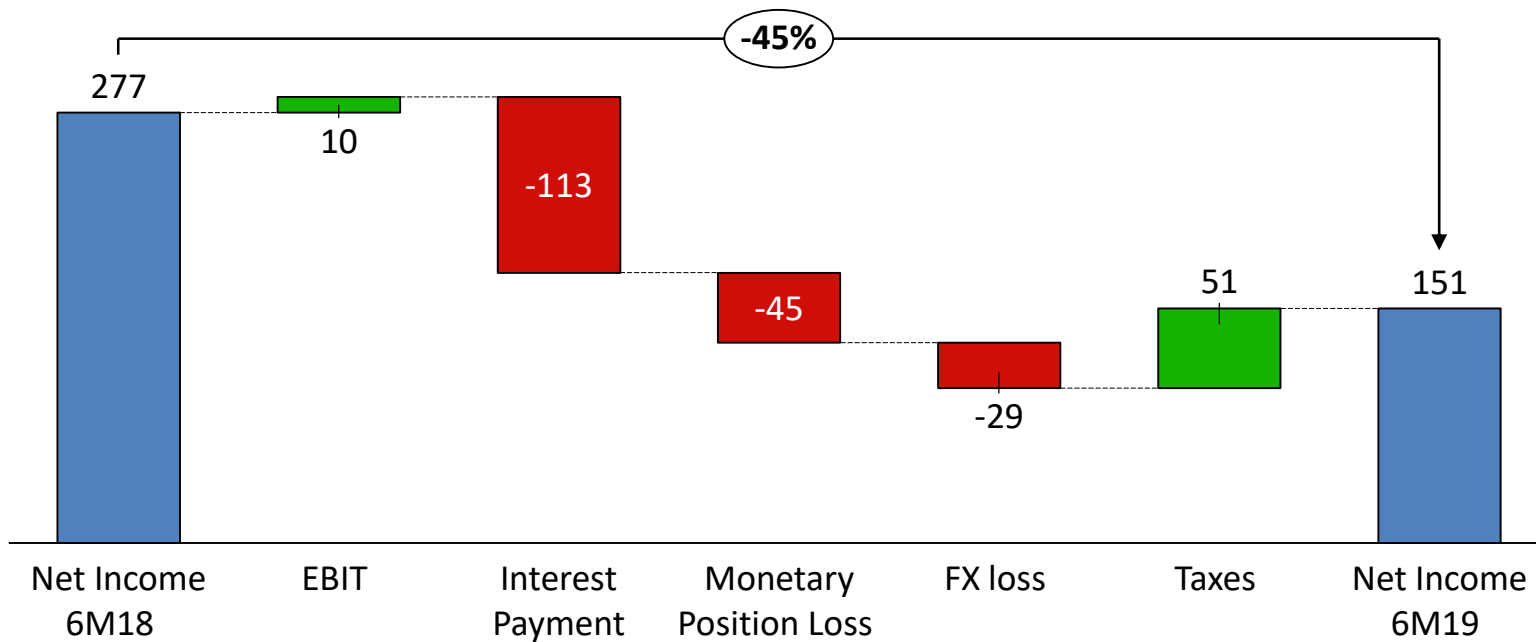
Million MXN

Income Statement	2Q19	2Q18	Var (%)	6M19	6M18	Var. (%)
Net Sales	1,997	1,961	1.8%	3,956	3,799	4.1%
Cost of Sales	1,177	1,231	(4.3%)	2,321	2,322	(0.0%)
Gross Profit	820	730	12.2%	1,635	1,477	10.7%
<i>Gross Profit Margin</i>	<i>41.0%</i>	<i>37.2%</i>	<i>380 bp</i>	<i>41.3%</i>	<i>38.9%</i>	<i>240 bp</i>
Operating Income	212	206	3.0%	449	439	2.3%
<i>Operating Income Margin</i>	<i>10.6%</i>	<i>10.5%</i>	<i>10 bp</i>	<i>11.3%</i>	<i>11.5%</i>	<i>(20) bp</i>
Comprehensive Financing Result	(113)	(20)	NA	(232)	(45)	NA
Taxes	30	54	(45.5%)	65	116	(44.3%)
Net Income	69	131	(47.2%)	152	277	(45.2%)
<i>Net Income Margin</i>	<i>3.5%</i>	<i>6.7%</i>	<i>(320) bp</i>	<i>3.8%</i>	<i>7.3%</i>	<i>(350) bp</i>
EBITDA	300	318	(5.8%)	636	627	1.5%
Adjusted EBITDA¹	301	319	(5.8%)	637	638	(0.2%)
<i>Adjusted EBITDA Margin</i>	<i>15.0%</i>	<i>16.3%</i>	<i>(120) bp</i>	<i>16.1%</i>	<i>16.8%</i>	<i>(70) bp</i>

¹. Adjusted EBITDA excludes non-recurring expenses (donations and expenses related to acquisitions) for amounts of Ps. 0.4 million in 2Q19 and Ps 0.4 million in 2Q18 and Ps.1.2 million in 6M19 and Ps.11.6 million in 6M18

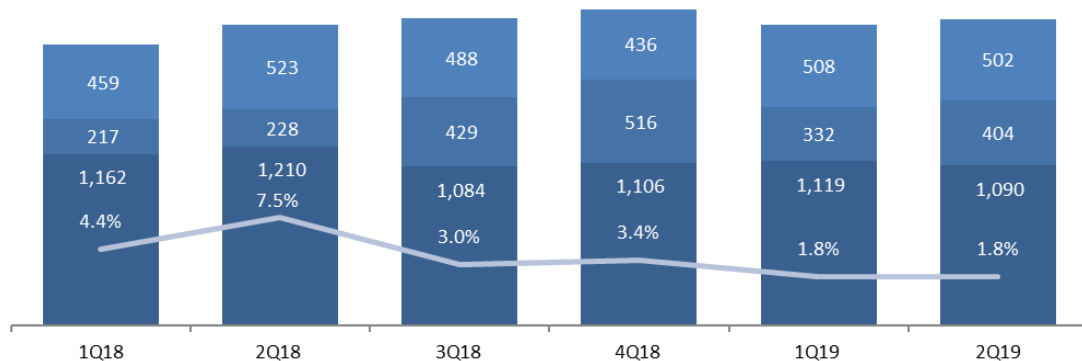
Net Income

Million MXN

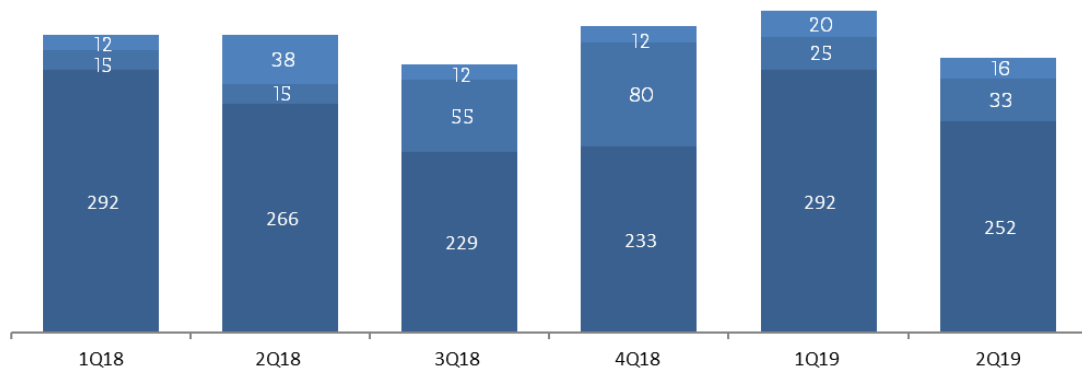


Geographic Breakdown

Sales



EBITDA

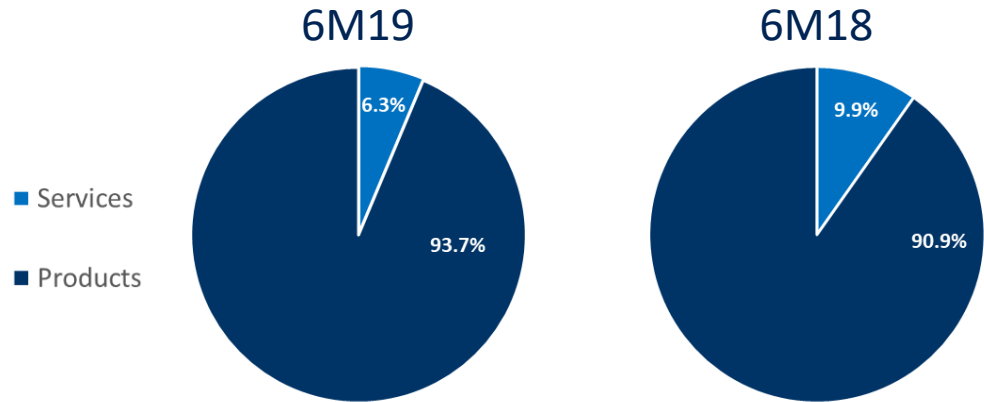


■ Mexico ■ Argentina ■ Others — Government Sales

- 72% organic sales growth in Argentina despite depreciation of 48% of the Argentine peso
- Without the currency depreciation, the Group would have increased sales 11.4% during 2Q19 and 13.5% during 6M19

Revenue by product and services

- Good traction in the water as a service platform
- Growing pipeline in water treatment plants and drinking water fountains



Water treatment & recycling

Equivalent Units	2017	2018	6M19	2019E
Pipeline	25	124	251	417
Booked	15	87	58	110
# Clients	6	10	21	16

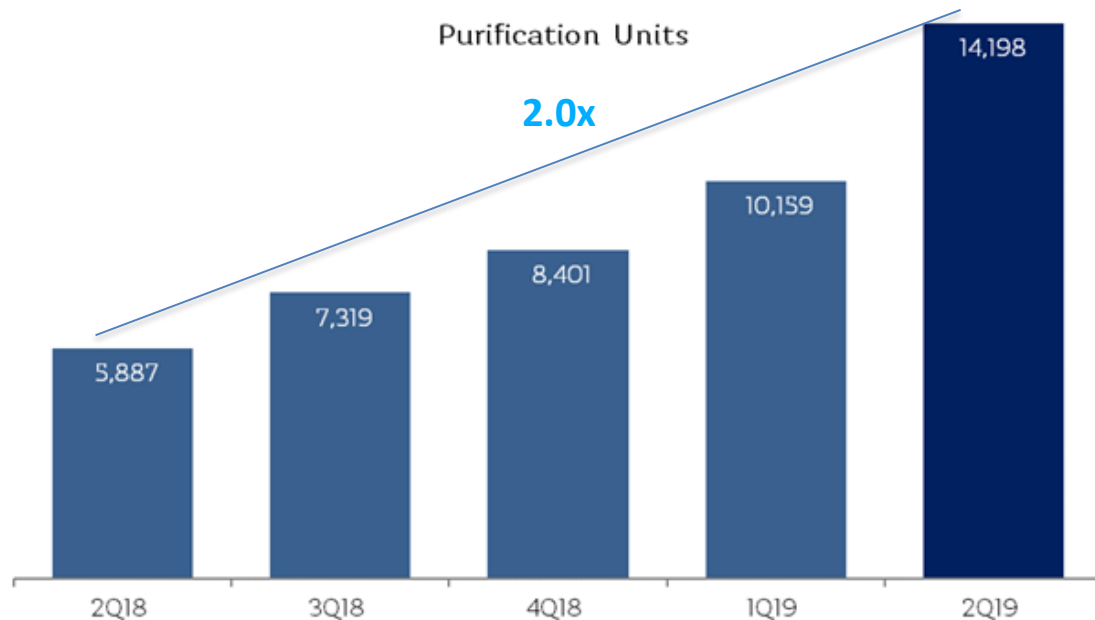
Number of water treatment & recycling plants in operation by the **end of 2019 ~ 600x**

- Growing pipeline
- Client diversification
- High growth potential



Drinking Water Platform – Residential & Institutional Purification

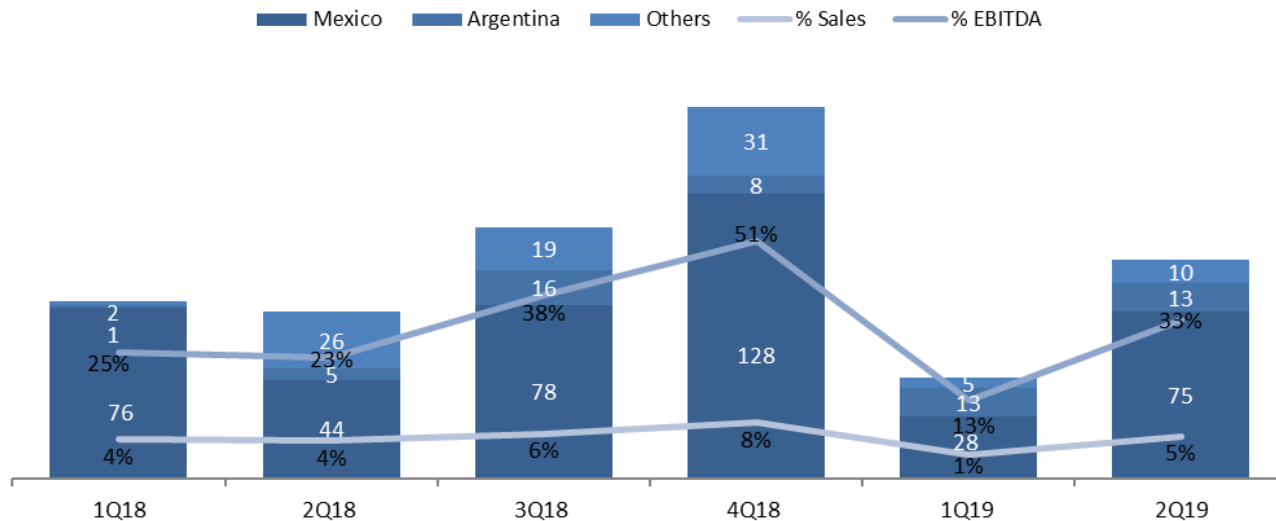
Invoicing e2019 vs. 2018 3x



- Sales of 2Q19 increased 2.2x the revenue of 2Q18
- Client diversification in the institutional branch
- The platform has presence in 24 States in México

CAPEX

Million MXN



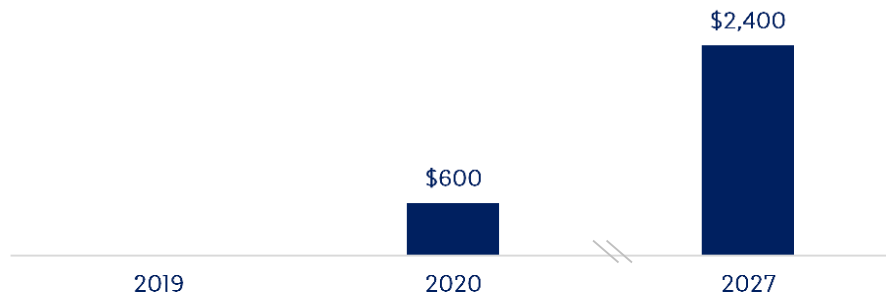
	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
Total Capex	79	75	113	167	45	98
Products	72	67	109	149	31	65
Services	8	8	4	18	15	33
% Services	10%	10%	3%	11%	33%	34%

Current Leverage

Million MXN

Balance Sheet	Jun 19	Jun 18	Var (%)
Cash and Cash Equivalents	752	1,238	(39.3%)
Total Debt	2,925	1,976	48.0%
Net Debt	2,173	738	NA
Net Debt / Adjusted EBITDA	1.7 x	0.7 x	1.0 x

Debt Maturity Profile



Leverage remains within the established debt policy of 2.0x Net Debt / EBITDA

Sale of manufacturing assets in the US will increase \$771 million in cash position

ESG

Committed to:



The CEO Water Mandate



turn the tide
on plastic



Acknowledgements:



Institutional Investor placed us in:

- 1st Place in ESG (Environmental, Social and Governance)

General Shareholders Meeting

What the new adjustment brings to the Board:



Transparency	➔	53% independent members
Diversity	➔	5 international Board members
Innovation	➔	Represented by different generations
Equality	➔	Gender equality in the Board
Experience	➔	Board members with knowledge of diverse industries and sectors

- Capital reimbursement in cash of \$0.38 MXN per share
- Approval of share repurchase program

2019 Guidance - adjustment

Sales	Single digit growth
EBITDA Margin	16% - 17%





Q&A

Thank you