

Message from the Chairman of the Board

April 2023

Dear Investors,

During 2022, Grupo Rotoplas faced important challenges derived from the new normal of the post-pandemic period, global impacts to supply chains, inflation, exchange rates, the environment, as well as the social context. However, despite the uncertainty and volatility, we displayed the financial strength and adaptability of our business, standing firm in the face of adverse contexts. We succeeded in enhancing our positive impacts thanks to a broad portfolio of solutions and a business model strengthened by 3 years of executing the Flow transformation program.

It gives me great pleasure to present to you our 2022 Annual Report, where we showcase the Group's performance and the main financial and non-financial results that we achieved throughout the year.

First, I must emphasize that the continuity of the business would not be possible without the more than 3,200 employees, investors, distributors, plumbers and suppliers who have placed their trust in us so that operations can continue to make progress; it is thanks to their effort and commitment that we can remain as a benchmark in the industry, providing solutions so that people can have **more and better water**.

Each year, the growing need to obtain quality water and to search for solutions that guarantee the conservation of water resources becomes more evident; this has increased the demand for our solutions, prompting us to strengthen our response to unexpected changes, such as the increase in productive capacity in northern Mexico due to the drought experienced throughout the year.

We are very proud to report that, despite challenges with the supply chain, imports and exports, and increased costs, we have achieved record figures in revenues, EBITDA and net profit. We are moving steadily toward the fulfillment of the Sustainable Growth Plan by 2025.

In 2022, we achieved record figures for the Company's history in revenues, EBITDA and net profit.

The consolidation of the Flow program has allowed us to work continuously on identifying opportunities that are aligned with our business strategy and that can become successful projects, providing the company with agility and discipline.

We are committed to promoting a culture of innovation, developing new products and services, while continuing to improve existing ones. During the pandemic, the technological transition and digitalization of our business accelerated. We have

strengthened our digital channels for a better customer experience, mainly in businesses such as Acuantia in the United States and *bebbia* in Mexico. We will continue to invest in technology and in the development of new solutions to remain at the forefront.

bebbia ended the year with more than 88 thousand active subscribers, maintaining its position as a high-growth business with good potential to continue positioning itself in the Mexican market. In addition, the omnichannel strategy in the United States has allowed us to reach more people.

In terms of our sustainability strategy, it is important to highlight that, this year, we met all the goals established in the three pillars: people, planet and profit.

In this report, we address each of the key points of our strategy, as well as reiterate our commitment to international initiatives such as the United Nations Sustainable Development Goals (SDGs), our adherence to the Global Compact and its 10 principles to promote sustainable development, and the CEO Water Mandate initiative.

We know that the road to sustainability is a shared responsibility with our stakeholders. For this reason, we have sought to establish relationships of dialog and trust with each of them to achieve sustainable development together.

We participate in different commissions and civil organizations that promote different environmental and social causes, such as gender equality and inclusion, sustainable development of natural resources, and industry development in the various markets where we operate.

*We rose 8 points in the Bloomberg Gender Equality Index
Score in 2022*

For the sixth year, we continue to be part of the DJSI Mila Pacific Alliance and, for the fourth consecutive year, of the S&P/BMV Total Mexico ESG Index. In addition, in 2022, we increased our S&P Corporate Sustainability Assessment rating, which allowed us to be included as a member of the S&P Global Sustainability Yearbook in the construction products category.

For the third year, we continued to participate in the CDP Climate Change questionnaire, using the TCFD recommendations to identify risks and opportunities related to climate change.

This annual report is an example of our commitment to transparency and accountability and has been prepared under the GRI and SASB reporting standards, with the goal of communicating our management in an effective and comparable manner including, for the second year, the metrics index proposed by the World Economic Forum's Stakeholder Capitalism.

I am proud to share with you the annual report of Rotoplas, a company that has been on a path of constant transformation since its beginnings in the 1970s. I have

witnessed its evolution, and it fills me with satisfaction to see its achievements. I invite you to read in the pages of this report the initiatives and projects that prove our commitment to remain relevant and create value for all our stakeholders.

Carlos Rojas Mota Velasco
Chairman of the Board