

4Q24



Earnings Call

February 7th 2025



Grab a coffee!
webcast will start
at 11:05 am EST

Forward Looking Statements

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Speakers



Carlos Rojas Aboumrad
CEO



Andrés Pliego Rivero-Borrell
CFO



01

4Q24 Performance Overview

Milestones 2024

SMART Manufacturing: Reinventing the Tinaco

- Upgraded tinaco manufacturing process.
- Achieved faster, cleaner, and more efficient production.
- Improved product quality and user experience across logistics, sales, and maintenance.



Digital evolution: AI, IoT & e-commerce

- Migrated all data to Google Cloud for advanced AI and analytics.
- Introduced IoT and data-driven tools for better water insights.
- Launched B2B and B2B2C e-commerce platforms in Mexico.



Customer-centric growth

- Achieved highest Net Promoter Score (NPS) in Rotoplas history.
- Enhanced customer interaction through UX Committees and feedback.
- Sustained strong growth in bebbia with positive feedback for bebbia SMART.



Strategic priorities

01.

- Capitalizing on Omnichannel and Digital Capabilities

02.

- Reversing the Decline in EBITDA

03.

- Focusing on Free Cash Flow Generation



ESG Progress



Planet

- Reduced Scope 1 & 2 emissions by 12% through renewable energy and manufacturing upgrades.
- Aligned efforts with the Paris Agreement targets.



Profit

- Published Sustainable Development Impact Disclosure (SDID) in collaboration with JP Morgan.
 - First in Latin America and second worldwide with this UN SDG alignment.



People

- Expanded “Escuelas con Agua” in partnership with Coca-Cola Foundation and Isla Urbana.
- Installed 300 IoT-enabled rainwater harvesting systems in schools.
- Improved water access and awareness for students and teachers.



02

Financial & Strategy Highlights

P&L | Financial Highlights

Figures in million MXN

	4Q24	4Q23	Δ %/bps	2024	2023	Δ %/bps
Net Sales	2,723	3,376	(19%)	11,201	12,146	(8%)
COGS	1,611	1,842	(13%)	6,168	6,593	(6%)
Gross Profit	1,112	1,534	(28%)	5,033	5,554	(9%)
Margin	41%	45%	(460) bp	45%	46%	(80) bp
SG&A	1,048	1,149	(9%)	4,153	3,962	5%
Operating Income	64	385	(83%)	881	1,592	(45%)
Margin	2%	11%	(900) bp	8%	13%	(520) bp
Financial Expenses	249	311	(20%)	688	1,251	(45%)
Taxes	(64)	2	NM	23	27	(16%)
Net Result	(122)	71	NM	169	312	(46%)
Margin	(4%)	2%	NM	2%	3%	(110) bp
EBITDA	239	554	(57%)	1,492	2,131	(30%)
Margin	9%	16%	(760) bp	13%	18%	(420) bp

Sales growth ex. ARG

4Q24	2024
7.5%	7.8%

EBITDA mg. ex. severance

4Q24	2024
10.8%	13.8%

Sales | Per Country



	4Q24	2024
Δ Sales	4%	10%
EBITDA Margin	17%	21%

- Slower product sales in the second half of the year.
- Steady growth in services boosted by bebbia's performance.
- EBITDA margin pressured by digital expenses and services.



	4Q24	2024
Δ Sales	(58%)	(41%)
EBITDA Margin	(5%)	3%

- Sales impacted by recession and weak demand.
- Pricing challenges pressured margins.
- Construction sector has not recovered.



	4Q24	2024
Δ Sales	7%	(6%)
EBITDA Margin	(9%)	(12%)

- Sales decreased due to lower agricultural demand.
- EBITDA margins improved with cost-control strategies.
- Lack of drought season affected tank sales.



	4Q24	2024
Δ Sales	27%	12%
EBITDA Margin	11%	11%

- Peru:** Growth led by water heaters.
- Central America:** Sales boosted by storage and water flow.
- Brazil:** Expansion in water treatment plant projects.

Sales | Products & Services Mix

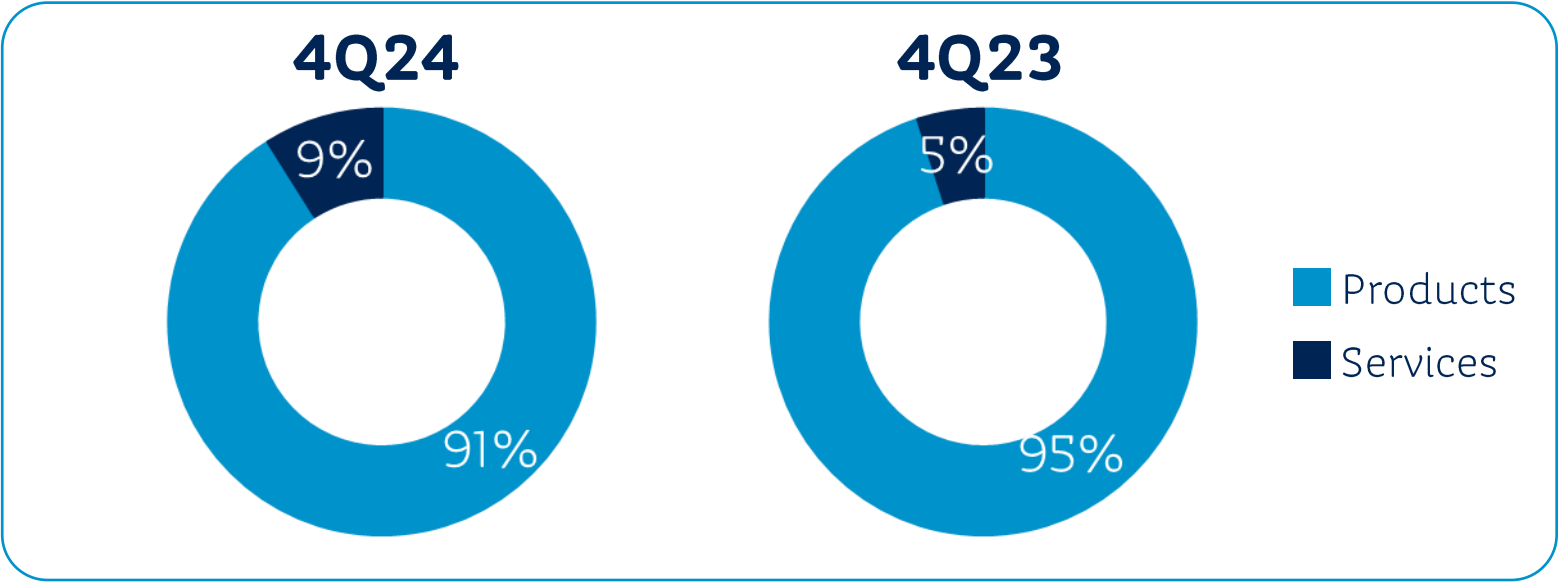
Figures in million MXN

+133,000 *bebbia* units

+4,900 e-commerce clients

Services continue with **strong traction**

Public sector sales:
4Q24 – 3.7%
2024 – 4.0%



		4Q24	4Q23	%Δ	2024	2023	%Δ
Products	Sales	2,480	3,209	(23%)	10,303	11,521	(11%)
	EBITDA	340	595	(43%)	1,828	2,385	(23%)
	Margin %	14%	19%	(480) bps	18%	21%	(300) bps
Services	Sales	243	167	46%	898	625	44%
	EBITDA	(101)	(41)	146%	(336)	(254)	32%
	Margin %	(42%)	(25%)	NM	(38%)	(41%)	320 bps
Total	Sales	2,723	3,376	(19%)	11,201	12,146	(8%)
	EBITDA	239	554	(57%)	1,492	2,131	(30%)
	Margin %	9%	16%	(760) bps	13%	18%	(420) bps

Cash Position

Figures in million MXN

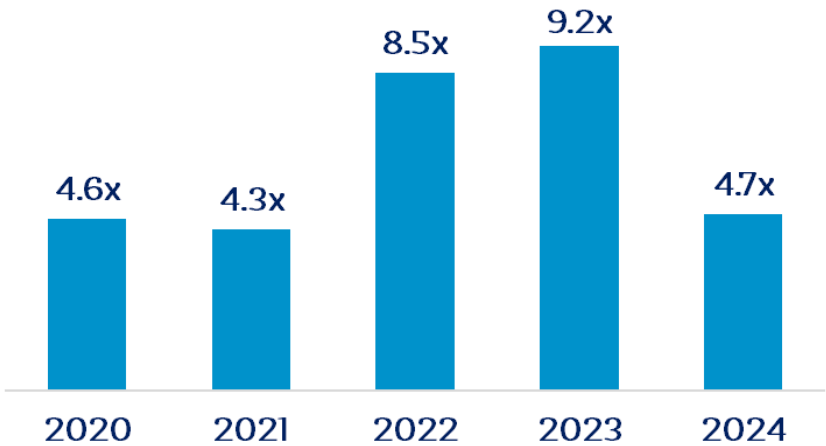
Current Leverage

Balance Sheet	2024	2023	Δ %
Cash & Cash equivalents	732	566	29%
Total Debt	4,683	4,028	16%
Net Debt	3,951	3,462	14%
Net Debt / EBITDA	2.6x	1.6x	63%

Debt Maturity Profile

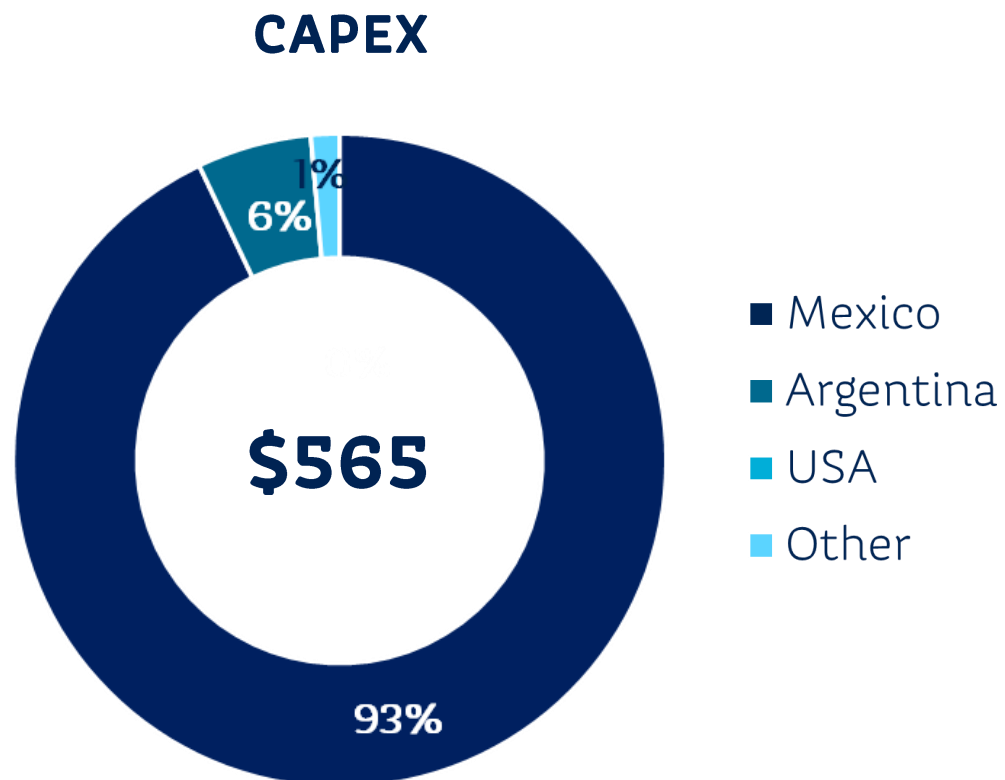


Interest coverage



Discipline in Capital Allocation

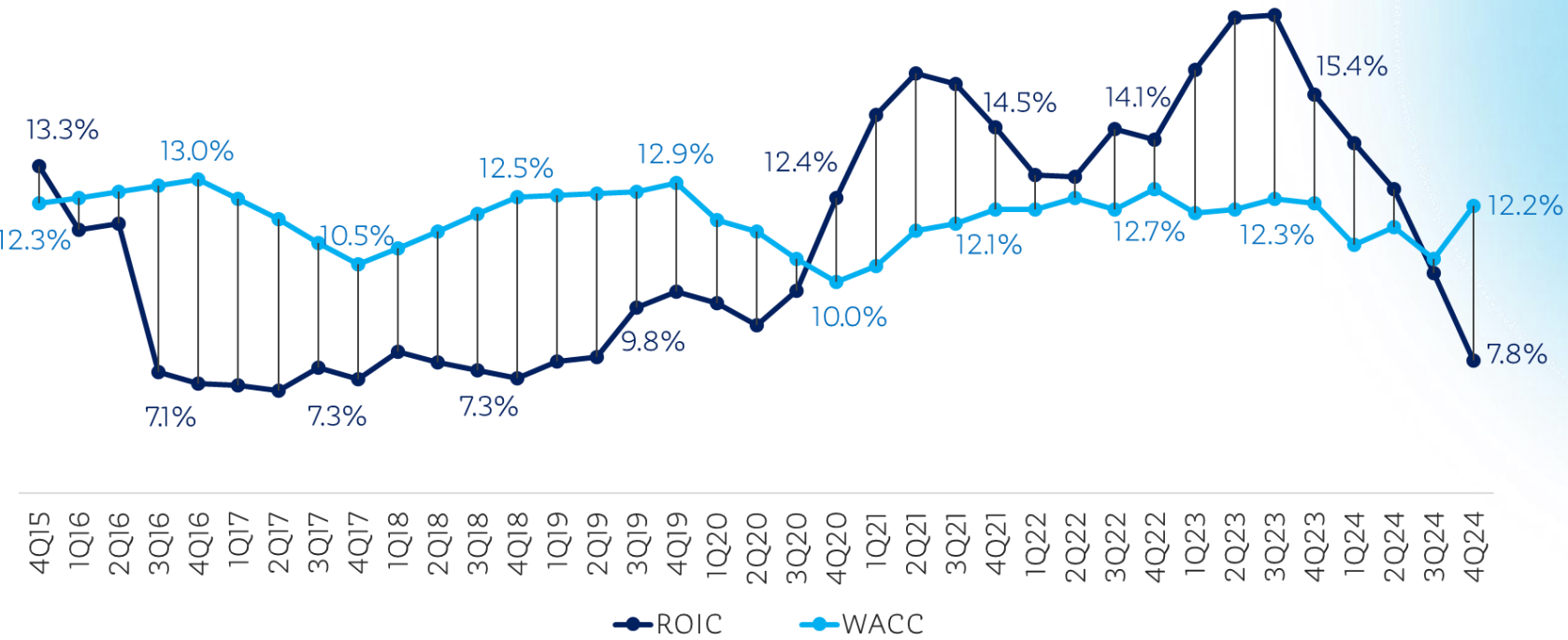
Figures in million MXN



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

- Investment in **technology** to produce the **new generation** of **water tanks** and a new **plant** in **Ixtapaluca (MX)**
- **\$121 million** allocated to **bebbia**
- **\$56 million** to **water treatment plants**

ROIC vs. WACC



Our **focus** in the coming quarters is to **enhance NOPAT** to regain a **positive spread** between **ROIC** and **WACC**

ROIC: NOPAT (L12M) / Average Invested Capital (L12M monthly)
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

ESG Public Targets

Profit

Tier-1 suppliers evaluated with ESG criteria

Customer satisfaction (NPS score)

Planet

CO₂ intensity – Scopes 1 and 2 per ton of processed resin*

m³ of water purified by our solutions

People

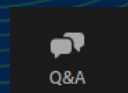
People with access to water and sanitation (cumulative since 2021)

Women in the workforce

	Q4 2024	Target 2024	Target 2025
Tier-1 suppliers evaluated with ESG criteria	76%	75%	100%
Customer satisfaction (NPS score)	80	76	80
CO ₂ intensity – Scopes 1 and 2 per ton of processed resin*	0.40	0.43	0.41
m ³ of water purified by our solutions	1.2M	1.2M	1.7M
People with access to water and sanitation (cumulative since 2021)	1.1M	894K	1M
Women in the workforce	25.1%	27%	30%

We will continue working to generate a positive impact on both people and the planet, ensuring the long-term viability of our business model.

Thank you!



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

Please include:

*Name

*Fund or Company



Q&A