

Mexico City, Mexico, July 26, 2023

Grupo Rotoplas S.A.B. de C.V. (BMV: AGUA*) (“Rotoplas”, “the Company”), America’s leading company in water solutions, reports its unaudited second quarter 2023 results. The information has been prepared in accordance with the International Financial Reporting Standards (IFRS).

Figures are expressed in millions of Mexican pesos.

HIGHLIGHTS | 2Q23 vs 2Q22

- During the quarter, Rotoplas decided, due to a contraction in some of its markets because of weather conditions and instability in Peru, to focus its efforts on the variables under its control: **1) operating profitability**, **2) brands leadership**, and **3) new business growth**. Achieving good growth in services, an improvement in operating margins, a record EBITDA for a second quarter, and a 460 bps increase in ROIC.
- Rotoplas reported net sales of Ps. 3,004 million during the quarter, 12.9% lower than in 2Q22, impacted by the performance of the products platform and by the exchange rate translation effect as a result of the strength of the Mexican peso versus other currencies.
Taking the 2022 exchange rate, and isolating the effect of devaluation in Argentina, the decrease in net sales would have been 7.3%.
 - **Product sales** decreased 14.3% as a consequence of a high comparative base in Mexico due to the severe drought in the northeast of the country in the previous year. In addition, low demand, accompanied by weather events and the effect of the exchange rate, affected the revenues of foreign subsidiaries.
 - **Service sales** increased 33.2%, driven by the performance of *bebbia*, which achieved record subscriptions, as well as by the water treatment and recycling plants business that continued to gain traction.
- **Gross margin** closed at 45.4%, a 320 bps expansion vs. 2Q22, as a result of an effective pricing strategy and the decrease in raw material costs.
- **Operating income** reached Ps. 433 million, 1.1% higher than in 2Q22, due to the higher gross margin and disciplined expense control.
- **EBITDA** increased 4.9%, to reach Ps. 554 million. For the period, the impact of new businesses¹ development amounted to Ps. 100 million. The EBITDA margin expanded 310 bps to 18.4%, as a result of a solid gross margin in products and a decrease in the negative EBITDA from the services platform.

¹ New businesses involve *bebbia* and *riego* in Mexico, Acuantia in Brazil and Acuantia in the United States.

- **Net result** was a loss of Ps. 24 million, mainly affected by the recognition of Ps. 281 million in financial expenses related to the mark-to-market valuation of MXN/USD exchange rate hedging instruments, as well as foreign exchange losses.
- **ROIC** closed at 17.6%, 460 bps higher than in June 2022 and 550 bps above the cost of capital.
- In May, a **capital reimbursement** of Ps. 0.45 per outstanding share was paid to shareholders.

HIGHLIGHTS | CUMULATIVE 2023 vs 2022

- **Net sales** reached Ps. 5,750 million, 5.8% below the same period of the previous year.
Taking the 2022 exchange rate and isolating the devaluation effect in Argentina, the decrease in net sales would have been 0.7%.
 - **Product sales** decreased 7.5% due to the impact of the exchange rate on international operations, as well as lower demand caused by weather-related factors and macroeconomic instability in some countries.
 - **Services sales** increased 42.9% as a result of *bebbia's* growth, as well as the treatment and recycling plants business expansion, and the development of *riego*.
- **Gross margin** closed at 46.5%, a 520 bps increase due to our effective commercial strategy, as well as the reduction in raw material costs.
- **Operating income** increased 33.9% to Ps. 872 million, as a result of the gross margin improvement and the expense control aligned with sales levels.
- **EBITDA** increased 30.3% to reach Ps. 1,107 million, figure in line with guidance in absolute terms. Also, the margin expanded 540 bps, to 19.3%, figure above guidance. For the period, the impact of new businesses² development amounted to Ps. 187 million.
- **Net income** amounted to Ps. 12 million, 94.1% lower than in 2022, mainly due to a 2.4x increase in the financial expenses related to the valuation of derivative instruments, as well as foreign exchange losses.
- Net Debt/EBITDA **leverage** closed at 1.6x and the cash conversion cycle increased by 11 days. Also, interest coverage increased by 82.7%.
- The Company invested Ps. 190 million in **CapEx**, mainly allocated to the upgrade of the traditional products business to maintain its strength and finance the development of new businesses.

² New businesses involve *bebbia* and *riego* in Mexico, *Acuantia* in Brazil and *Acuantia* in the United States.

KEY FIGURES | FINANCIAL DATA

	2Q			6M			
	2023	2022	%Δ	2023	2022	%Δ	
Income Statement	Net Sales	3,004	3,447	(12.9%)	5,750	6,107	(5.8%)
	%gross margin	45.4%	42.2%	320 bps	46.5%	41.3%	520 bps
	Operating Income	433	429	1.1%	872	651	33.9%
	% margin	14.4%	12.4%	200 bps	15.2%	10.7%	450 bps
	EBITDA ³	554	528	4.9%	1,107	850	30.3%
	% margin	18.4%	15.3%	310 bps	19.3%	13.9%	540 bps
	Net result	(24)	122	NM	12	210	(94.1%)
% margin	(0.8%)	3.5%	(430) bps	0.2%	3.4%	(320) bps	
Balance	Cash and Cash equivalents	536	1,079	(50.3%)			
	Debt with cost	4,187	4,007	4.5%			
	Net Debt	3,652	2,928	24.7%			
Cumulative Cash Flow	Operating Cash Flow	432	395	9.2%			
	CapEx	190	293	(34.9%)			
	Working Capital	(281)	(283)	(0.6%)			
Others	Net Debt / EBITDA	1.6 x	1.6 x	0.0 x			
	ROIC	17.6%	13.0%	460 bps			
	Cash Conversion Cycle	70	59	11 days			

RELEVANT FIGURES | JANUARY - JUNE 2023

3,360

Employees

+32,000

Sales points

3.1%

Government transactions

+5,400

e-commerce clients

+98,000

bebbia units

12.3 million

20L water jugs saved

³ EBITDA considers donations of Ps. 0.7 million in 2Q23 and Ps. 2.7 million in 6M23.

MESSAGE | CEO

Dear Investors,

During the quarter, as we observed several external factors that affected the Company's consolidated revenues, we decided to focus our efforts on the variables that we can control, prioritizing operating profitability over sales growth, without neglecting our market share in the different geographies.

With this, EBITDA increased by 30%, and we have exceeded 3 out of the 4 key targets in our earnings guidance, achieving a better EBITDA margin, higher ROIC and a lower leverage level than stipulated. Additionally, the pricing strategy focused on maintaining the leading position of our brands successfully defended and/or increased our market share.

I would like to highlight the profitability of the products platform, as it has allowed us to continue developing new businesses, including the services platform, which is now growing at a double-digit rate for the third consecutive quarter. Additionally, the service platform is growing in scale, which has helped it to reduce the negative EBITDA.

We continue to invest in upgrading our traditional business while monitoring working capital levels to preserve a healthy cash position. So far this year, the appreciation of the Mexican peso against other currencies has had a mixed effect on our results and cash position, reducing some costs, but affecting consolidated sales and the financial expenses due to the valuation of exchange rate hedges and foreign exchange losses.

As part of the risk management strategy implemented several years ago, we contract annual MXN/USD exchange rate hedges to cover budgeted costs and expenses. This has provided important benefits some years and increased financial expenses in others, nevertheless, in the long term it has helped us maintain the sustainability and continuity of the business.

We are excited to continue working to provide access and sanitation to more people, while putting our best talent to work every day to overcome the challenges that arise in the sector. We expect to close 2023 with the same level of sales as the previous year, however, we estimate to reach an EBITDA margin between 17% - 18% and a ROIC higher than the cost of capital by at least 250 bps.



Carlos Rojas Aboumrad

INVITATION | EARNINGS CALL

Thursday, July 27, 10:00 am CDMX time (12:00pm, EST)

Speakers: Carlos Rojas Aboumrad (CEO) and Mario Romero Orozco (CFO)

Link : [Earnings Call 2Q23 registration link](#)

GUIDANCE | 2023-2025

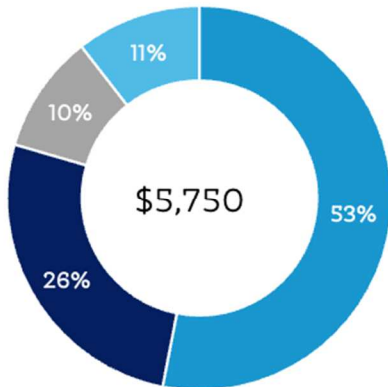
	Metrics	2023 Guidance	2023 Revised Guidance (April)	2023 Revised Guidance (July)	Objectives 2025
Guidance	Increase in net sales	> 15%	≥10%	0%	≥2x sales (vs 2020)
	EBITDA Margin	16.0% - 17.0%	16.0% - 17.0%	17.0% - 18.0%	≥ 20%
	Net Debt / EBITDA	< 2.0x	< 2.0x	< 2.0x	≤ 2.0x
	ROIC	ROIC = WACC + 150 bp	ROIC = WACC + 150 bp	ROIC = WACC + 250 bp	~ 20%

EBITDA | BY REGION AND SOLUTION

		2Q			6M		
		2023	2022	%Δ	2023	2022	%Δ
Mexico	Sales	1,541	1,758	(12.3%)	3,051	3,130	(2.5%)
	EBITDA	431	369	17.0%	891	588	51.6%
	% Margin	28.0%	21.0%	700 bps	29.2%	18.8%	1,040 bps
Argentina	Sales	884	950	(6.9%)	1,520	1,591	(4.4%)
	EBITDA	135	143	(5.7%)	217	234	(7.5%)
	% Margin	15.3%	15.1%	20 bps	14.3%	14.7%	(40) bps
United States	Sales	294	377	(22.0%)	573	709	(19.2%)
	EBITDA	(48)	(29)	65%	(98)	(48)	103%
	% Margin	(16.2%)	(7.7%)	(850) bps	(17.1%)	(6.8%)	NM
Others	Sales	284	362	(21.5%)	605	676	(10.5%)
	EBITDA	35	45	(21.9%)	97	76	28.1%
	% Margin	12.5%	12.5%	NM	16.0%	11.2%	480 bps

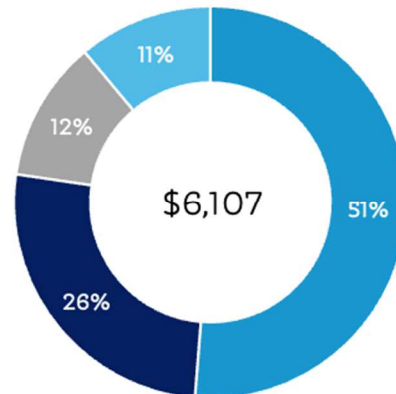
		2Q			6M		
		2023	2022	%Δ	2023	2022	%Δ
Products	Sales	2,862	3,340	(14.3%)	5,465	5,907	(7.5%)
	EBITDA	618	611	1.3%	1,217	1,003	21.4%
	Margin	21.6%	18.3%	330 bps	22.3%	17.0%	530 bps
Services	Sales	142	107	33.2%	285	199	42.9%
	EBITDA	(64)	(83)	(22.0%)	(110)	(153)	(27.9%)
	% Margin	(45.3%)	(77.3%)	NM	(38.6%)	(76.6%)	NM

Sales 6M23



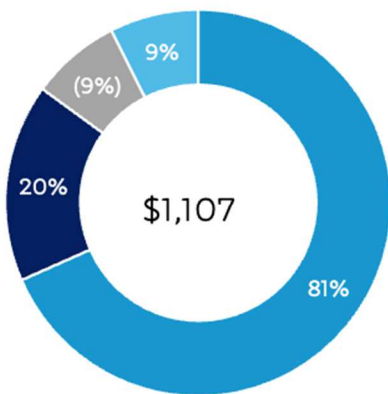
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Sales 6M22



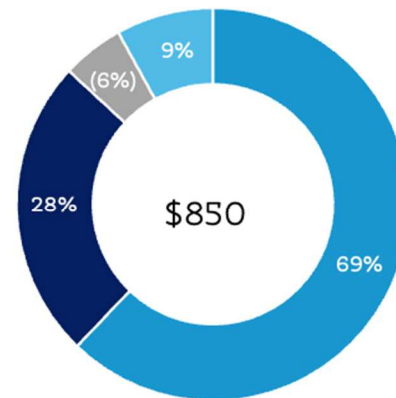
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EBITDA 6M23



■ Mexico ■ Argentina ■ United States ■ Other

EBITDA 6M22



■ Mexico ■ Argentina ■ United States ■ Other

Mexico

Net sales decreased 12.3% during the quarter and 2.5% in the semester.

Product sales were affected by a decrease in revenues in the second quarter due to a high comparative base in 2022 related to the then extreme drought in the northeast region of the country. In addition, the Company maintained a commercial strategy of price adjustments to keep prices competitive in the face of declining raw material costs.

On the other hand, **service** sales grew double-digit for the third consecutive quarter, driven by *bebbia*, which generated record subscriptions in the second quarter. Water treatment plants business continues to gain traction and *riego* keeps developing.

EBITDA margin for the quarter increased 700 bps to 28.0% and cumulatively expanded more than 10 percentage points, closing at 29.2%. This was the result of lower raw material costs

and a solid pricing strategy, as well as expense control in line with sales performance. In addition, the services platform reduced the impact on EBITDA by reducing its operating loss.

Argentina

Net sales during the quarter decreased 6.9% in Mexican pesos and increased 107.2% in local currency, due to a double exchange effect, on one hand, the Argentine peso depreciated and, on the other hand, the Mexican peso strengthened.

On a cumulative basis, sales decreased 4.4% in Mexican pesos, and increased 103.7% in Argentine pesos.

Growth in local currency was mainly driven by price increases, however, the storage and improvement categories also showed volume growth both in the quarter and on a cumulative basis. Water heater sales volumes were lower than expected during the second quarter due to a milder winter.

In 2Q23, the **EBITDA margin** closed at 15.3%, a 20 bps expansion due to raw material cost benefits and an effective expense control.

For the first half, the EBITDA margin contracted 40 bps to 14.3% as a result of benefits related to lower raw material prices that had not been recognized in Argentina during the first quarter because of a time lag between the purchase of materials and the recognition of costs.

NOTE: Adoption of IAS 29, Financial Reporting in Hyperinflationary Economies.

Due to Argentina experiencing inflation above 100% in the last three years, it is considered a hyperinflationary economy. In accordance with IAS 29, an adjustment for inflation has been made to the Financial Statements to consider changes in purchasing power.

International Accounting Standard (IAS) 29, Financial Information in Hyperinflationary Economies establishes that the results of operations in Argentina should be reported as if they were hyperinflationary as of January 1st, 2018. Moreover, an adjustment for inflation in the Financial Statements should be made to account for the change in the purchasing power of the local currency.

As a result, in the first semester of 2023 the impact of the restatement results in an increase of Ps. 124 million in interest expense, negatively impacting the Comprehensive Financing Result. After considering taxes, the impact on net income amounts to Ps. 127 million.

United States

Net sales for the quarter decreased 22.0% in Mexican pesos and 11.7% in US dollars. Cumulatively, sales decreased 19.2% in pesos and 9.8% in local currency.

We observed lower demand for water storage solutions and septic tanks due to the humid weather, reduced activity in the agricultural sector, and a cautious consumer amidst macroeconomic uncertainty. Also, during the same period of the previous year, severe droughts had been experienced.

Agriculture in California and several Midwest states has been affected by sluggish global demand for certain products like almonds, localized flooding, and low commodity prices.

The operational problems caused by the digital platform update that occurred during the first quarter were resolved, however, the high levels of rain and snow that carried through the month of May have reduced the drought and delayed the installation of treatment solutions due to the humidity of the soil. Also, buyers have prioritized spending in other sectors.

Expenses related to the development of the septic tank business and the e-commerce platform upgrades put pressure on **EBITDA**, which was negative Ps. 48 million for the quarter and negative Ps. 98 million on a cumulative basis.

Other countries

Net sales in other countries (Peru, Guatemala, El Salvador, Costa Rica, Honduras, Nicaragua and Brazil) decreased 21.5% in the quarter and 10.5% in the first half of the year.

Excluding the effect of the appreciation of the Mexican peso, sales would have decreased 11.3% in the quarter and would have been flat on a cumulative basis.

In **Peru**, demand has been affected by lower household income and the deterioration of purchasing power due to high inflation levels. In addition, demand for water heaters was impacted by high temperatures during winter.

In **Central America**, sales decreased in Mexican pesos, but increased in local currency as a result of the commercial strategy of price adjustments with the objective to promote demand in the region.

In **Brazil**, the portfolio of water treatment and recycling plants continues to expand. Additionally, the legislation promoting the migration to a private model rather than a state-owned model has generated a solid pipeline of projects.

Quarterly **EBITDA margin** remained at the same level as 2Q22 thanks to expense control efforts. On a cumulative basis, EBITDA margin increased 480 bps, driven by lower raw material costs, disciplined expense control and improved performance in Brazil, which is generating greater scale.

ANALYSIS | COSTS AND EXPENSES

Gross Profit

Gross profit for the quarter decreased 6.4% and increased 6.0% for the first six months of the year. Margin expanded 320 bps to 45.4% in the quarter and 520 bps to 46.5% in the first six months of the year. This improvement is mainly due to a reduction in raw material costs, as well as an effective pricing strategy in each location.

Operating Income

Operating income reached Ps. 433 million in the quarter, 1.1% higher than in 2Q22, reaching a 14.4% margin, which represents a 200 bps expansion.

On a cumulative basis, operating income increased 33.9%, reaching a 15.2% margin, 450 bps higher than in the previous year. The margin expansion was driven by the gross margin benefit, as well as an efficient expense management in both product and service platforms.

Comprehensive financing result

The **comprehensive financing result** for 2Q23 resulted in a Ps. 439 million expense compared to a Ps. 195 million expense in the same period of 2022. The expense includes Ps. 100 million for interest on debt, commissions and leases, Ps. 252 million for valuation of financial instruments and Ps. 87 million for foreign exchange losses and inflationary effects in Argentina.

The cumulative **comprehensive financing result** resulted in an Ps. 850 million expense compared to a Ps. 349 million expense in the same period of 2022. The expense includes Ps. 190 million for interest on debt, commissions and leases, Ps. 504 million for valuation of financial instruments and Ps. 156 million for foreign exchange losses and inflationary effects in Argentina.

Net Result

Net result for the second quarter was a Ps. 24 million loss, compared to a Ps. 122 million profit in the same quarter of the previous year. On a cumulative basis, net profit was Ps. 12 million, compared to Ps. 210 million in the first six months of 2022.

Net income was mainly affected by the increase in financial expenses related to MXN/USD exchange rate hedges to guarantee costs, as well as foreign exchange losses.

CapEx

	6M				
	2023	%	2022	%	%Δ
Mexico	162	85%	216	74%	(25.3%)
Argentina	20	11%	33	11%	(38.3%)
United States	6	3%	9	3%	(28.9%)
Others	3	1%	35	12%	(92.5%)
Total	190	100%	293	100%	(34.9%)

Capital investments represented 3.3% of sales for the semester, a 34.9% reduction compared to the same period of last year.

Capital investments include:

- Ps. 168 million invested in new technology to produce storage solutions and in machinery to increase production capacity for the water flow category in Mexico and Argentina. These investments are part of our plan to maintain the long-term sustainability of the business.
- Ps. 14 million for treatment plants in Mexico and Ps. 5 million in Brazil, representing 8% of the total CapEx.
- CapEx related to the *Flow* program initiatives amounted to Ps. 82 million.



ANALYSIS | BALANCE SHEET

Cash Conversion Cycle (Days)

	6M		Δ days
	2023	2022	
Inventory Days	75	69	6
Accounts Receivable Days	74	60	14
Accounts Payable Days	79	70	9
Cash Conversion Cycle	70	59	11

Inventory days: $\text{Average Inventories} / (\text{Cost of Sales } 3\text{M} / 90)$

Days Past Due: $\text{Average Accounts Receivable} / (3\text{M Sales} / 90)$

Supplier Days: $\text{Average Supplier Days} / (\text{Cost of Sales } 3\text{M} / 90)$

During the quarter, the **cash conversion cycle** increased by 11 days, due to a sales volume reduction in some of the countries where the Company operates.

Debt

	6M		%Δ
	2023	2022	
Total Debt	4,187	4,007	4.5%
Short-Term Debt	189	9	NM
Long-term debt	3,999	3,998	0.0%
Cash and Cash Equivalents	536	1,079	(50.3%)
Net Debt	3,652	2,928	24.7%

Debt Maturity Profile

Total debt amounts to Ps. 4,187 million pesos and corresponds to the AGUA 17-2X Sustainable Bond, as well as a working capital loan.

	Currency	Amount in MXN	Rate	Maturity
AGUA Bond 17-2X	Mexican pesos	4,007	Fixed 8.65%	June 16 th , 2027
HSBC Working Capital Loan	Mexican pesos	180	TIE + 0.9%	July 28 th , 2023

FINANCIAL RATIOS

	6M		%Δ
	2023	2022	
Net Debt / EBITDA	1.6 x	1.6 x	0.0 x
Interest coverage*	9.5 x	5.2 x	82.7%
Total Liabilities / Stockholders' Equity	1.2 x	1.0 x	0.2 x
Net Income per Share**	0.03	0.43	(94.1%)

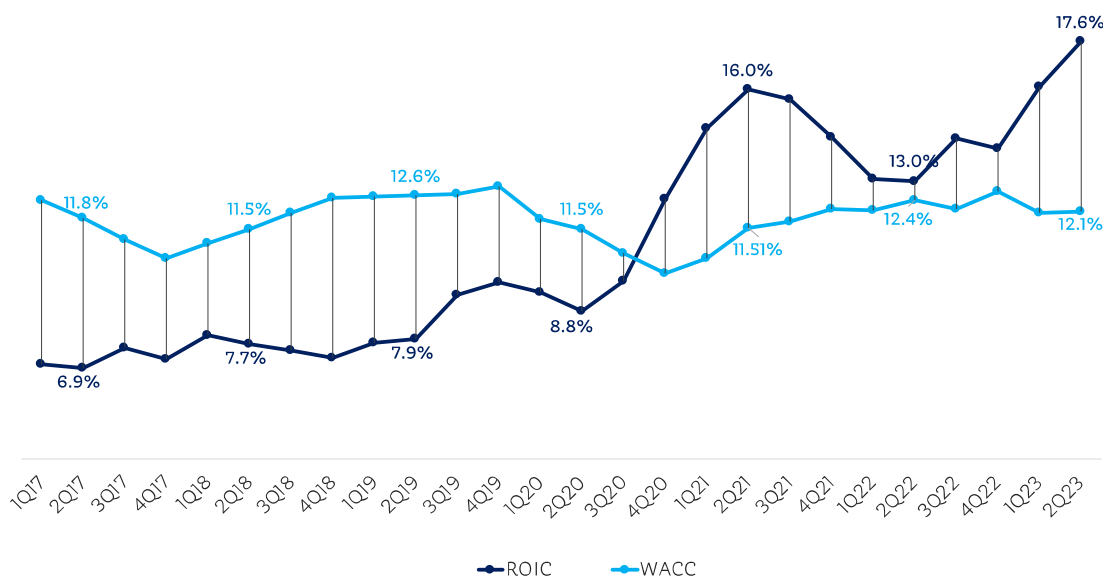
*EBITDA LTM / net interest LTM

**Net income between 486.2 million shares, expressed in Mexican pesos.

During the first half of 2023, the Company has maintained a constant leverage in line with its debt policy, which establishes a ratio of 2.0x Net Debt/EBITDA.

As a result of the operating profitability, the interest coverage ratio improved by 82.7%.

ROIC / Cost of Capital



ROIC: NOPAT LTM/ Invested Capital LTM, monthly average.

Invested capital: total assets - cash and cash equivalents - short-term liabilities.

ROIC excludes *Flow* program execution expenses from 2Q20 to 4Q21 as they are non-recurring.

The ROIC reached 17.6%, which represents a 460 bps increase compared to June 2022. In addition, it was 550 bps above the cost of capital.

Financial derivatives

The use of derivative financial instruments is governed by the recommendations and policies issued by the Board of Directors and supervised by the Audit Committee, which provides guidelines on the management of exchange risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and the investment of excess liquidity.

As of June 30, 2023, the market value of Grupo Rotoplas' positions was:

		Market Value
Type of Instrument	MXN/USD exchange rate forward	Ps. (228.1) million

ESG | ENVIRONMENTAL, SOCIAL AND GOVERNANCE

During the quarter, the following progress within the [sustainable initiatives](#) and [social investment projects](#) stands out:

- For the sixth consecutive year, Peruvian operations received the [Sustainable Management Company Distinction](#), awarded by the *Perú Sostenible* organization, in recognition of its commitment and sustainable practices.
- In June, "[Pride Month](#)", a comprehensive campaign was organized. It included publications, podcasts, lectures with expert speakers and workshops for employees to raise awareness regarding the struggle for equal rights for the LGBTIQ+ community and to promote a culture of tolerance and respect within the Company.
- The [ASEO](#) and [Independencia Sostenible](#) projects in Peru focused on providing solutions to social challenges in low-income schools nationwide. Through this collaboration, storage and sanitation solutions were provided, including tanks, pumps and pipelines. In addition, the construction of new sanitary infrastructure with hand-washing facilities and the reforestation of a forest park was accomplished, providing support to the human settlement.

During the quarter, two projects in Argentina stand out:

- "[Mi primer baño](#)" in collaboration with *Hábitat para la humanidad Argentina* (HPHA) benefited 250 families with storage and sanitation solutions, as well as a dining room that serves 200 children. In addition, sanitation training was given to both HPHA and families in the different neighborhoods.
- "[El Agua en debate](#)", providing 312 hours of training, including a panel on the importance of water treatment in the industry. The project was carried out through an alliance with Asociación Conciencia, AySA and Xylem, and involved 52 schools, reaching 1,200 students and 100 teachers.



AGUA | PERFORMANCE AND ANALYST COVERAGE

		June		
		2023	2022	%Δ
Agua*	Closing price	25.51	24.94	2.3%
	P/BV	2.1 x	1.9 x	0.2 x
	EV/EBITDA	7.2 x	8.7 x	(1.6) x

Source: SiBolsa

Treasury shares:

As of June 30th, 2023, the Company had 16.0 million shares in the treasury, equivalent to an invested amount of Ps. 454 million. Treasury shares have never been cancelled.

Analyst Coverage

As of June 30th, 2023, analyst coverage was provided by:

		Recommendation	TP
BTG Pactual	Felipe Barragan	Buy	\$40.60
	felipe.barragan@btgpactual.com		
GBM	Regina Carrillo	Buy	\$50.00
	rcarrillo@gbm.com		
SIGNUM	Alain Jaimes	Buy	\$42.22
	alain.jaimes@signumresearch.com		
Miranda Research	Martín Lara / Marimar Torreblanca	Buy	\$44.00
	martin.lara@miranda-gr.com		
	marimar.torreblanca@miranda-partners.com		
Apalache	Jorge Placido	Buy	\$44.00
	jorge.placido@apalache.mx		
Consensus		Buy	\$44.16

FINANCIAL STATEMENTS | Balance Sheet, Income Statement and Cash Flow

Income Statement

(unaudited figures, millions of Mexican pesos)

	2Q			6M		
	2023	2022	%Δ	2023	2022	%Δ
Net Sales	3,004	3,447	(12.9%)	5,750	6,107	(5.8%)
COGS	1,640	1,991	(17.6%)	3,075	3,583	(14.2%)
Gross Profit	1,363	1,456	(6.4%)	2,674	2,524	6.0%
<i>% margin</i>	<i>45.4%</i>	<i>42.2%</i>	<i>320 bp</i>	<i>46.5%</i>	<i>41.3%</i>	<i>520 bp</i>
Operating Expenses	930	1,027	(9.5%)	1,803	1,873	(3.7%)
Operating Income	433	429	1.1%	872	651	33.9%
<i>% margin</i>	<i>14.4%</i>	<i>12.4%</i>	<i>200 bp</i>	<i>15.2%</i>	<i>10.7%</i>	<i>450 bp</i>
Comp. financing result	(439)	(195)	NM	(850)	(349)	NM
Financial Income	44	17	NM	75	58	28.2%
Financial Expenses	(483)	(212)	NM	(924)	(408)	NM
Income before taxes	(6)	235	NM	22	303	(92.9%)
Taxes	19	113	(83.7%)	9	93	(90.2%)
Net result	(24)	122	NM	12	210	(94.1%)
<i>% margin</i>	<i>(0.8%)</i>	<i>3.5%</i>	<i>(430) bp</i>	<i>0.2%</i>	<i>3.4%</i>	<i>(320) bp</i>
EBITDA ⁴	554	528	4.9%	1,107	850	30.3%
<i>% margin</i>	<i>18.4%</i>	<i>15.3%</i>	<i>310 bp</i>	<i>19.3%</i>	<i>13.9%</i>	<i>540 bp</i>

⁴ EBITDA considers donations of Ps. 0.7 million in 2Q23 and Ps. 2.7 million in 6M23.

Balance Sheet (unaudited figures, millions of Mexican pesos)

		6M		
		2023	2022	%Δ
Balance Sheet	Cash and Cash Equivalents	536	1,079	(50.3%)
	Accounts Receivable	1,957	1,895	3.3%
	Inventory	1,321	1,507	(12.3%)
	Other Current Assets	753	689	9.3%
	Current Assets	4,567	5,170	(11.7%)
	Property, Plant and Equipment - Net	3,163	3,207	(1.4%)
	Other Long-Term Assets	4,801	4,137	16.0%
	Total Assets	12,531	12,514	0.1%
	Short-Term Debt	189	9	NM
	Suppliers	807	847	(4.7%)
	Other Accounts Payable	1,111	792	40.3%
	Short-Term Liabilities	2,107	1,647	27.9%
	Long-term debt with cost	3,999	3,998	0.0%
	Other Long-Term Liabilities	631	600	5.1%
	Total Liabilities	6,737	6,246	7.9%
	Total Stockholders' Equity	5,794	6,269	(7.6%)
	Total Liabilities + Stockholders' Equity	12,531	12,514	0.1%

Cash Flow (unaudited figures, millions of Mexican pesos)

		6M		
		2023	2022	%Δ
Cash Flow	Net result	12	210	(94.1%)
	Adjustments to reconcile net result	796	536	48.3%
	Inventories	3	9	(66.4%)
	Accounts Receivable	(376)	(403)	(6.5%)
	Accounts Payable	92	111	(16.8%)
	Taxes	(96)	(68)	40.2%
	Cash flow from operations	432	395	9.2%
	CapEx	(190)	(293)	(34.9%)
	Other investment activities	60	28	NA
	Cash flow from investments	(131)	(264)	(50.5%)
	Dividends	(235)	(215)	9.3%
	Repurchase fund	(33)	(134)	(75.1%)
	Short- and long-term debt	180	0	NA
	Interests and leasing	(267)	(271)	(1.3%)
	Cash flow from financing	(356)	(620)	(42.6%)
	Change in Cash	(56)	(489)	(88.7%)
	Exchange rate effect on cash	(81)	(61)	34.2%
Net Change in Cash	(137)	(550)	(75.1%)	
Initial Cash balance	673	1,629	(58.7%)	
Final Cash Balance	536	1,079	(50.3%)	

PRESS RELEASES | 2Q23

- S&P Global Ratings maintains 'mx AA-' rating for Grupo Rotoplas with a stable outlook - June 9th
- Payment of capital reimbursement to shareholders - May 09th
- Resolutions Ordinary and Extraordinary Annual General Meeting 2023 - April 27th

For more information, please consult the relevant events section of our website: <https://rotoplas.com/inversionistas/eventos-relevantes/>

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- **Forward-Looking Statements**

This press release may include certain forward-looking statements relating to Grupo Rotoplas S.A.B. de C.V. It relies on considerations of the Grupo Rotoplas S.A.B. de C.V. management which are based on current and known information; however, the expectations could vary due to facts, circumstances, and events beyond the control of Grupo Rotoplas, S.A.B. de C.V.

- **About the Company**

Grupo Rotoplas S.A.B. de C.V. is America's leading provider of water solutions, including products and services for storing, piping, improving, treating, and recycling water. With over 40 years of experience in the industry and 18 plants throughout the Americas, Rotoplas is present in 14 countries and has a portfolio that includes 27 product lines, a services platform, and an e-commerce business. Grupo Rotoplas has been listed on the Mexican Stock Exchange (BMV) under the ticker "AGUA" since December 10th, 2014.

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