

April 2025

Letter from the CEO

Dear Shareholders,

2024 marked a pivotal year in our journey to strengthen our position as a leading provider of sustainable and intelligent water solutions. Despite a challenging macroeconomic environment in key markets such as Argentina, a decline in construction activity in that country, and sluggish sector performance in Mexico, we made decisive progress on our strategic priorities, supported by a committed team and a solid investment cycle now entering its final stage.

Throughout the year, we made substantial progress in four core pillars: strengthening our traditional product business, accelerating the growth of our service offerings, deepening digital transformation, and generating long-term value for all stakeholders.

One of the most significant milestones was the completion of the water storage manufacturing modernization project in Mexico. This initiative improved product quality, optimized processes, and reinforced our competitive edge. We also expanded our omnichannel strategy by launching our first e-commerce platform for products in Mexico, unlocking new digital avenues for customer engagement and sales.

In parallel, our service segment saw strong momentum. bebbia reinforced its leadership in water purification, notably with the launch of bebbia SMART, a monitoring system that allows real-time water quality and consumption tracking. In industrial water treatment, RSA in Mexico and Acuantia in Brazil continued to scale, responding to growing demand for decentralized, sustainable wastewater management.

Digital transformation remains a cornerstone of our operating model. In 2024, we completed the migration of our operations to the cloud and rolled out AI and IoT applications across multiple business units. This has not only enabled predictive analytics and smarter maintenance but has also enhanced our user experience and internal capabilities. Our people are embracing this change, actively exploring new AI applications to improve productivity and drive innovation.

From a financial perspective, the final phase of our strategic investments put pressure on margins, especially against a backdrop of recession in Argentina. Nevertheless, most regions posted revenue growth, and we expect the benefits of these investments—especially in plant modernization and digital tools—to materialize in 2025 and beyond. We remain committed to cost discipline, capital efficiency, and unlocking free cash flow to support our next phase of value creation.

Looking ahead, our key priorities are clearly defined:

- Maintain operational excellence through automation, analytics, and artificial intelligence.
- Expand our subscription-based services and increase market penetration.
- Consolidate digital transformation as a key enabler of growth and enhanced customer experience.
- Ensure value creation and business sustainability through improvements in EBITDA and ROIC.

None of this would be possible without the talent and resilience of our team, the trust of our customers, and the support of you—our shareholders. As we move forward, we remain committed to reshaping the future of water management through smart, sustainable, and inclusive solutions across the Americas.

Thank you for your continued confidence and partnership.

Sincerely,

Carlos Rojas Aboumrad

Chief Executive Officer

Grupo Rotoplas S.A.B. de C.V.