

April 18, 2024

Kimberly-Clark de México, S.A.B. de C.V.
FIRST QUARTER 2024 RESULTS

Highlights:

- First quarter sales of Ps. \$13.8 billion. An all time high.
- Consumer grew 3%, Away from Home 6%, and Exports decreased 17%.
- First quarter EBITDA of Ps. \$3.9 billion, a new record, up 19%. EBITDA margin of 28.2%, a 50 bps sequential improvement and a 410 bps improvement YoY.
- Ps. \$360 million of savings from our cost reduction program for the quarter.
- Strong innovation pipeline; will support brands aggressively.
- Capex on plan to continue optimizing manufacturing footprint.

QUARTERLY FINANCIAL RESULTS

Prepared in accordance with International Financial Reporting Standards (IFRS)
 Million pesos

	<u>1Q'24</u>	<u>1Q'23</u>	<u>CHANGE</u>
NET SALES	\$13,790	\$13,549	2%
GROSS PROFIT	5,829	4,922	18%
OPERATING PROFIT	3,400	2,782	22%
NET INCOME	2,082	1,613	29%
EBITDA	3,894	3,265	19%

Net sales increased 2%. Consumer and Away from Home grew 3% and 6%, respectively. Exports decreased 17% driven by less hard roll sales and a stronger peso.

Gross profit increased 18%, with a margin of 42.3%. Against last year resins compared negatively while virgin and recycled fibers, SAM and fluff were favorable. FX averaged 10% less.

Our cost reduction program had very good results yielding approximately Ps. \$360 million of savings in the quarter.

Operating expenses were 13% higher. Distribution expenses are up and we have strengthened the investment behind our brands. We are investing to improve our converting footprint and streamline logistics operations.

Operating profit increased 22%; margin of 24.7%.

EBITDA increased 19% to Ps. \$3.9 billion in the quarter, a new record. Margin was 28.2%, a 50 bps sequential improvement and 410 bps improvement against 1Q23.

Cost of financing was Ps. \$315 million in the first quarter, compared to Ps. \$415 million in the same period of last year. Net interest expense was lower since we have less net debt. Foreign exchange gain in the quarter was Ps. \$1 million compared to a Ps. \$21 million loss last year.

Net income increased 29% and earnings per share for the quarter were \$0.68.

During the last twelve months, we invested Ps. \$1,917 million in Capex; paid Ps. \$4,979 million in dividends; and paid down Ps. \$1,750 million in debt.

We maintain a very solid balance sheet. As of March 31, the company held Ps. \$20.2 billion in cash and equivalents. Total net debt was Ps. \$11.0 billion. All debt is denominated in Mexican pesos, and the ratio of net debt to EBITDA was 0.8 times.

In dollars, and US GAAP, net sales increased 13%, while operating profit and net income grew 33% and 42%, respectively.

In February, our shareholders approved a dividend of Ps. \$1.86 per share, a 15% increase against last year, and a share repurchase plan of up to Ps. \$1 billion, in line with our commitment to distribute cash to our shareholders while maintaining a solid capital structure.

FINANCIAL POSITION

Million Pesos

	As of March	
	<u>2024</u>	<u>2023</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 20,193	\$ 17,919
Trade and other receivables	8,445	8,199
Current derivative financial instruments	1,336	-
Inventories	4,169	4,612
Property, plant and equipment	18,135	17,742
Right of use assets	953	1,117
Non-current derivative financial instruments	46	2,247
Deferred taxes	645	527
Intangible assets and others	<u>2,515</u>	<u>2,693</u>
Total	\$ 56,437	\$ 55,056
<u>Liabilities and equity</u>		
Bank loans current	\$ 235	\$ 235
Current portion of long term debt	8,280	1,750
Current lease liabilities	267	252
Current derivative financial instruments	128	174
Trade payables	8,290	8,396
Employee benefits	1,958	1,486
Dividends payable	5,764	5,024
Provisions	2,904	2,493
Current income tax payable	1,512	630
Long term debt	19,719	29,438
Non-current lease liabilities	759	945
Non-current derivative financial instruments	3,154	2,460
Other liabilities	275	369
Equity	<u>3,192</u>	<u>1,404</u>
Total	\$ 56,437	\$ 55,056

CASH FLOW

Million pesos

	Three months ended March	
	<u>2024</u>	<u>2023</u>
Profit before tax	\$3,085	\$2,367
Depreciation and amortization	494	483
Other	315	415
Cash used in operations	<u>(1,215)</u>	<u>(735)</u>
Net cash flow from operating activities	2,679	2,530
Capital expenditures and others	(595)	(350)
Payments of lease liabilities	(88)	(88)
Payment of net interest and other	<u>(689)</u>	<u>(767)</u>
Net increase in cash	1,307	1,325
Effect of exchange rate changes on cash	(86)	(325)
Cash and equivalents at the beginning of period	18,972	16,919
Cash and equivalents at the end of period	20,193	17,919

Conference Call Information

The 1Q'24 conference call will be held on Friday, April 19, 2024 at 10:30 am Eastern time (9:30 am Central time / 8:30 am Mexico City time). To participate in the call, please dial: US +1(800) 245-3047, international +1(203) 518-9765; conference ID: 87045.

A replay of the conference call will be available through April 26, 2024. To access the replay, please dial US +1(800) 938-2243, international +1(402) 220-1122.

Kimberly-Clark de México, S.A.B. de C.V. is a Mexican company that manufactures and commercializes branded consumer products such as diapers, feminine pads, bath tissue, napkins, facial tissue, paper towels, wet wipes and soap. We are market leaders in almost all of our categories with brands such as Huggies, Kleen-Bebé, Kleenex, Cottonelle, Pétalo, Depend, Kotex, Evenflo and Escudo.

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