

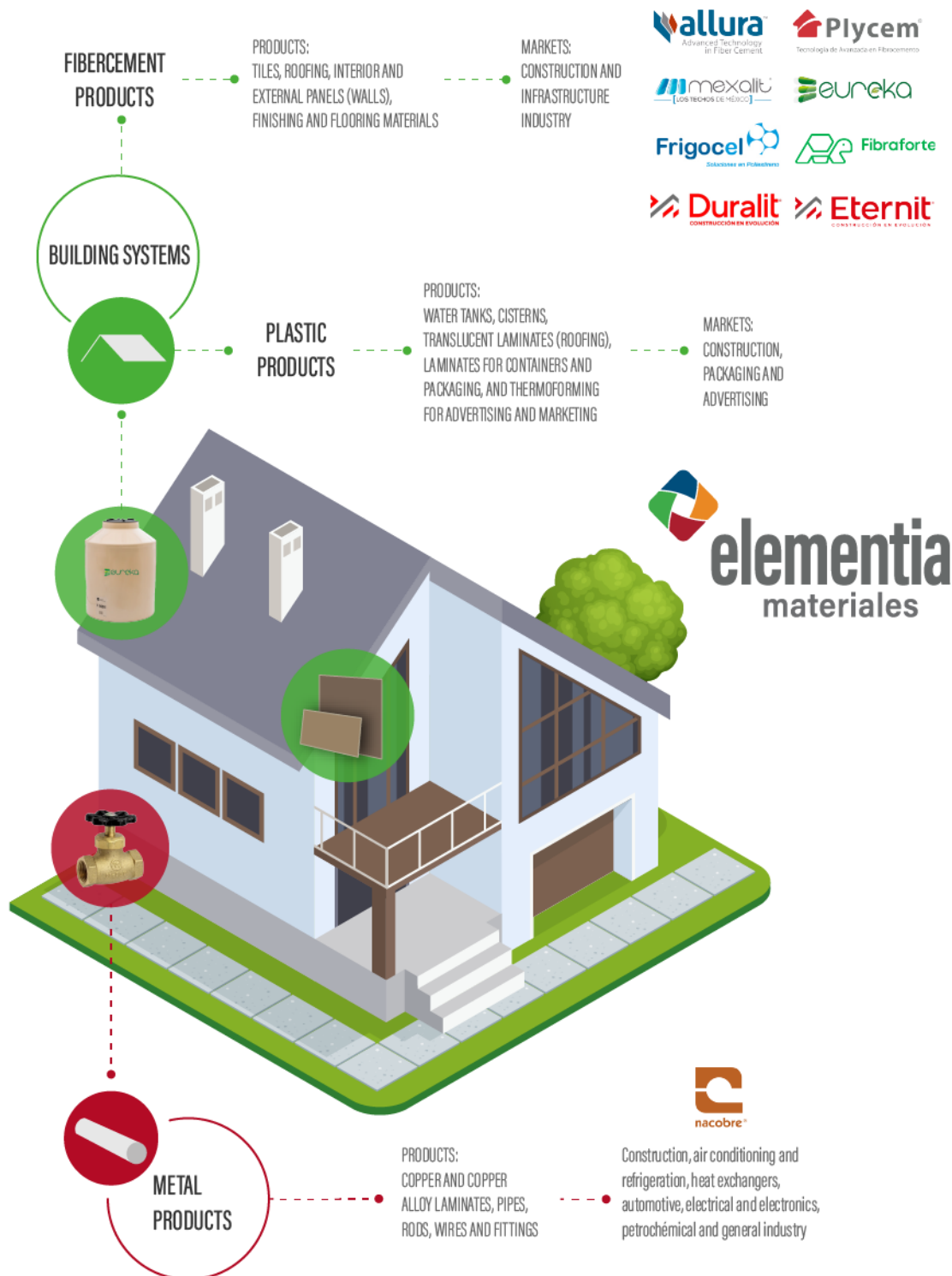


# 4Q21

## EARNINGS RELEASE

Driving steady, profitable growth by offering and  
developing innovative, high-quality building solutions

## BUSINESS UNITS



## ELEMENTIA MATERIALES' RESULTS FOR THE FOURTH QUARTER 2021

Mexico City, Mexico, March 10<sup>th</sup>, 2022 - Elementia Materiales, S.A.B. de C.V. (BMV: ELEMAT\*) ("the Company", or "Elementia Materiales") reports forwarding of its unaudited financial and operating results for the fourth quarter of 2021 ("4Q21"). This earnings release is prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The figures are expressed in millions of nominal Mexican pesos (\$) and may vary due to rounding.

### Highlights

- This earnings release was prepared based on business considerations arising from the spin-off of the Building Systems and Metals (now Elementia Materiales) business units from Elementia (whose name was changed to Fortaleza Materiales); therefore, for comparability purposes, unaudited pro forma figures are used for 2020 quarterly and accumulated figures.
- Elementia Materiales achieved a consolidated EBITDA growth of 533% with a margin expansion of 8.1 percentage points, standing at 10% at year-end 2021.
- 4Q21 operating income rose 289% compared to 2020, consolidating a positive trend of sustainable growth in the Company's results.
- In 2021, Elementia Materiales' net income increased 174%, to \$717 million, compared to a net loss of \$975 million in 2020.
- The leverage ratio at the end of 4Q21 was 1.33x and interest coverage was 7.92x.

The 2021 strategy was customer-centric, remaining focused on profitability and operating efficiency to boost cash flow levels and operating margins.

Elementia Materiales main objectives are as follows:

- |  |   |   |
|--|---|---|
| 1) <b>Building Systems U.S. – Focus on profitability and margin recovery</b> | <ul style="list-style-type: none"> <li>• During 2021, EBITDA increased 253%, with a positive margin of 9%, an increase of 15.6 percentage points.</li> </ul>  | ● |
| 2) <b>Building Systems LATAM – Sustained, profitable growth</b>              | <ul style="list-style-type: none"> <li>• 2021 revenue and EBITDA increased 19% and 132% year-over-year, respectively, as a result of the focus on the commercialization of profitable products and a more efficient operation.</li> </ul> | ● |
| 3) <b>Metal – Increase in profitability and cash flow generation</b>         | <ul style="list-style-type: none"> <li>• 2021 revenue and EBITDA increased 36% and 123% year-over-year, respectively, as a result of the focus on higher value-added products, the pricing strategy and cost optimization.</li> </ul>     | ● |

## Key Indicators

### Operating

	Fourth Quarter			January – December Proforma		
	2021	2020 Proforma	Δ%	2021	2020	Δ%
Consolidated Metal products BU volume	11,481	11,645	(1%)	47,741	44,532	7%
Building Systems Business BU volume - United States	97,958	86,905	13%	393,445	359,692	9%
Building Systems Business BU volume - LatAm	145,959	137,611	6%	586,220	463,288	27%
Building Systems BU volume - Eliminations	(31,020)	(22,290)	(39%)	(127,985)	(79,908)	(60%)

### Financial

	Fourth Quarter			January – December Proforma		
MXN millions	2021	2020 Proforma	Δ%	2021	2020	Δ%
Net Sales	5,227	4,341	20%	20,006	15,771	27%
Cost of sales	4,336	3,812	14%	16,231	13,645	19%
Gross profit	891	529	68%	3,775	2,126	78%
% of net sales	17%	12%	4.9 pp	19%	13%	5.4 pp
Operating expenses	595	672	(11%)	2,469	2,816	(12%)
Operating income	296	(143)	307%	1,306	(690)	289%
% of net sales	6%	(3%)	9.0 pp	7%	(4%)	10.9 pp
EBITDA	416	120	247%	2,020	319	533%
% of net sales	8%	3%	5.2 pp	10%	2%	8.1 pp
Net Income (loss)	50	(416)	112%	717	(975)	174%

### Balance sheet

MXN millions	Dec 2021	Dec 2020 Proforma	Δ%
Cash and cash equivalents	1,502	2,005	(25%)
Working Capital	4,843	3,779	28%
Receivables, net	2,947	2,225	32%
Inventories, net	4,139	3,088	34%
Payables	2,243	1,534	46%
Total Debt	4,183	3,953	6%
Net Debt	2,681	1,948	38%

### Others

MXN millions (Proforma)	Dec 2021	Dec 2020	Δ%
Free cash flow	565	1,191	(53%)
Operating	1,144	(807)	242%
Investments	(359)	(257)	40%
Financing	(220)	2,255	(110%)
Proforma <sup>1</sup>	Dec 2021	Dec 2020	Δ%
LTM EBITDA	2,020	319	533%
Leverage ratio	1.33x	6.10x	(4.77x)
Interest coverage ratio	7.92x	1.39x	6.53x
Employees	5,260	4,661	13%

1) Proforma figures except for the employees item

## Net Sales

### Net sales per business unit

MXN millions	4Q21	3Q21 <sup>2</sup>	Proforma		
			4Q20	Δ% Q/Q	Δ% Year/Year
Metal Products	2,666	2,685	2,068	(1%)	29%
Building Systems United States	1,306	1,404	978	(7%)	34%
Building Systems LatAm	1,085	1,299	1,193	(16%)	(9%)
Total Elementia Materiales <sup>1</sup>	5,057	5,388	4,239	(6%)	19%

1) Does not include holding and eliminations

2) Include two proforma months and September

### Net Sales per destination

MXN millions	4Q21	3Q21 <sup>2</sup>	Proforma		
			4Q20	Δ% Q/Q	Δ% Year/Year
United States	2,121	2,181	1,777	(3%)	19%
Mexico	1,869	1,891	1,512	(1%)	24%
Central America	272	228	140	19%	94%
South America	883	845	834	4%	6%
Rest of the World	82	124	78	(34%)	5%
Total Elementia Materiales <sup>1</sup>	5,227	5,269	4,341	(1%)	20%

1) Include holding and eliminations

2) Include two proforma months and September

2021 net sales totaled \$20,006 million, an increase of 27% compared to the same period last year, mainly due to the demand rebound in all Business Units.

## Operating income

2021 and 4Q21 operating income amounted to \$1,306 million and \$296 million, respectively, an increase of 289% and 307% compared to the 4Q20, driven by higher sales and the pricing strategy implemented primarily in Metals and Building Systems US.



## EBITDA by business unit

MXN millions	4Q21	3Q21 <sup>2</sup>	Proforma		
			4Q20	Δ% Q/Q	Δ% Year/Year
Metal Products	169	219	114	(23%)	48%
Building Systems United States	125	124	(268)	1%	147%
Building Systems LatAm	173	201	168	(14%)	3%
Total Elementia Materiales <sup>1</sup>	467	544	14	(14%)	3236%

1) Does not include holding and eliminations

2) Include two proforma months and September

2021 consolidated EBITDA increased 533% compared to 2020. The increase was mainly due to higher sales volumes, the cost and expense reduction strategy, and improved operating performance of Metals and Building Systems US.

2021 EBITDA margin was 10%, an increase of 810 basis points compared to 2020.

## Financing Result

MXN millions	Fourth Quarter			January – December Proforma		
	2021	2020 Proforma	Δ%	2021	2020	Δ%
Interest income	6	(8)	(175%)	34	36	(6%)
Interest expense	(74)	(75)	(1%)	(289)	(265)	9%
Bank commissions	(4)	(17)	(76%)	(18)	(60)	(70%)
Net foreign exchange gain (loss)	20	(217)	109%	86	(72)	219%
Total comprehensive financing cost, net	(52)	(317)	(84%)	(187)	(361)	(48%)

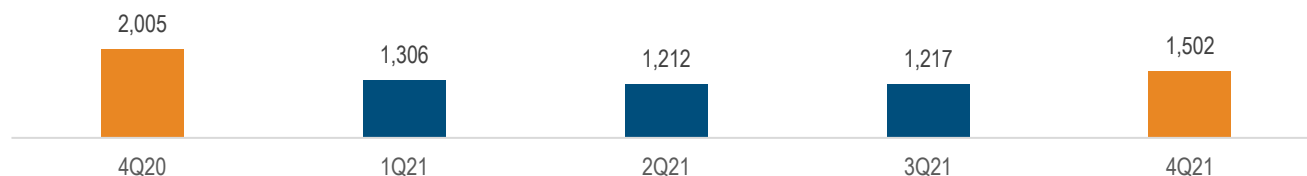
In 4Q21, comprehensive financing cost decreased 84% compared to 4Q20, mainly due to an exchange rate gain, reduced bank fees and lower interest expense. 2021 proforma interest expense increased mainly due to the settlement of the Senior Note last January.

## Net Income

2021 and 4Q21 consolidated net income reached \$717 million and \$50 million, respectively, representing increases of 174% and 112% year-over-year. This is explained by higher sales and the profitability and operating efficiency strategy implemented to improve the performance of all Elementia Materiales' businesses and impairment of assets due to tax losses that are difficult to recover.

## Cash & Cash Equivalents

MXN millions



As of December 31<sup>st</sup>, 2021, cash and cash equivalents decreased 25% compared to 2020, mainly due to the use of cash surpluses for debt prepayments made in January and April. Likewise, working capital deployment rose 36%, largely explained by supply chain disruption that impacted our raw materials.

## Free Cash Flow

MXN millions	January – December Proforma		
	2021	2020	Δ%
<b>EBITDA</b>	<b>2,020</b>	<b>319</b>	<b>533%</b>
Change in working capital	(1,064)	(780)	(36%)
Cash taxes	(58)	(271)	(79%)
Interest, net	(299)	(264)	13%
Bank commissions	(18)	(60)	(70%)
<b>Cash flow before Capex</b>	<b>581</b>	<b>(1,056)</b>	<b>155%</b>
% of EBITDA	29%	(331%)	359.8 pp
CAPEX	(358)	(325)	10%
<b>Free cash flow before financing</b>	<b>223</b>	<b>(1,381)</b>	<b>116%</b>
Incurred (paid) debt	158	1,990	(92%)
Others	(377)	265	(242%)
Sale (buy) stock buyback	(1)		
<b>Free cash flow</b>	<b>3</b>	<b>874</b>	<b>(100%)</b>

At the end of 4Q21, cash flow before Capex was \$581 million (29% of 2021 EBITDA), up 155% over 2020, as sales grew and all business units contributed to EBITDA growth, supported by the efficiency strategy.

## Net Receivables – by Business Unit

MXN millions	Dec 2021	Dec 2020 Proforma	Δ%
Metal Products	1,915	1,388	38%
Building Systems United States	524	359	46%
Building Systems LatAm	508	478	6%
Total Net Receivables	2,947	2,225	32%

Net receivables increased from \$2,225 million at the end of 4Q20 to \$2,947 million at the end of 2021, an increase of 32%, mainly due to the increase in sales in Metals and Building Systems US.

## Net Inventories – by Business Unit

MXN millions	Dec 2021	Dec 2020 Proforma	Δ%
Metal Products	2,196	1,448	52%
Building Systems United States	980	837	17%
Building Systems LatAm	963	803	20%
Total Net Inventories	4,139	3,088	34%

As of December 31, 2021, inventories were \$4,139 million, 34% higher compared to 4Q20, mainly due to the volatility of copper prices and the purchasing strategy of main raw materials adopted by Elementia Materiales' businesses.

## Net Property, Plant, and Equipment – by Business Unit

MXN millions	Dec 2021	Dec 2020 Proforma	Δ%
Metal Products	3,357	3,582	(6%)
Building Systems United States	1,879	1,556	21%
Building Systems LatAm	4,016	4,503	(11%)
Total Net Property, Plant, and Equipment <sup>1</sup>	9,252	9,641	(4%)

<sup>1</sup>) Does not include holding

Property, plant, and equipment had an annual valuation impact of 4%, mainly due to depreciation and the exchange rate translation effect.

## Payables – by Business Unit

MXN millions	Dec 2021	Dec 2020 Proforma	Δ%
Metal Products	1,215	655	85%
Building Systems United States	285	190	50%
Building Systems LatAm	734	664	11%
Total Payables <sup>1</sup>	2,234	1,509	48%

<sup>1</sup>) Does not include holding



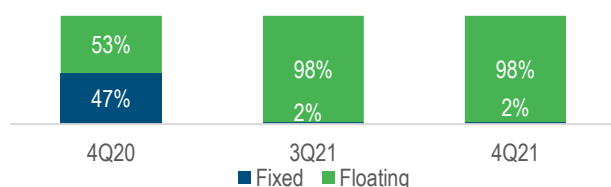
Payables increased from \$1,509 million at the end of 2020 to \$2,234 million at the end of 4Q21, representing an increase of 48%, mainly due to the volatility of copper prices and the increase in raw material prices at Construsistemas.

## Debt Profile

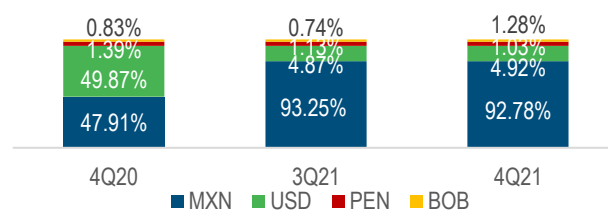
MXN millions	Dec 2021	Dec 2020 Proforma	Δ% Dec 2021 vs. Dec 2020
Short-term debt	1,946	3,877	(50%)
Long-term debt	2,237	76	2843%
Total debt	4,183	3,953	6%
Net debt	2,681	1,948	38%
Net financial expense <sup>1</sup>	255	229	11%
LTM EBITDA <sup>1</sup>	2,020	319	533%
Leverage ratio <sup>1</sup>	1.33x	6.10x	(4.77x)
Interest coverage ratio <sup>1</sup>	7.92x	1.39x	6.53x

1) Proforma

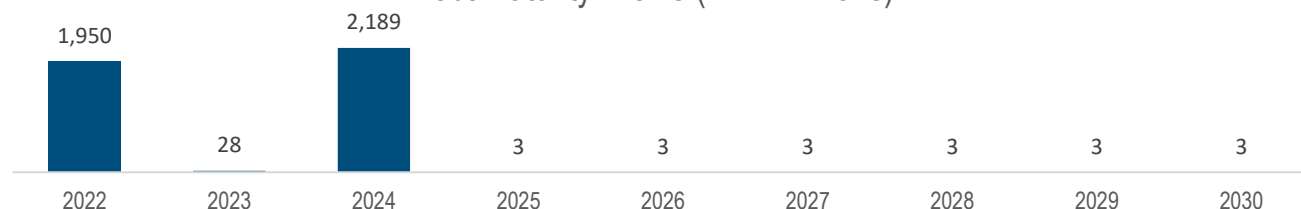
### Debt by Rate



### Debt by Currency



### Debt Maturity Profile (MXN millions)



Gross debt at the end of 4Q21 amounted to \$4,183 million, derived from an additional loan in Bolivia for US\$1.1 million at a fixed annual rate of 5%.

At the end of the quarter, the leverage ratio was 1.33x and the interest coverage ratio was 7.92x.

At the end of 2021, 93% of the debt is denominated in Mexican pesos, as the refinancing strategy carried out in the first half of the year mitigated the foreign exchange risk. Meanwhile, 98% of the debt is at a floating rate and the remaining 2% at a fixed rate.

## Shareholders' Equity

Shareholders' equity was \$11,473 million at December 31<sup>st</sup>, 2021.

## Results by Business Unit

### Metal Products Business Unit

MXN millions	Fourth Quarter			January – December Proforma		
	2021	2020 Proforma	Δ%	2021	2020	Δ%
Net sales	2,666	2,068	29%	10,133	7,453	36%
Operating income (loss)	113	42	169%	473	(35)	1451%
% of net sales	4%	2%	2.2 pp	5%	(0.5%)	5.1 pp
EBITDA	169	114	48%	755	339	123%
% of net sales	6%	6%	0.8 pp	7%	5%	2.9 pp
EBITDA in USD / TON	705			780		
Δ% in sales volume	(1%)			7%		
Δ% in average price	31%			27%		

During 2021, Metals net sales and EBITDA increased 36% and 123%, respectively, as a result of a consistent growth trend in sales volume, an increase in the price of copper and, therefore, higher prices for our products. Likewise, Metals operating income amounted to \$473 million, 1,451% higher than in 2020, as a result of our strategy of sustained growth and the profitability of our products.

### Building Systems Business Unit – United States

MXN millions	Fourth Quarter			January – December Proforma		
	2021	2020 Proforma	Δ%	2021	2020	Δ%
Net sales	1,306	978	34%	4,968	4,215	18%
Operating income (loss)	77	(377)	120%	245	(583)	142%
% of net sales	6%	(39%)	44.4 pp	5%	(14%)	18.8 pp
EBITDA	125	(268)	147%	439	(286)	253%
% of net sales	10%	(27%)	37.0 pp	9%	(7%)	15.6 pp
Δ% in sales volume	13%			9%		
Δ% in average price	18%			8%		

Building Systems US net sales increased 18% during 2021, mainly due to higher sales volumes and better pricing, partially offset by higher raw material costs. The results are positive and show a significant recovery compared to 2020, with operating income EBITDA surging 142% and 253%, respectively.

EBITDA margin rose to 9%, an improvement of 1,560 basis points, thanks to our strategy of cost reduction and operating efficiency.

## Building Systems Business Unit – LatAm

MXN millions	Fourth Quarter			January – December Proforma		
	2021	2020 Proforma	Δ%	2021	2020	Δ%
Net sales	1,085	1,193	(9%)	4,739	3,976	19%
Operating income (loss)	179	92	95%	557	12	4542%
% of net sales	16%	8%	8.8 pp	12%	0.3%	11.5 pp
EBITDA	173	168	3%	759	327	132%
% of net sales	16%	14%	1.9 pp	16%	8%	7.8 pp
Δ% in sales volume	6%			27%		
Δ% in average price	(14%)			(6%)		

2021 net sales and EBITDA increased 19% and 132% year-over-year, respectively, mainly driven by solid demand and pricing strategy in our businesses.

2021 operating income increased 4,542%, while EBITDA margin expanded 780 basis points, as a result of our focus on profitability and cost and expense reduction initiatives.

### Recent Developments

- On October 27<sup>th</sup>, the Company announced the creation and appointment of the members of its Board and of its Audit and Corporate Practices Committee.
- On October 27<sup>th</sup>, the Company announced that on October 18<sup>th</sup> the Shareholders' Meeting approved the amendment of the Fifteenth clause of the Company's Bylaws to correct certain reference to the National Securities Registry maintained by the National Banking and Securities Commission (CNBV).
- On November 5<sup>th</sup>, the Company announced that it would propose to cancel the registration of its shares in the National Securities Registry maintained by the CNBV, as well as the consequent delisting from the Mexican Stock Exchange, S.A.B. de C.V., in accordance with the provisions of Article 108, section II of the Mexican Securities Market Law, which would entail carrying out a tender offer.
- On November 24<sup>th</sup>, the Company announced that its Extraordinary General Meeting approved the tender offer process with the favorable vote of 98.78% of the voting quorum.

## **About Elementia Materiales**

This earnings release was prepared based on business considerations arising from the spin-off of the Building Systems and Metals (now Elementia Materiales) business units from Elementia (whose name was changed to Fortaleza Materiales); therefore, for comparability purposes, unaudited pro forma figures are used for quarterly and accumulated figures.

Elementia Materiales offers innovative construction solutions that redefine the concept of construction evolution. Our state-of-the-art rotomolding technology, Eureka®, helps safeguard the world's most important resource: water, which runs through our Nacobre® pipe systems. With more than 65 years' experience, our Nacobre® brand ensure that gas installations comply with the highest safety standards. Elementia Materiales has grown organically and through strategic mergers and acquisitions, creating an integrated platform of more than 4,000 products both in Mexico and the U.S. Elementia Materiales has more than 5,000 employees and operates in nine countries through a wide-ranging distribution network. Innovative and versatile panels manufactured by Allura®, Plycem®, Eternit®, Duralit® and Fibrforte®, offer the advantages of fiber cement technology for decorative façades, simulated wood decking, traditional roof tiles and state-of-the-art ceilings. Elementia Materiales is the largest fiber cement producer in Latin America and second largest in the U.S.

## **Analyst Coverage**

- Apalache Análisis
- CI-Banco
- Vector

## **Forward-looking statements**

This document contains certain forward-looking statements and information related to Elementia Materiales, S.A.B. de C.V. ("Elementia Materiales") that reflect the vision and / or expectations of Elementia Materiales and its management team in relation to its performance, business and future events. Forward-looking statements may include, but are not limited to, statements that could predict, project, indicate or imply certain future results, performance or achievements, and may include words "anticipate", "believe," "estimate," "expect", "project", "plan", "predict", "foresee", "forecast", "reach" or any other word or phrase with a similar meaning, which may be given orally or in writing.

The presented results may materially differ from those projected as a result of factors beyond Elementia Materiales' control. These factors may include, but are not limited to: economy in general; political and business conditions in Mexico and other markets where we operate; international capital and securities markets performance, as well as economic crises; our ability to refinance our financial obligations; if necessary; competition in the sector and markets; management's expectations and estimates in regards to the Company's future financial performance and financing plans / programs; limited access to financing sources with competitive terms, and compliance with clauses to which we are bound to; our ability to meet debt obligations; our investment plans; currency fluctuations, interest rates or inflation, as well as currency conversion; changes in government legislation and regulation, including environmental regulation, and obligations arising therefrom, and judicial or administrative judgments against us; procurement policies and interpretations; increase in insurance premiums; changes in market prices, customer demand and preference, and competitive conditions; cyclicity and seasonality in our operating results; our ability to implement the corporate strategy; increase in prices of goods and / or services supplied to us, and fluctuations in the prices of the raw material; the imposition of price controls on the products we sell; trade barriers; technological innovation; costs, uncertainty and regulation applicable to company mergers and acquisitions or strategic alliances; our ability to make acquisitions for regulatory or other issues, and successfully integrate the operations of the acquired businesses; liability claims including claims related to health, safety and environmental protection issues, as well as claims arising from joint lawsuits in Mexico or other jurisdictions in which we operate; failures in our information obtained from our technology systems, including data and communication systems; the impact by changes in accounting principles, new legislation, actions by regulatory authorities, government announcements and monetary or fiscal policy in Mexico, or in other markets in which we operate; decrease in the sale of our products by independent distributors; our ability to retain qualified personnel and hire key personnel; our ability to extract synergies from our business mergers and acquisitions activities; delays by suppliers or lack of ability to obtain, under conditions acceptable to us, inputs required by us to produce the products we sell; investigations by federal authorities; and other risk factors. In any circumstance these statements only refer to their date of elaboration and Elementia Materiales has no obligation to update or revise any of them, whether for new information, future events, among others, unless required by law. Therefore, caution should be exercised when using future projections. The document and its contents belong to the Company and may not be reproduced or distributed as a whole or as part of without prior written consent by Elementia Materiales.

## Appendixes

Income Statement	MXN millions	Fourth Quarter			January – December Proforma		
		2021	2020 Proforma	Δ%	2021	2020	Δ%
Net Sales		5,227	4,341	20%	20,006	15,771	27%
Cost of sales		4,336	3,812	14%	16,231	13,645	19%
Gross profit		891	529	68%	3,775	2,126	78%
Operating expenses		595	672	(11%)	2,469	2,816	(12%)
Operating income		296	(143)	307%	1,306	(690)	289%
EBITDA		416	120	247%	2,020	319	533%
% of net sales		8%	3%	5.2 pp	10%	2%	8.1 pp
Interest income		6	(8)	(175%)	34	36	(6%)
Interest expense		(74)	(75)	(1%)	(289)	(265)	9%
Bank commissions		(4)	(17)	(76%)	(18)	(60)	(70%)
Net exchange loss (profit)		20	(217)	109%	86	(72)	219%
Comprehensive financing result, net		(52)	(317)	(84%)	(187)	(361)	(48%)
Income (loss) before income taxes		244	(460)	153%	1,119	(1,051)	206%
Income tax		194	(44)	541%	402	(76)	629%
Net Income (loss)		50	(416)	112%	717	(975)	174%

Income Statement	USD millions <sup>1</sup>	Fourth Quarter			January – December Proforma		
		2021	2020 Proforma	Δ%	2021	2020	Δ%
Net Sales		254	218	17%	972	791	23%
Cost of sales		211	191	10%	789	684	15%
Gross profit		43	27	63%	183	107	72%
Operating expenses		29	34	(14%)	120	141	(15%)
Operating income		14	(7)	301%	63	(35)	283%
EBITDA		20	6	236%	98	16	514%
% of net sales		8%	3%	5.2 pp	10%	2%	8.1 pp
Interest income		0.3	(0.4)	173%	2	2	(8%)
Interest expense		(4)	(4)	4%	(14)	(13)	(6%)
Bank commissions		(0.2)	(1)	(77%)	(1)	(3)	(71%)
Net exchange loss (profit)		1	(11)	109%	4	(4)	214%
Comprehensive financing result, net		(3)	(16)	(84%)	(9)	(18)	(50%)
Income (loss) before income taxes		12	(23)	151%	54	(53)	203%
Income tax		9	(2)	527%	20	(4)	613%
Net Income (loss)		2	(21)	112%	35	(49)	171%

<sup>1</sup>For illustrative purposes, figures in Mexican pesos were converted to U.S. dollars using an exchange rate of \$20.5835 and \$19.9487 per U.S. dollar (exchange rate to settle foreign currency obligations on December 31<sup>st</sup>, 2021 and 2020, respectively, as defined by Mexico's Central Bank and published in the Official Gazette of the Federation).

### Investor Relations

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Elementia Materiales Earnings Release 4Q21

## Balance Sheet

MXN millions	Dec 2021	Dec 2020 Proforma	Δ%	Dec 2021 (USD millions) <sup>1</sup>
Cash and cash equivalents	1,502	2,005	(25%)	73
Receivables, net	2,947	2,225	32%	143
Inventories, net	4,139	3,088	34%	201
Other receivables and currents assets	1,030	1,203	(14%)	50
<b>Current assets</b>	<b>9,618</b>	<b>8,521</b>	<b>13%</b>	<b>467</b>
Other receivables, net				
Investment in associated companies and others	3	3	0%	0.1
Property, plant and equipment, net	9,247	9,650	(4%)	449
Right-of-use asset	123	145	(15%)	6
Intangible assets, net	600	760	(21%)	29
Deferred assets tax	384	620	(17%)	19
Other assets	82	55	49%	4
<b>Non-current assets</b>	<b>10,439</b>	<b>11,233</b>	<b>(6%)</b>	<b>507</b>
<b>Total assets</b>	<b>20,057</b>	<b>19,754</b>	<b>2%</b>	<b>974</b>
Short-term debt	1,946	3,877	(50%)	95
Payables	2,243	1,534	46%	109
Other current liabilities	1,351	1,263	7%	66
<b>Current liabilities</b>	<b>5,540</b>	<b>6,674</b>	<b>(17%)</b>	<b>269</b>
Long-term debt	2,237	76	2843%	109
Deferred taxes	709	447	56%	34
Other long-term liabilities	98	146	(32%)	5
<b>Non-current liabilities</b>	<b>3,044</b>	<b>669</b>	<b>353%</b>	<b>147</b>
<b>Total liabilities</b>	<b>8,584</b>	<b>7,343</b>	<b>17%</b>	<b>417</b>
<b>Shareholders' Equity</b>	<b>11,473</b>	<b>12,411</b>	<b>(6%)</b>	<b>557</b>
<b>Equity attributable to owners of the Entity</b>	<b>11,431</b>	<b>12,357</b>	<b>(6%)</b>	<b>555</b>
Capital stock	4,282	4,282	0%	208
Additional paid-in capital	4,414	5,259	(16%)	214
Retained earnings	2,382	2,881	(12%)	116
Other comprehensive income	353	(65)	642%	17
<b>Non- controlling interest</b>	<b>42</b>	<b>54</b>	<b>(22%)</b>	<b>2</b>
<b>Total liabilities and shareholders' equity</b>	<b>20,057</b>	<b>19,754</b>	<b>2%</b>	<b>974</b>

<sup>1</sup>For illustrative purposes, figures in Mexican pesos were converted to U.S. dollars using an exchange rate of \$20.5835 per U.S. dollar (exchange rate to settle foreign currency obligations on December 31<sup>st</sup>, 2021, as defined by Mexico's Central Bank and published in the Official Gazette of the Federation).

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## Statement of Cash Flow

January – December Proforma

MXN millions	2021	2020	Δ%	2021 (USD millions) <sup>1</sup>
<b>Net income (loss)</b>	<b>717</b>	<b>(975)</b>	<b>190%</b>	<b>35</b>
Depreciation, amortization and impairment	713	1,009	(31%)	35
Gain on disposal of fixed assets	5	(16)	(131%)	0.2
Interest income	(34)	(36)	(6%)	(2)
Interest expense	289	265	9%	14
Exchange loss (gain)	59	106	(43%)	3
Other items	402	(148)	272%	20
<b>Non-cash figures</b>	<b>2,151</b>	<b>205</b>	<b>950%</b>	<b>105</b>
<b>Net cash flow (used) provided by working capital</b>	<b>(1,007)</b>	<b>(1,012)</b>	<b>(1%)</b>	<b>(49)</b>
Increase in accounts receivable	(722)	(28)	2479%	(35)
(Increase) decrease in inventories	(1,051)	575	(283%)	(51)
Increase in other receivables and other current assets	102	270	(67%)	5
Increase in trade accounts payable	709	(1,327)	153%	34
(Decrease) increase in other liabilities	(45)	(502)	91%	(2)
<b>Net cash flow provided by operating activities</b>	<b>1,144</b>	<b>(807)</b>	<b>240%</b>	<b>56</b>
Acquisition of property, machinery and equipment	(358)	(325)	10%	(17)
Other assets	(1)	68	(101%)	(0)
<b>Net cash flow used in investing activities</b>	<b>(359)</b>	<b>(257)</b>	<b>40%</b>	<b>(17)</b>
Incurred (paid) debt	158	1,990	(92%)	8
Increase stock buyback	(1)		0%	(0)
Bank loans and others, net	(377)	265	240%	(18)
<b>Net cash used in financing activities</b>	<b>(220)</b>	<b>2,255</b>	<b>(109%)</b>	<b>(11)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>565</b>	<b>1,191</b>	<b>(53%)</b>	<b>27</b>
Effects differences on translating foreign operations	(1,068)	(216)	392%	(52)
Cash and cash equivalents at the beginning of the period	2,005	1,029	95%	97
Cash and cash equivalents at the end of the period	1,502	2,004	(25%)	73

<sup>1</sup>For illustrative purposes, figures in Mexican pesos were converted to U.S. dollars using an exchange rate of \$20.5835 per U.S. dollar (exchange rate to settle foreign currency obligations on December 31<sup>st</sup>, 2021, as defined by Mexico's Central Bank and published in the Official Gazette of the Federation).

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