

Mexico City, February 08th, 2023.

Grupo Rotoplas S.A.B. de C.V. (BMV: AGUA*) (“Rotoplas”, “the Company”), America’s leading company in water solutions, reports its unaudited fourth quarter and full year 2022 results. The information has been prepared in accordance with the International Financial Reporting Standards (IFRS).

Figures are expressed in millions of Mexican pesos.

HIGHLIGHTS | 4Q22 vs 4Q21

- With its fourth quarter cumulative results, Rotoplas achieved record annual net sales and EBITDA and met 100% of its financial guidance, as well as 100% of its public ESG goals.
- Rotoplas reported **net sales** of Ps. 3,125 million during the quarter, an increase of 11.6%, driven by the products segment and a recovery in services.
 - **Product sales** increased by 11.1%, mainly driven by the storage and water flow categories in Mexico.
 - **Service sales**, increased 25.9%, driven by *bebbia*, which continues to grow at an accelerated pace.
- **Gross margin** closed at 45.0%, an expansion of 560 bp, driven by the price increase strategy from previous quarters and the recovery in volumes.
- **Operating income** reached Ps. 452 million, 38.0% higher than the fourth quarter of 2021, even with the recognition of expenses related to businesses under development such as Acuantia in the United States, *bebbia* and *rieggio* in Mexico, as well as treatment plants in Brazil.
- **Adjusted EBITDA**¹ increased 8.3%, reaching Ps. 550 million with a 17.6% margin, a 50 bp contraction. EBITDA for the 4Q22 includes Ps. 68 million for expenses related to new business development, Ps. 45 million higher than in 4Q21.
- **Net income** was 4.0x higher than in the fourth quarter of 2021, reaching Ps. 370 million, resulting from an operating improvement.
- **ROIC** closed at 14.1%, 140 bp above the cost of capital. This was in line with the sustainable economic value creation strategy of continuing to make a positive environmental and social impact.
- In September, **Grupo Rotoplas** was recognized by HSBC with the Leading Companies in Sustainable Innovation Award.

¹ Adjusted EBITDA considers: operating income plus depreciation and amortization, plus non-recurring expenses (donations and Flow implementation expenses). In 4Q21, it considers Ps. 76 million of Flow expenses and Ps. 10 million from donations. On a cumulative basis, it considers Ps. 301 million of Flow expenses and Ps. 19 million from donations. During 2022, there were no adjustments for Flow expenses, and no donations.

- AGUA* remained part of the DJSI MILA Pacific Alliance sample for the sixth consecutive year

HIGHLIGHTS | Cumulative 2022 vs 2021

- Rotoplas posted record annual **net sales** of Ps. 12,774 million, an increase of 17.0%, exceeding market guidance.
- **Net sales** benefited from double-digit growth in Mexico and Argentina, as well as strong product sales that offset the services division.
 - **Product sales** increased 18.3%, driven by double-digit growth in all three categories: storage, water flow and improvement.
 - **Service sales**, which represent 3.4% of total sales, decreased 9.9% due to lower sales of water treatment and recycling plants in Mexico. *bebbia* continues to have double-digit growth; however, as it is a developing business, *bebbia* alone is not able to offset the other businesses.
- **Gross margin** expanded 450 bp, closing at 42.6%, supported by the strong leading brands allowing the Company to maintain an agile pricing strategy.
- **Operating income** reached Ps. 1,584 million, an increase of 48.9%, despite the recognition of expenses related to the development of new businesses, whose sales have not yet covered the expenses.
- **Adjusted EBITDA¹** was Ps. 1,982 million, a 12.4% increase to reach a 15.5% margin. The margin contracted 70 bp as a result of the development of new businesses, which impacted EBITDA by Ps. 288 million.
- As a result of operating improvements, **net income** reached Ps. 756 million, a 2.4x increase.
- **Net Debt/ Adj. EBITDA leverage** closed at 1.7x and the **cash conversion cycle** was increased by 12 days, to close at 73 days, which reflects the strategy to secure raw material supply in the face of a volatile supply chain environment.
- The Company invested Ps. 659 million in **CapEx**, mostly to upgrade the traditional product business to ensure growth and continue developing new businesses.
- **Operating cash flow** closed at Ps. 754 million, representing 5.9% of annual sales, a significant improvement vs. the negative Ps. 22 million recorded in 2021.
- During the year, AGUA* moved up 9 places in the stock market index to 51st, making it one of the top issuers among the “average” stock market volatility companies.

¹ Adjusted EBITDA considers: operating income plus depreciation and amortization, plus non-recurring expenses (donations and Flow implementation expenses). In 4Q21, it considers Ps. 76 million of Flow expenses and Ps. 10 million from donations. On a cumulative basis, it considers Ps. 301 million of Flow expenses and Ps. 19 million from donations. During 2022, there were no adjustments for Flow expenses, and no donations.

KEY FIGURES | FINANCIAL DATA

	4Q			12M			
	2022	2021	%Δ	2022	2021	%Δ	
Income Statement	Net Sales	3,125	2,800	11.6%	12,774	10,915	17.0%
	% gross margin	45.0%	39.4%	560 bp	42.6%	38.1%	450 bp
	Operating Income	452	327	38.0%	1,584	1,064	48.9%
	% margin	14.5%	11.7%	280 bp	12.4%	9.8%	260 bp
	EBITDA	550	422	30.3%	1,982	1,443	37.3%
	Adjusted EBITDA ¹	550	508	8.3%	1,982	1,764	12.4%
	% margin	17.6%	18.1%	(50) bp	15.5%	16.2%	(70) bp
	Net Income	370	92	NM	756	312	NM
	% margin	11.8%	3.3%	850 bp	5.9%	2.9%	300 bp
Balance Sheet	Cash and Cash Equivalents	673	1,629	(58.7%)			
	Total Debt	4,009	4,007	0.1%			
	Net Debt	3,337	2,378	40.3%			
Cash Flow	Operating Cash Flow	754	(22)	NM			
	CapEx	659	515	28.0%			
	Working Capital	(291)	(767)	(62.0%)			
Others	Net Debt / Adj. EBITDA	1.7x	1.3x	0.4x			
	ROIC	14.1%	14.5%	(40) bp			
	Cash Conversion Cycle	73	61	12 days			

OPERATING FIGURES | January – December 2022

3,284
Employees

+32,000
Sales points

2.9%
Government Transactions

22,413
e-commerce clients

+88,000
bebbia users

8 million
20L water jugs saved

¹ Adjusted EBITDA considers: operating income plus depreciation and amortization, plus non-recurring expenses (donations and Flow implementation expenses. In 4Q21, it considers Ps. 76 million of Flow expenses and Ps. 10 million from donations. On a cumulative basis, it considers Ps. 301 million of Flow expenses and Ps. 19 million from donations. During 2022, there were no adjustments for Flow expenses, and no donations.

MESSAGE | CEO

Dear Investors,

In 2022, we focused on maintaining growth and profitability in an environment of economic uncertainty and volatility. We were able to meet all four of our financial guidance items: sales growth, EBITDA margin, Net Debt/EBITDA leverage, and economic value creation with a spread between ROIC and cost of capital of over 100bp.

With our record sales and EBITDA achievement for the year, we remain on track to meet our 2025 sustainable growth plan, and we have even outpaced our sales growth rate. If we continue at our current pace, we could reach our target one year earlier than initially estimated.

Likewise, during the year we met all our goals within the three pillars of our sustainability strategy: profit, people and planet, advancing on our path to become a carbon neutral company by 2040⁴, as well as an increasingly diverse and inclusive workplace.

Our long-term strategy and thesis remain stable. The industry continues to look promising as climate change becomes more evident, infrastructure issues are more present, and water consumption grows. With the discipline that the Flow program has given us, we will continue to focus on protecting the traditional business in order to drive cutting-edge initiatives, while maintaining profitability and reducing risk.

The year 2023 will bring new challenges, but we are confident that our business model and financial strength will allow us to seize opportunities and move with agility. With the support of our employees, we will continue to meet the needs of our consumers while creating value for all our stakeholders.



Carlos Rojas Aboumrad

INVITE | EARNINGS CALL

Thursday, February 09th, 10:00am Mexico City Time (11:00am, EST)

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

Link: https://rotoplas.zoom.us/webinar/register/WN_1AeGbwKNSFmNcC7kpBZvFw

⁴ Contemplates Scope 1 and Scope 2 emissions.

GUIDANCE | 2023-2025

	Metric	Revised Guidance 2022	2022 Results	2023 Guidance	Objectives 2025
Guidance	Increase in net sales	> 15%	17%	> 15%	>2x sales (vs 2020)
	Adjusted EBITDA Margin	15.5% - 16.5%	15.5%	16.0% - 17.0%	≥ 20%
	Net Debt / Adj. EBITDA	< 2.0x	1.7X	< 2.0x	≤ 2.0x
	ROIC	ROIC = WACC + 100 bp	ROIC= WACC +140 pb	ROIC = WACC + 150 pb	~ 20%

SALES AND EBITDA | BY REGION AND SOLUTION

Figures by geographic region (millions of pesos)

		4Q			12M		
		2022	2021	%Δ	2022	2021	%Δ
Mexico	Sales	1,549	1,345	15.2%	6,374	5,665	12.5%
	Adj. EBITDA ¹	369	255	44.6%	1,302	1,011	28.7%
	% Margin	23.8%	18.9%	490 bp	20.4%	17.9%	250 bp
Argentina	Sales	916	826	10.9%	3,698	2,627	40.7%
	Adj. EBITDA ¹	123	171	(28.0%)	570	448	27.1%
	% Margin	13.4%	20.7%	(730) bp	15.4%	17.1%	(170) bp
United States	Sales	315	305	3.4%	1,402	1,293	8.4%
	Adj. EBITDA ¹	(20)	15	NM	(64)	81	NM
	% Margin	(6.5%)	4.9%	NM	(4.5%)	6.3%	NM
Others	Sales	344	324	6.2%	1,300	1,329	(2.1%)
	Adj. EBITDA ¹	78	67	16.4%	174	223	(21.8%)
	% Margin	22.6%	20.6%	200 bp	13.4%	16.7%	(330) bp

Figures by solution (millions of pesos)

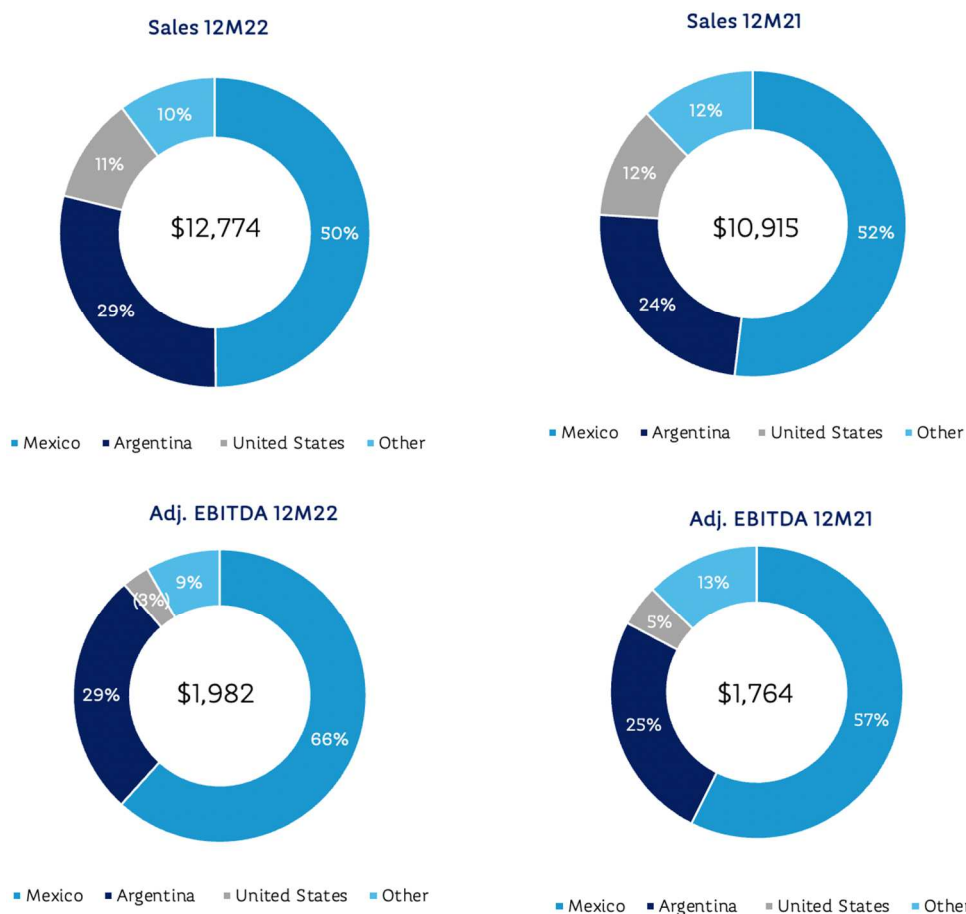
		4Q			12M		
		2022	2021	%Δ	2022	2021	%Δ
Products	Sales	2,999	2,700	11.1%	12,336	10,428	18.3%
	Adj. EBITDA ¹	616	546	12.7%	2,281	1,853	23.1%
	% Margin	20.5%	20.2%	30 bp	18.5%	17.8%	70 bp
Services	Sales	127	101	25.9%	438	487	(9.9%)
	Adj. EBITDA ¹	(66)	(39)	70.5%	(299)	(89)	NM
	% Margin	NM	NM	NM	NM	NM	NM

¹ Adjusted EBITDA considers: operating income plus depreciation and amortization, plus non-recurring expenses (donations and Flow implementation expenses). In 4Q21, it considers Ps. 76 million of Flow expenses and Ps. 10 million from donations. On a cumulative basis, it considers Ps. 301 million of Flow expenses and Ps. 19 million from donations. During 2022, there were no adjustments for Flow expenses, and no donations.

Adjusted EBITDA

	4Q			12M		
	2022	2021	%Δ	2022	2021	%Δ
EBITDA	550	422	30.3%	1,982	1,443	37.3%
Flow Implementation Costs	-	76	NM	-	301	NM
Donations	-	10	NM	-	19	NM
Adj EBITDA ¹	550	508	8.3%	1,982	1,764	12.4%

Since the second quarter of 2020, we have been recognizing "one-time" expenses for the implementation of the *Flow* program, and non-recurring expenses that have short- and long-term benefits in revenue, expenses, working capital, and organizational culture to ensure permanent change. The fourth quarter of 2021 was the last period in which these "one-time" expenses were recognized.



¹ Adjusted EBITDA considers: operating income plus depreciation and amortization, plus non-recurring expenses (donations and Flow implementation expenses). In 4Q21, it considers Ps. 76 million of Flow expenses and Ps. 10 million from donations. On a cumulative basis, it considers Ps. 301 million of Flow expenses and Ps. 19 million from donations. During 2022, there were no adjustments for Flow expenses, and no donations.

Mexico

Net Sales increased 15.2% in the quarter, due to double-digit growth in both products and services.

Product sales were driven by the "Blue Offers" commercial strategy, which included various products within the water flow and storage categories. Likewise, **service** sales increased due to accelerated growth in *bebbia*.

Adjusted EBITDA for the quarter was Ps. 369 million, an increase of 44.6%, driven by product profitability. The **adjusted EBITDA margin** for the quarter expanded 490 bp, to 23.8%.

Cumulative net sales increased by 12.5%, driven by an increase in products, which offset the year-over-year decline in services due to a contraction in the water treatment and recycling business.

On a cumulative basis, **adjusted EBITDA** was up 28.7%, even when considering the impact of the increase in expenses due to inflation, as well as the expenses from new businesses and the negative EBITDA from services.

Adjusted EBITDA margin was 20.4%, an expansion of 250 bp compared to 2021 driven by the pricing strategy and strong sales volumes in the second and third quarters.

Argentina

Net sales increased 10.9%, despite a slowdown in construction and lower demand due to the prioritization of spending during the FIFA World Cup.

Additionally, during the fourth quarter the Company launched "*Somos agua*", the first mass media campaign with the three brands: Rotoplas, Señorial, and IPS.

On a cumulative basis, **net sales** increased 40.7%, driven by the continuous improvement in commercial planning and pricing in the face of an inflationary economic environment.

Adjusted EBITDA margin closed at 13.4%, a decrease of 730 bp due to lower absorption of costs and fixed expenses related to a reduction in sales volumes.

On a cumulative basis, **adjusted EBITDA margin** closed at 15.4%, a decrease of 170 bp due to lower operating leverage during the fourth quarter.

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 of the above, in 2022, the impact of the restatement resulted in an increase of Ps. 303 million in financial expense, negatively impacting the Comprehensive Financing Result. After considering taxes, the impact on net income amounted to Ps. 164 million.

United States

Net sales in the quarter increased 3.4% due to the increase in large orders from commercial customers on the e-commerce platform, as well as the development of the septic solutions business.

Cumulative **net sales** increased 8.4%, driven by price increases in storage solutions, as well as by the sale of septic tanks and the recording of income from installation and maintenance services for these tanks.

Pre-operating expenses in the septic business and technology expenses related to the expansion of the e-commerce platform impacted **adjusted EBITDA**, which was negative Ps. 20 million in the quarter and negative Ps. 64 million for the year.

Other countries

Net sales from other countries (Peru, Guatemala, El Salvador, Costa Rica, Honduras, Nicaragua, and Brazil) increased 6.2% compared to the same quarter of the previous year and decreased 2.1% for the year, compared to 2021.

In **Peru**, sales were affected by the slowdown in demand from political instability and slow economic growth. Cumulatively, sales contracted due to the deterioration of the population's purchasing power and a contraction of the market.

In **Central America**, the decrease in sales is mainly due to a slowdown in the construction sector in the region and hydro-meteorological conditions for part of the year.

In **Brazil**, the project portfolio benefited from new legislation, which promotes the migration from a state-owned to a private-water model. During the year, the Company continued with the construction of commercial competencies and projects, as well as the development of field services to service existing contracts.

Adjusted EBITDA margin expanded 200 bp in 4Q22 vs. 4Q21, reaching 22.6%, and decreased 330 bp vs. 2021, to 13.4%. The year-over-year contraction in the margin responds to lower sales volumes in Peru and slower demand in Central America, as well as expenses for the development of new water treatment and recycling plants in Brazil.

ANALYSIS | COSTS AND EXPENSES

Gross Profit

Gross profit increased 27.3% in the quarter and 31.1% for the year. Similarly, gross margin increased 560 bps in the quarter and 450 bps on a cumulative basis. The quarterly and year-over-year improvement in margins is due to an assertive pricing strategy adopted in the second half of 2021, which has allowed Rotoplas to maintain brand leadership, as well as a sustained sequential margin recovery.

Operating Income

Operating income reached Ps. 452 million in the quarter, an increase of 38.0%, with a 280 bp margin expansion. This expansion was lower than the improvement in gross margin due to expenses related to businesses under development.

On a cumulative basis, **operating income** increased 48.9% and the cumulative **operating margin** was 12.4%, 260 bps higher than in the same period of 2021. As well as in the quarter, the improvement in operating margin was less than the improvement in gross margin due to expenses related to the development of new businesses.

Comprehensive Financing Result

The **comprehensive financing result** for 4Q22 was an expense of Ps. 181 million compared to an expense of Ps. 184 million in the same period of the previous year. The expense in the quarter considers Ps. 100 million for interest on debt, commissions and leases, Ps. 15 million for the valuation of financial instruments, and Ps. 66 million for the monetary position in Argentina, which was Ps. 43 million higher than in 4Q21.

The cumulative **comprehensive financing result** for 2022 was an expense of Ps. 768 million vs. an expense of Ps. 623 million in 2021. Financial expenses include the payment of interest on the AGUA 17-2X sustainable bond, commissions and leasing for Ps. 396 million, Ps. 82 million for the valuation of financial instruments, and Ps. 290 million for monetary position in Argentina, which was Ps. 223 million higher than 4Q21.

Net Result

The **net profit** for the quarter was Ps. 370 million compared to Ps. 92 million in 4Q21, a figure 4.0x higher than 4Q21. This expansion was associated with a general improvement in the operating results.

Cumulative **net profit** was Ps. 756 million, vs. Ps. 312 million in 2021, 2.4x higher than the same period of the previous year due to a sequential and year-over-year improvement in the operating margin.

CapEx

	12M				
	2022	%	2021	%	%Δ
Mexico	524	80%	395	77%	32.6%
Argentina	52	8%	58	11%	(10.4%)
United States	36	6%	16	3%	NM
Others	46	7%	45	9%	2.4%
Total	659	100%	515	100%	28.0%

Capital investments represented 5.2% of sales during 2022, an increase of 28.0% compared to the previous year.

Capital investments include:

- Ps. 414 million of investments in new technology to produce storage solutions, and machinery to increase production capacity for the water flow category in Mexico. These are part of the long-term investment in the business' sustainability, including the design of a new generation of water storage tanks and the increase in piping production capacity.
- Ps. 37 million and Ps. 9 million were allocated to water treatment and recycling plants in Brazil and in Mexico respectively.
- CapEx related to growth initiatives within the *Flow* program amounted to 49.5% of the total and the remainder corresponds to maintenance Capex.

ANALYSIS | BALANCE SHEET

Cash Conversion Cycle (Days)

	12M		
	2022	2021	Δ days
Inventory Days	86	79	7
Accounts Receivable Days	65	68	(3)
Accounts Payable Days	78	86	(8)
Cash Conversion Cycle	73	61	12

Inventory Days: Average Inventory / (3M Cost of Sales / 90)

Accounts Receivable Days: Average Accounts Receivable / (3M Sales / 90)

Accounts Payable Days: Average Suppliers / (3M Cost of Sales / 90)

During the period, the **cash conversion cycle** was optimized by 12 days, which was related to our strategy focused on securing raw materials supply in an unstable supply chain environment and import complexity in Argentina.

Debt

	12M		%Δ
	2022	2021	
Total Debt	4,009	4,007	0.1%
Short-term Debt	11	9	22.2%
Long-term Debt	3,999	3,998	0.0%
Cash and Cash Equivalents	673	1,629	(58.7%)
Net Debt	3,337	2,378	40.3%

Debt Maturity Profile

Total debt was Ps. 4,009 million and corresponds to the AGUA 17-2X sustainable bond.

	Currency	Amount in MXN	Fixed Rate	Maturity
AGUA 17-2X Bond	Mexican Pesos	4,009	8.65%	June 2027

FINANCIAL RATIOS

	12M		%Δ
	2022	2021	
Net Debt / Adjusted EBITDA ¹	1.7x	1.3x	0.4x
Interest Coverage Ratio*	8.5x	4.3x	97.7%
Total Liabilities / Total Stockholders' Equity	0.9x	1.0x	(0.1)x
Net Earnings per Share**	1.55	0.64	NM

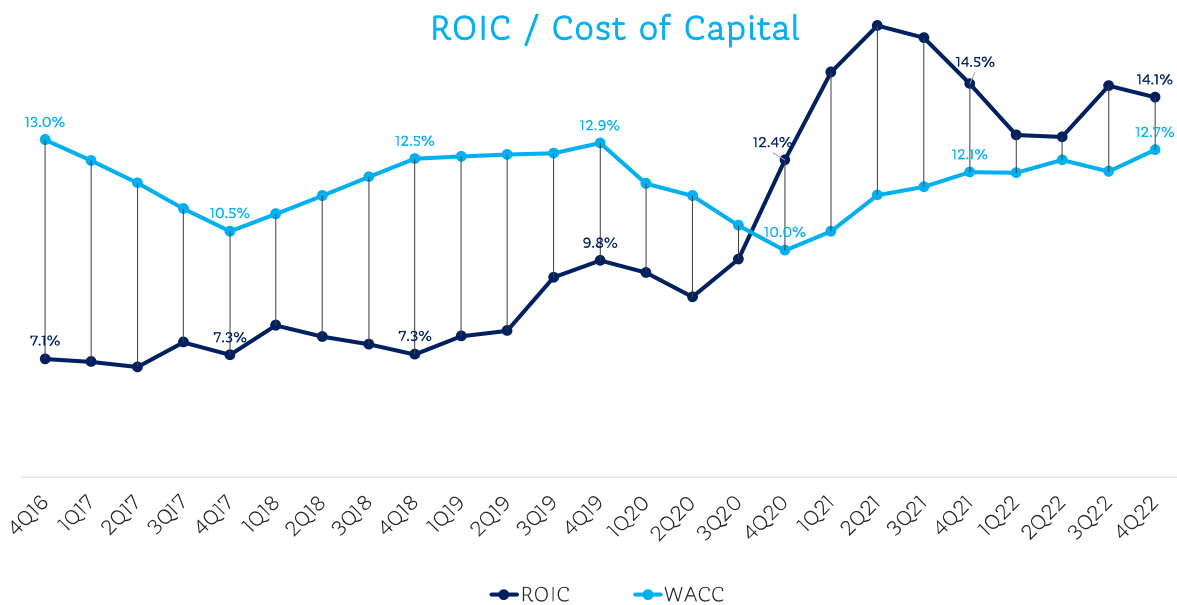
*Adjusted EBITDA LTM/interest payments LTM

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

Leverage as of the fourth quarter of 2022 was within the Company's debt guideline of 2.0x Net Debt/Adjusted EBITDA.

As a result of the operating improvement, the interest coverage ratio improved by 97.7%.

¹ Adjusted EBITDA considers: operating income plus depreciation and amortization, plus non-recurring expenses (donations and Flow implementation expenses. In 4Q21, it considers Ps. 76 million of Flow expenses and Ps. 10 million from donations. On a cumulative basis, it considers Ps. 301 million of Flow expenses and Ps. 19 million from donations. During 2022, there were no adjustments for Flow expenses, and no donations.



ROIC: NOPAT L12M/Average Invested Capital t, t-1.

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.

ROIC amounted to 14.1% at the end of December, a 40 bp contraction vs. the previous year despite an operating improvement of 38.0%. This effect was due to the fact that in 2021 the expenses for the implementation of the Flow program were excluded and in 2022 the adjustment was no longer made.

ROIC remains 140 bps above the cost of capital, even though the cost of capital increased 60 bp year over year. Likewise, the Company continued to benefit stakeholders by creating sustainable economic value.

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 December 31st, 2022, the market value of Grupo Rotoplas' position was:

		Market Value
Instrument	MXN/USD exchange rate forward	Ps. (42.7) millon

ESG | ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Updates regarding sustainability initiatives during the quarter include:

- The achievement of 100% of the 2022 goals within the ESG strategy.

Results & Goals | ESG

	2021 Results	2022 Target	2022 Results	2025 Target
Profit				
Direct suppliers evaluated with ESG criteria	0%	20%	20%	100%
Customer Satisfaction (NPS Score)	67	68	72	80
Planet				
CO ₂ Intensity - Scope 1 and Scope 2 - per ton of processed resin	0.41	0.50	0.48	0.41
m ³ of purified water using our solutions	164K	314K	404K	1.7 MM
People				
People impacted with access to sanitation (cumulative)	330K	543K	553K	1 MM
Women in the workforce	23%	24%	24%	30%

- Rotoplas received a “B” rating in CDP’s Climate Change questionnaire, which places the Company in the Management category, meaning that Rotoplas is acting in a coordinated manner on climate issues. This grade is higher than the North American regional average and the average for light manufacturing.
- For the sixth consecutive year, AGUA* remains in the DJSI MILA Pacific Alliance index.
- Rotoplas moved up two points in the 2021 S&P Corporate Sustainability Assessment, with a score of 69.
- The Company increased its Bloomberg GEI Score by eight points, obtaining a score of 63 in 2022.
- Rotoplas was awarded the Leading Company in Sustainable Innovation award in the Governance category by HSBC.
- The Company held the Healthcare Fair, where its employees had the opportunity to attend courses and training sessions, including self-care and habits, investing, nutrition, and cancer prevention, among others. A total of 692 employees attended, representing 21.1% of the total workforce.

- As part of the diversity and inclusion strategy, 6 talks and workshops were given to raise awareness about gender violence, unconscious biases, inclusion of people with disabilities in the workplace, etc., and was open to the participation of the entire administrative staff. A total of 694 employees attended, representing 21.1% of the total staff.

AGUA* | PERFORMANCE AND ANALYST COVERAGE

	4Q		%Δ	
	2022	2021		
AGUA*	Closing price	31.49	28.11	12.0%
	P/BV	2.5x	2.3x	0.2x
	EV/EBITDA	10.7x	10.1x	0.6x

Source: SiBolsa

Treasury shares:

As of December 31st, 2022, the Company had 15.1 million shares in the treasury, equivalent to an invested amount of Ps. 439 million. To date, no treasury shares have been cancelled.

Analyst Coverage

As of December 31st, 2022, analyst coverage was provided by:

		Recommendation	PO
BTG Pactual	Felipe Barragán felipe.barragan@btgpactual.com	Buy	\$39.50
GBM	Regina Carrillo rcarrillo@gbm.com	Buy	\$50.00
SIGNUM	Alain Jaimes alain.jaimes@signumresearch.com	Buy	\$42.22
Miranda Research	Martín Lara / Marimar Torreblanca martin.lara@miranda-gr.com marimar.torreblanca@miranda-partners.com	Buy	\$45.00
Apalache	Jorge Plácido jorge.placido@apalache.mx	Buy	\$43.10
	Consensus	Buy	\$43.96

FINANCIAL STATEMENTS | Balance Sheet, Income Statement and Cash Flow

Income Statement

(unaudited figures in millions of Mexican pesos)

	4Q			12M			
	2022	2021	%Δ	2022	2021	%Δ	
Income Statement	Net Sales	3,125	2,800	11.6%	12,774	10,915	17.0%
	COGS	1,720	1,697	1.4%	7,331	6,761	8.4%
	Gross Profit	1,405	1,103	27.3%	5,444	4,153	31.1%
	% margin	45.0%	39.4%	560 bp	42.6%	38.1%	450 bp
	Operating Expenses	953	776	22.8%	3,859	3,089	24.9%
	Operating Income	452	327	38.0%	1,584	1,064	48.9%
	% margin	14.5%	11.7%	280 bp	12.4%	9.8%	260 bp
	Comp. Financing Result	(181)	(184)	(1.6%)	(768)	(623)	23.3%
	Financial Income	105	(13)	NM	198	103	92.0%
	Financial Expenses	(287)	(172)	66.8%	(966)	(726)	33.0%
	Income Before Taxes	271	143	88.9%	817	444	84.2%
	Taxes	(99)	52	NM	61	132	(53.5%)
	Net Income	370	92	NM	756	312	NM
	% margin	11.8%	3.3%	850 bp	5.9%	2.9%	300 bp
	Adjusted EBITDA ¹	550	508	8.3%	1,982	1,764	12.4%
	% margin	17.6%	18.1%	(50) bp	15.5%	16.2%	(70) bp

¹ Adjusted EBITDA considers: operating income plus depreciation and amortization, plus non-recurring expenses (donations and Flow implementation expenses. In 4Q21, it considers Ps. 76 million of Flow expenses and Ps. 10 million from donations. On a cumulative basis, it considers Ps. 301 million of Flow expenses and Ps. 19 million from donations. During 2022, there were no adjustments for Flow expenses, and no donations.

Balance Sheet (unaudited figures in millions of Mexican pesos)

		12M		
		2022	2021	%Δ
Balance Sheet	Cash and Cash Equivalents	673	1,629	(58.7%)
	Accounts Receivable	1,889	1,542	22.5%
	Inventory	1,524	1,575	(3.3%)
	Other Current Assets	599	691	(13.3%)
	Current Assets	4,685	5,436	(13.8%)
	Property, Plant and Equipment - Net	3,272	3,011	8.7%
	Other Long-term Assets	4,572	4,231	8.0%
	Total Assets	12,528	12,678	(1.2%)
	Short-term Debt	11	9	22.2%
	Suppliers	762	757	0.7%
	Other Accounts Payable	729	843	(13.5%)
	Short-term Liabilities	1,502	1,608	(6.6%)
	Long-term Debt	3,999	3,998	0.0%
	Other long-term Liabilities	601	630	(4.6%)
	Total Liabilities	6,101	6,237	(2.2%)
	Total Stockholders' Equity	6,427	6,442	(0.2%)
	Total Liabilities + Stockholders' Equity	12,528	12,678	(1.2%)

Cash Flow (unaudited figures in millions of Mexican pesos)

		12M		
		2022	2021	%Δ
Cash Flow	EBIT	1,584	1,064	48.9%
	Depreciation	397	379	4.9%
	Tax	(153)	(173)	(11.7%)
	Working Capital	(291)	(767)	(62.0%)
	Other	(784)	(525)	49.2%
	Operating Cash Flow	754	(22)	NM
	Operating Cash Flow Conversion (%)	47.6%	(2.0%)	NM
	Net Interest	(392)	(441)	(11.2%)
	Dividends	(215)	(206)	4.4%
	CapEx	(659)	(515)	28.0%
	Repurchase Fund	(302)	(302)	(0.2%)
	Mergers and Acquisitions	0	(24)	NM
	Short and Long-Term Debt	0	(209)	NM
	Leases	(47)	(57)	(17.9%)
	Other	(703)	(356)	97.6%
	Net Change in Cash	(956)	(1,464)	(34.7%)
	Initial Cash Balance	1,629	3,092	(47.3%)
Final Cash Balance	673	1,629	(58.7%)	

PRESS RELEASES | 4Q22

- Grupo Rotoplas' Results from the CDP Climate Change Questionnaire 2022– December 19th
- Rotoplas remains for the sixth consecutive year in the DJSI MILA Pacific Alliance index– December 12th
- AGUA Day 2022 – December 9th
- Independent Auditor Ratification – October 27th
- Rotoplas is awarded with the Leading Companies in Sustainable Innovation Prize by HSBC – October 20th
- Fitch ratifies 'AA(mex)' rating for Grupo Rotoplas; stable outlook – October 12th
- Rotoplas renews market maker agreement with BTG Pactual – October 12th

For more information, please refer to the Relevant Events section on our website:
<https://rotoplas.com/investors/press-releases/>

CONTACT DETAILS | INVESTOR RELATIONS

Mariana Fernández

mfernandez@rotoplas.com

María Fernanda Escobar

mfescobar@rotoplas.com

- **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 19 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.

Pedregal 24, 19th floor, Col. Molino del Rey
Miguel Hidalgo
11040, Mexico City
T. +52 (55) 5201 5000
www.rotoplas.com