



Grupo Rotoplas (AGUA*)

Earnings Results Conference Call 4Q18

February 15th, 2019

Forward Looking Statements

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Carlos Rojas Mota Velasco
Chairman of the Board & CEO



Mario Romero
CFO

Fourth Quarter

- Sales grew 26.4% and EBITDA¹ 57.1%
 - Individual Solutions (products) grew 33.2%
 - Integral Solutions (services) decreased 24.5%

2018:
+4,700 new purification points
+1,800 new water fountains


- Sales by country

	4Q18 vs 4Q17	18 vs 17
Mexico	8%	7%
Argentina	NA	55%
Other	4%	29%
Total	26%	18%



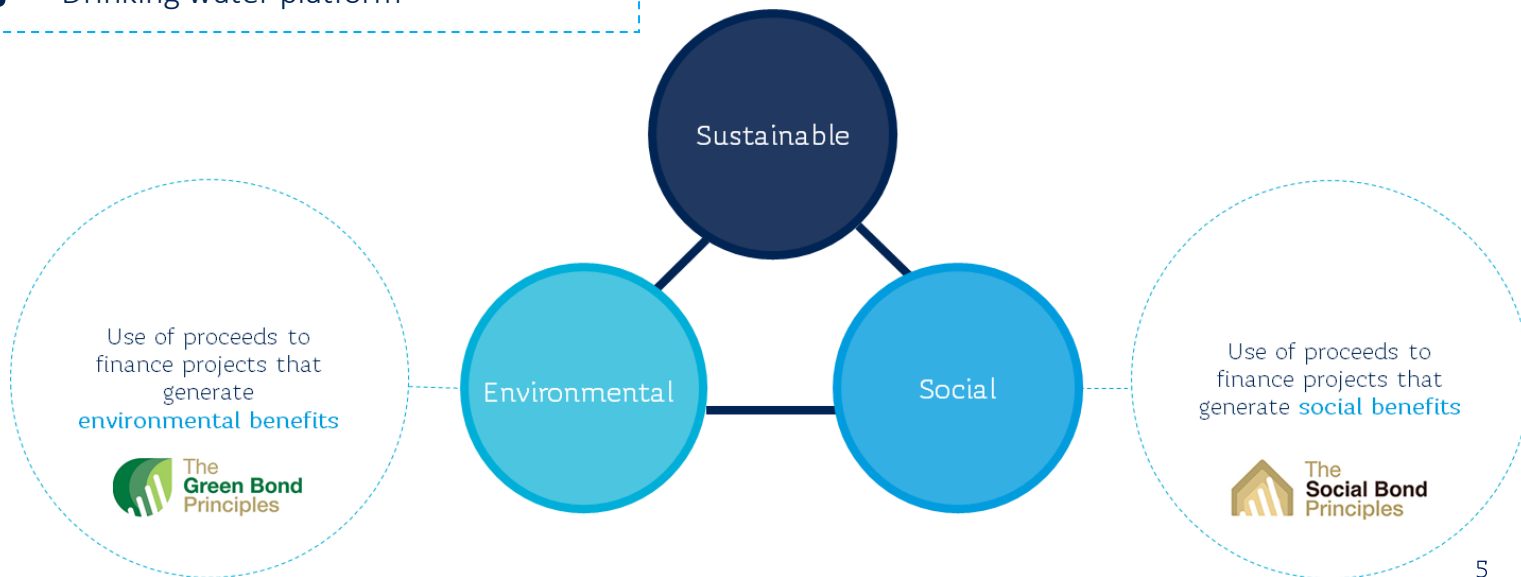
¹ Adjusted EBITDA includes one-time expenses (donations and acquisition related expenses) for amounts of \$2 million in 4Q18, \$38 million in 2018, \$27 million in 4Q17 and \$32 million in 2017.

Sustainable Bond



Re-opening of AGUA 17-2X (oversubscribed 3.8x)
\$1 Billion for:

- Wastewater treatment plants
- Drinking water platform



Acquisitions



ESG – 2018 achievements



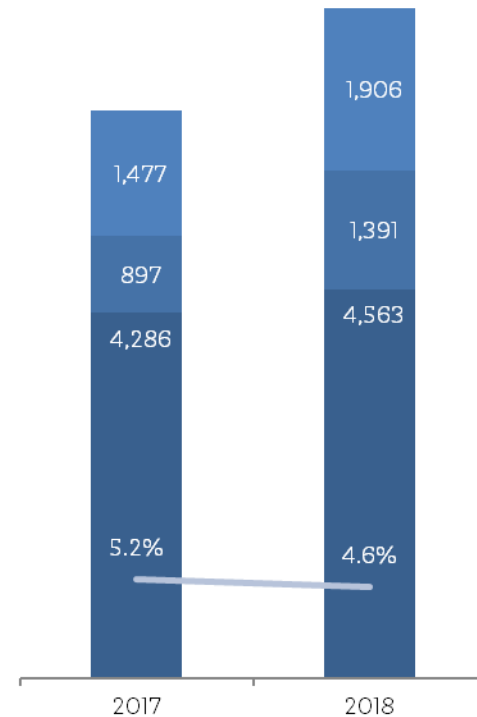
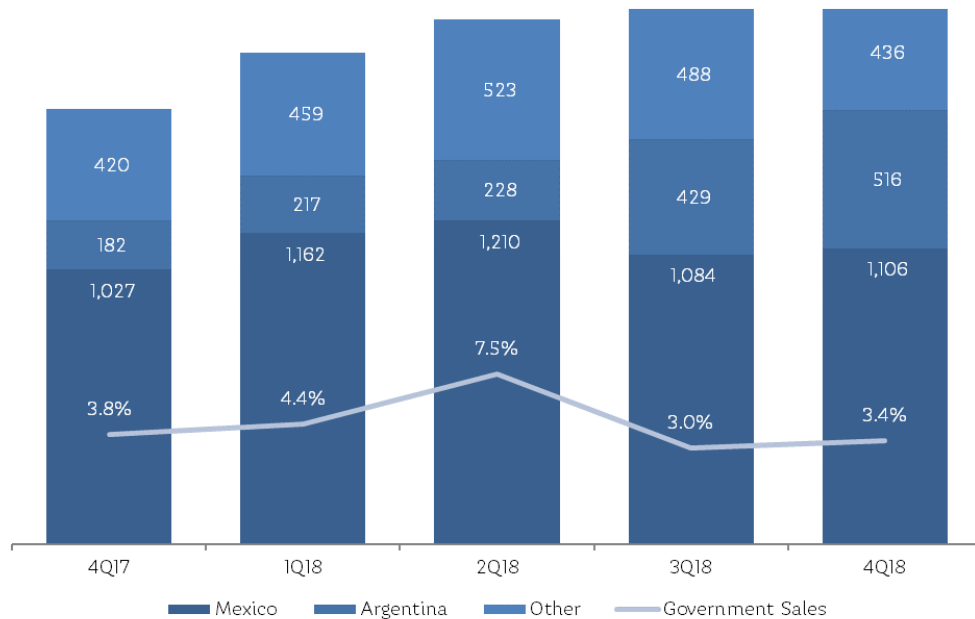
- Water and Carbon footprint measurements for our top 20 and 5 best selling solutions
- Release of Rotoplas' contribution to the United Nations' Sustainable Development Goals 6 and 9
- Design and implementation of our Social Impact Model for water harvesting, rural composting bathrooms and water fountains in Oaxaca rural communities
- Improvement in the Corporate Sustainability Assessment (CSA) evaluation performed by RobecoSAM

Financial Highlights

Sales evolution

Million MXN

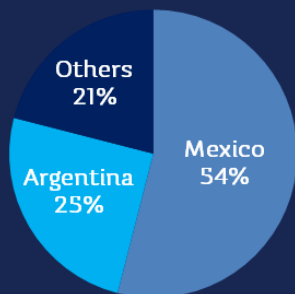
- 4Q18 vs 4Q17 – 26% growth
- 2018 vs 2017 – 18% growth



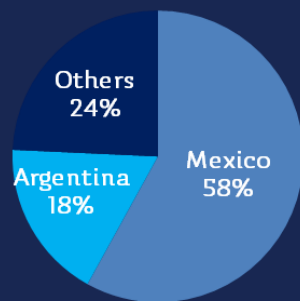
Results

Million MXN

Sales 4Q18



Sales 2018



	4Q18	4Q17	Var.	2018	2017	Var.
Net Sales	2,058	1,629	26.4%	7,859	6,660	18.0%
Gross Profit	851	627	35.7%	3,097	2,628	17.8%
Gross Profit Margin	41.3%	38.5%	280 pb	39.4%	39.5%	(10) pb
EBIT	221	129	70.9%	846	730	16.0%
EBIT Margin	10.7%	7.9%	280 pb	10.8%	11.0%	(20) pb
Net Income	31	94	(67.3%)	374	533	(29.9%)
Net Income Margin	1.5%	5.8%	(430) pb	4.8%	8.0%	(320) pb
Adjusted EBITDA ¹	326	207	57.1%	1,259	1,004	25.4%
EBITDA Margin	15.8%	12.7%	310 pb	16.0%	15.1%	90 pb

¹ Adjusted EBITDA includes one-time expenses (donations and acquisition related expenses) for amounts of \$2 million in 4Q18, \$38 million in 2018, \$27 million in 4Q17 and \$32 million in 2017.

IPS Acquisition

Million MXN

- Updated acquisition multiple EV/EBITDA 5.2x
- Enterprise Value \$983 million

2019 Initiatives

- Continue to develop export platform
- Product portfolio integration
- New producto development

December 2018	
Price after performance warrant	\$983
Cash	\$81
Net Price	\$902
2018 EBITDA	\$174
Multiple	5.2x
fx ARS:MXN .73 fx MXN:USD 19.23	

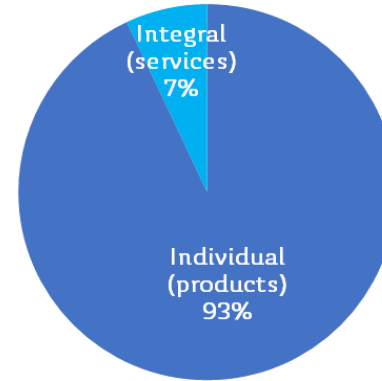
Intrinsic Value

	2018	%	2017	%	Var. % 18 vs 17
Volume (tons)	6,364		6,189		3%
Domestic	5,148	81%	5,331	86%	(3%)
Exports	1,216	19%	859	14%	42%

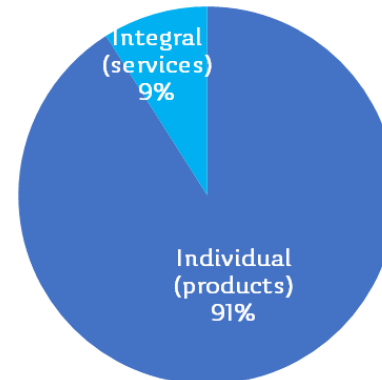
Sales: Products & Services

- Drinking water platform - 49 cities in Mexico
- Auto-sustainable solutions:
 - Rainwater harvesting system
 - Composting bathroom
 - Family orchard agricultural irrigation system

4Q18



2018



Water Treatment & recycling gaining traction

Equivalent Units	2017	2018	2019E
Pipeline	25	124	417
Booked	15	87	TBD
# Clients	6	10	16

- Growing pipeline
- Client diversification
- High growth potential



Net Income

Million MXN



Impact of hyperinflation in Argentina

Concept	2018 Effect	Margin
CFR (Financial Cost)	\$72	
Taxes	\$19	
Net Income	\$374	4.8%
Normalized Net Income	\$465	5.9%

2019 Guidance

Sales	Growth > 10%
EBITDA Margin	16% - 17%



Thank you