



2023

3Q

Earnings Call

October 26th 2023



Speakers

 Carlos Rojas Aboumrad
CEO



 Mario Romero Orozco
CFO



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3Q23 Performance Overview

Rotoplas | 3Q23

Figures in million MXN

PRIORITIES

Rotoplas' Priorities:



- Operational Excellence



- Maintaining brands leadership



- New business growth

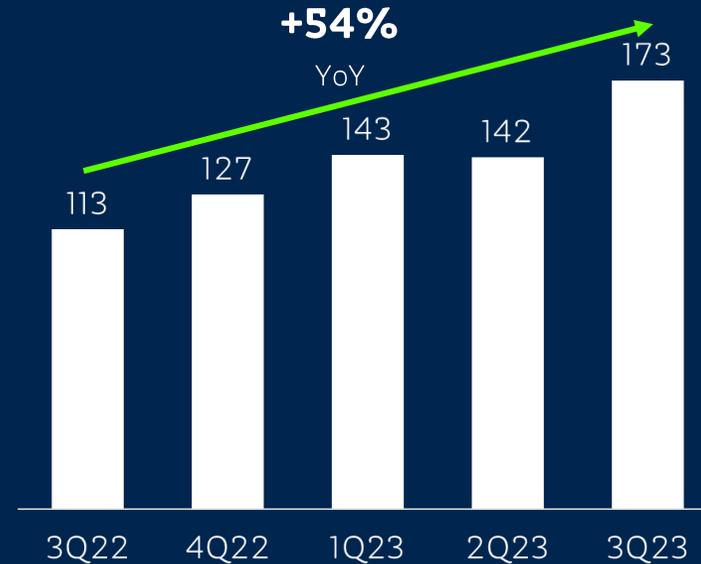
SALES

17% decrease YoY

Products | Primary impacts

	Demand	Pricing	Fx
Mexico			
Argentina			
USA			
Peru			

Services | Steady growth



bebbia®

rsa | Rotoplas servicios de agua

Acuantia.

rieggio®

Financial Results

- Sequential sales improvement
- YTD EBITDA margin at 18% - top end of guidance
- ROIC at 17.7% - surpassing our target
- 30% YoY increase in quarterly net profit despite sales reduction

Transformation

- Continued innovation in solutions
- Launch of Tinaco Plus+ for efficiency, sustainability, and market leadership
- Digitalization of the water ecosystem.
- 5-year cooperation agreement with Google Cloud in collaboration with SAP

Sustainability

Rotoplas
más y mejor agua

360° value creation

*Unified vision,
diverse achievements*



Constituent of "S&P/BMV Total Mexico ESG" index



Winner of HSBC Sustainable Innovation Leading Companies Award for the second consecutive year

02

Financial & Strategy Highlights

P&L | Financial Highlights

Figures in million MXN

	3Q23	3Q22	Δ %/bps	9M23	9M22	Δ %/bps
Net sales	3,020	3,543	(15%)	8,770	9,649	(9%)
COGS	1,675	2,028	(17%)	4,750	5,610	(15%)
Gross Profit	1,345	1,515	(11%)	4,019	4,039	(0%)
Margin	45%	43%	170 pb	46%	42%	390 pb
Operating Income	335	482	(30%)	1,207	1,133	7%
Margin	11%	14%	(250) pb	14%	12%	210 pb
Financing Result	90	237	(62%)	940	586	60%
Taxes	16	67	(77%)	25	160	(85%)
EBITDA	470	582	(19%)	1,577	1,432	10%
Margin	16%	16%	(90) pb	18%	15%	320 pb
Net Result	229	176	30%	241	386	(37%)

EBITDA historical record for the first nine months of a year

YTD

- ✿ **3.1% decrease in sales** excluding the **effect** of the strong Mexican **peso**
- ✿ **\$213 million** impact in **EBITDA** related to **new businesses**
- ✿ **\$384 million loss** in **FX coverage** instruments

Sales | Products & Services Mix

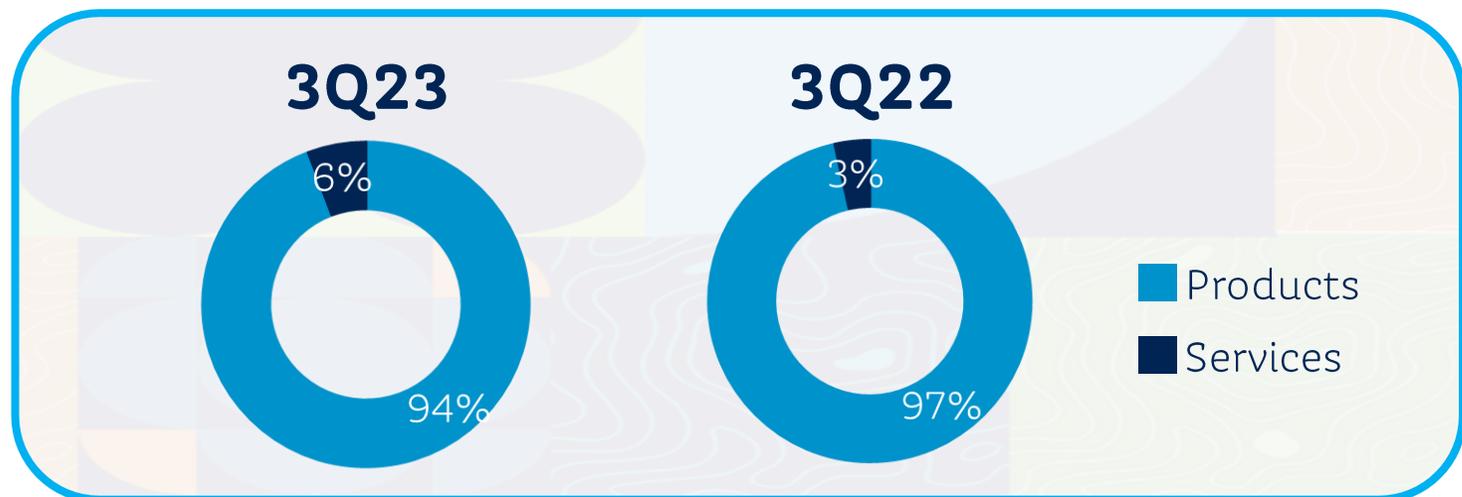
+104,000 bebbia units

+6,400 e-commerce clients

Services experienced **significant growth**

Public sector sales:
3Q23 – 3.5%
9M23 – 3.3%

		3Q23	3Q22	%Δ	9M23	9M22	%Δ
Products	Sales	2,847	3,340	(17%)	8,312	9,337	(11%)
	EBITDA	573	663	(14%)	1,790	1,665	8%
	% Margin	20%	19%	80 pb	22%	18%	370 pb
Services	Sales	173	113	54%	458	312	47%
	EBITDA	(103)	(81)	28%	(213)	(233)	(9%)
	% Margin	(60%)	(72%)	NM	(47%)	(75%)	NM
Total	Sales	3,020	3,543	(15%)	8,770	9,649	(9%)
	EBITDA	470	582	(19%)	1,577	1,432	10%
	% Margin	16%	16%	(90) pb	18%	15%	320 pb



Cash Position

Figures in million MXN

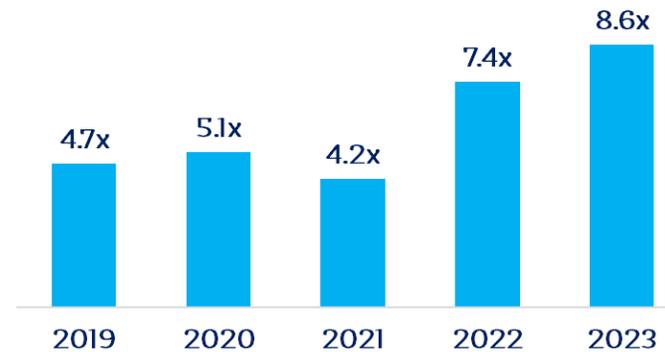
Current Leverage

Balance Sheet	9M23	9M22	Δ %
Cash & Cash equivalents	633	996	(37%)
Total Debt	4,114	4,096	18%
Net Debt	3,481	3,099	12%
Net Debt / EBITDA	1.6x	1.6x	0x

Debt Maturity Profile



Interest coverage



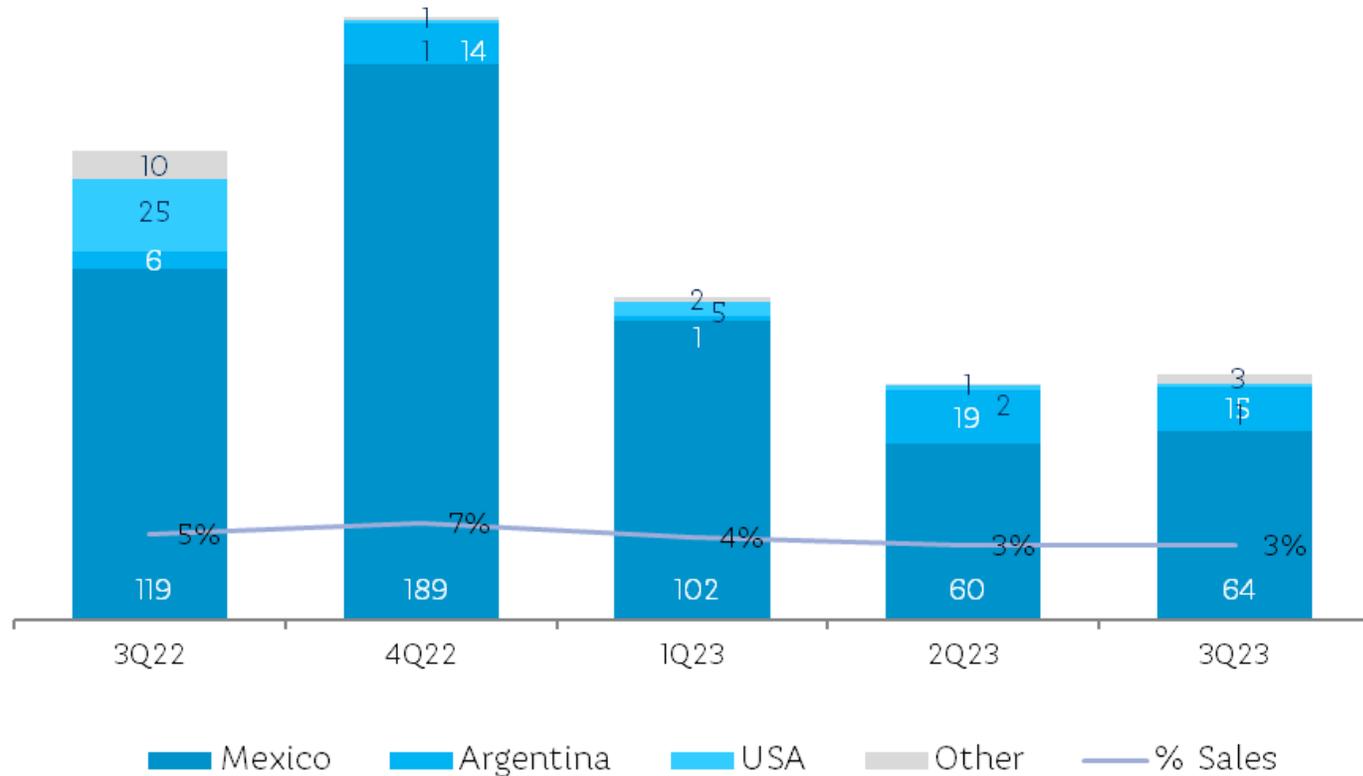
- Cash conversion cycle optimized by 1 day
- Leverage within the Company's debt guideline of < 2.0x

- \$18 million working capital loan
- \$4 billion from the issuance of our sustainable bond AGUA 17-2X



Discipline in Capital Allocation

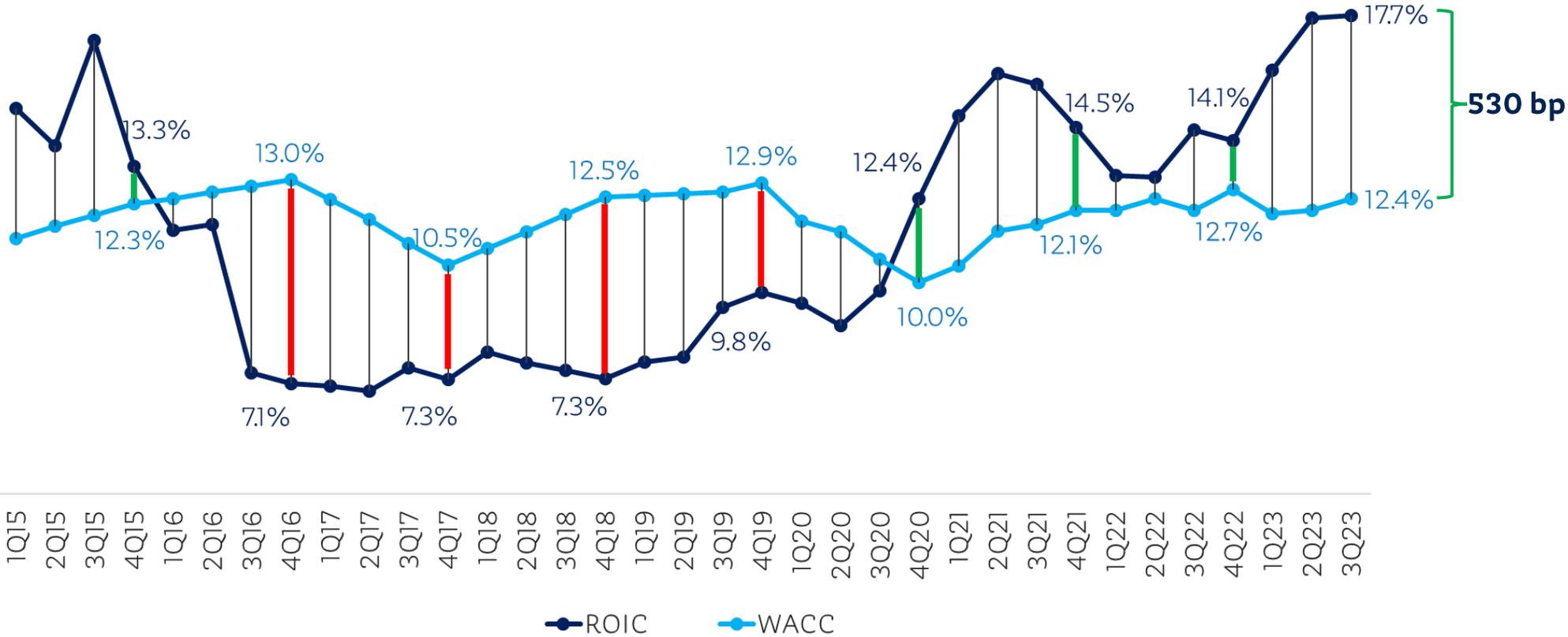
Figures in million MXN



Investments for the **long-term sustainability** of the business.

- **\$237** million invested in new **technology** to produce **storage** solutions and in **machinery** to **increase production** capacity in Mexico and Argentina.
- **\$24** million for **treatment plants** in **Mexico** and **\$2** million in **Brazil**

ROIC | Sustainable value creation



ROIC-WACC spread exceeds earnings guidance by 280 bp

ROIC: NOPAT LTM/ Invested Capital LTM, monthly average
 Invested Capital: Total Assets – Cash and Cash Equivalents – Short-Term Liabilities.
 ROIC excludes Flow program execution costs from 2Q20 to 4Q21 as they are one-off.

Environmental commitment

Mexico | 2.6 tons of waste collected from rivers in Mexico City and Yucatán

Peru | Clean-up in Chillón, Rimac, and Lurín rivers

Upcoming Efforts | Volunteer activities in Argentina, León and Monterrey



Collective efforts can drive impactful environmental change



Guidance 2023

	Guidance 2023	1 st Revised Guidance 2023 (April)	2 nd Revised Guidance 2023 (July)	3 rd Revised Guidance 2023 (September)
Sales	> 15%	≥ 10%	0%	(8%)
EBITDA Margin	16.0% - 17.0%	16.0% - 17.0%	17.0% - 18.0%	17.0% - 18.0%
Net Debt / EBITDA	<2x	<2x	<2x	<2x
ROIC	WACC + 150 pb	WACC + 150 pb	WACC + 250 pb	WACC + 350 pb

We've adjusted our growth outlook due to the prevailing challenges. Nevertheless, through disciplined actions and internal strategies, we're optimistic about enhancing profitability

Capital Reimbursement in kind

Ratio 1 share for every 30 shares held

Dividend yield ~3.5%

Important dates

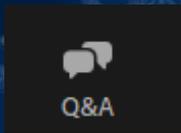
General Shareholders Meeting November 15th, 2023

Capital reimbursement November 24th, 2023

- Maximizing shareholder value
- Shares to be distributed from the treasury
- Annual yield | ~5.5%



Thank you!



You can submit a question by pressing the “Q&A” button.

Please include:

*Name

*Fund or Company