

2Q24

Earnings Presentation

July 2024



Disclaimer

This presentation contains forward-looking information based on numerous variables and assumptions that are inherently uncertain. They involve judgments with respect to, among other things, future economic, competitive and financial market conditions and future business decisions, all of which are difficult or impossible to predict accurately. Accordingly, future results are likely to vary from those set forth in this presentation. Copyright© 2024 ALFA, S.A.B. de C.V. All rights reserved. Reproduction and distribution is forbidden without the prior written consent of ALFA, S.A.B. de C.V.

Important note on changes to ALFA's Consolidated Financial Statements

ALFA's shareholders approved to spin-off ALFA's share ownership of Axtel into a new, listed entity called "Controladora Axtel" on July 12, 2022. The shares of "Controladora Axtel" were distributed to ALFA shareholders and began trading on the Mexican Stock Exchange on May 29, 2023. In accordance with International Financial Reporting Standards (IFRS), Axtel meets the definition of a "Discontinued Operation" for purposes of ALFA's Consolidated Financial Statements. "Discontinued Operations" are the net results of an entity that is either being held for disposal or which has already been disposed of.

The changes in ALFA's Consolidated Financial Statements are as follows:

- The Consolidated Statement of Financial Position no longer presents Axtel's assets as "Current assets from discontinued operations" nor its liabilities as "Current liabilities from discontinued operations" at the close of 2Q23.
- The Consolidated Statement of Income presents Axtel's net revenues and expenses as a single line item "Profit (loss) from discontinued operations" as follows:
 - 2Q23: accumulated figures for the one month and 29 days ended May 29, 2023
 - 1Q24: no figures presented related to Axtel
 - 2Q24: no figures presented related to Axtel
 - 2023: accumulated figures for the four months and 29 days ended May 29, 2023
 - 2024: no figures presented related to Axtel
- The Change in Net Debt no longer presents Axtel's net inflows and outflows in "Net Debt from discontinued operations"

▼ **Better-than-expected performance in 2Q24 and 1H24 driven mainly by Sigma**

- Sigma: raised 2024 EBITDA Guidance to historic milestone of US \$1.0 billion
- Alpek: YTD Comparable EBITDA of US \$312 million, on track to reach full-year guidance
- ALFA: raised EBITDA Guidance to incorporate upward revision from Sigma (new: US \$1.590 billion)

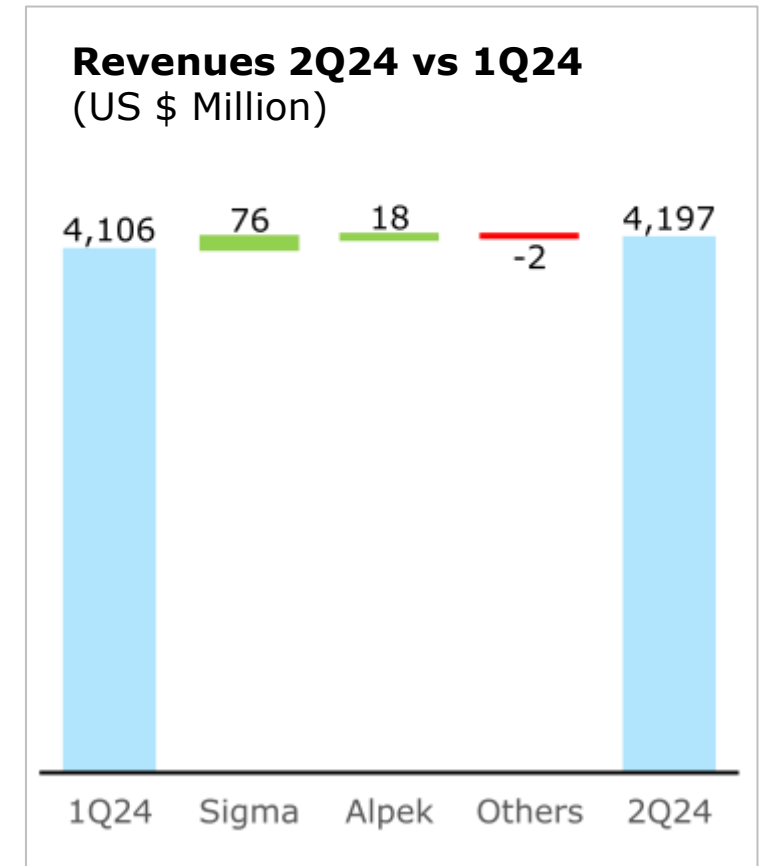
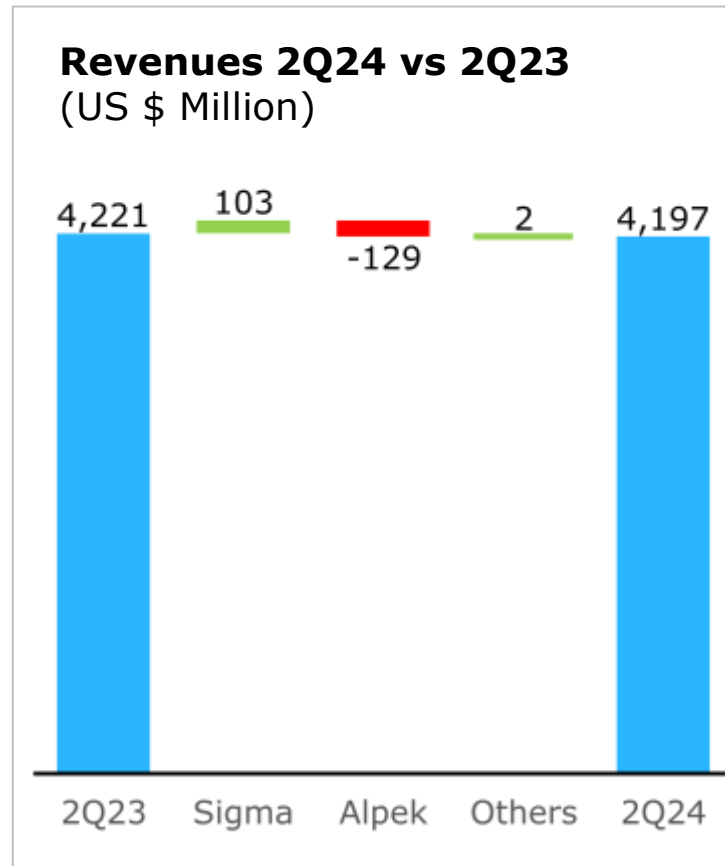
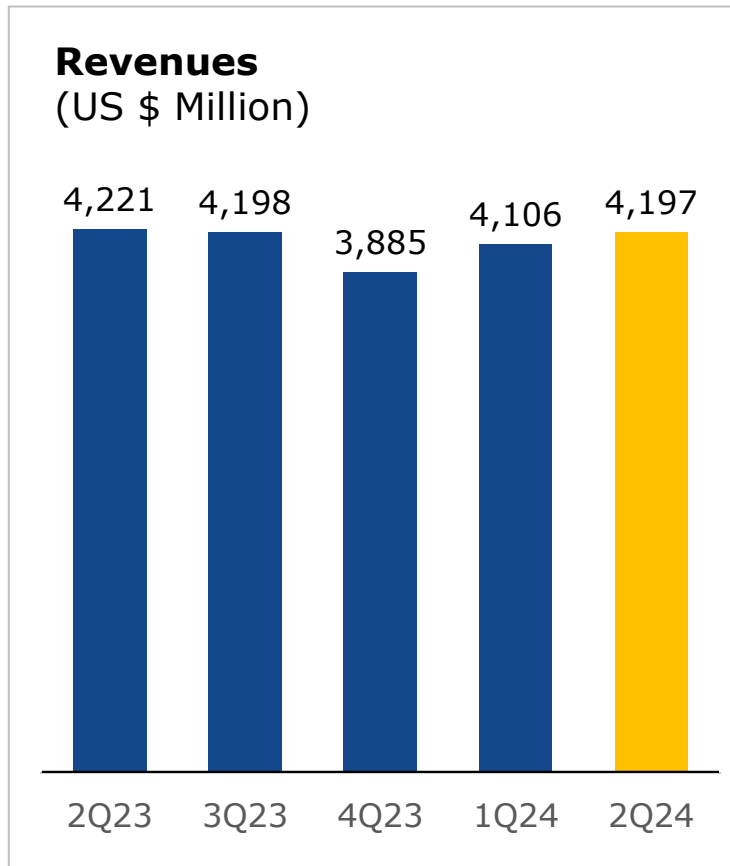
▼ **ALFA actively pursuing initiatives to accelerate debt reduction and complete transformation**

- Sigma posted lowest net leverage ratio in nearly 11 years (2.0x)
- Various non-core asset sale processes advanced further during 2Q24
- Debt reduction outside of Alpek is key to move forward

▼ **Key developments**

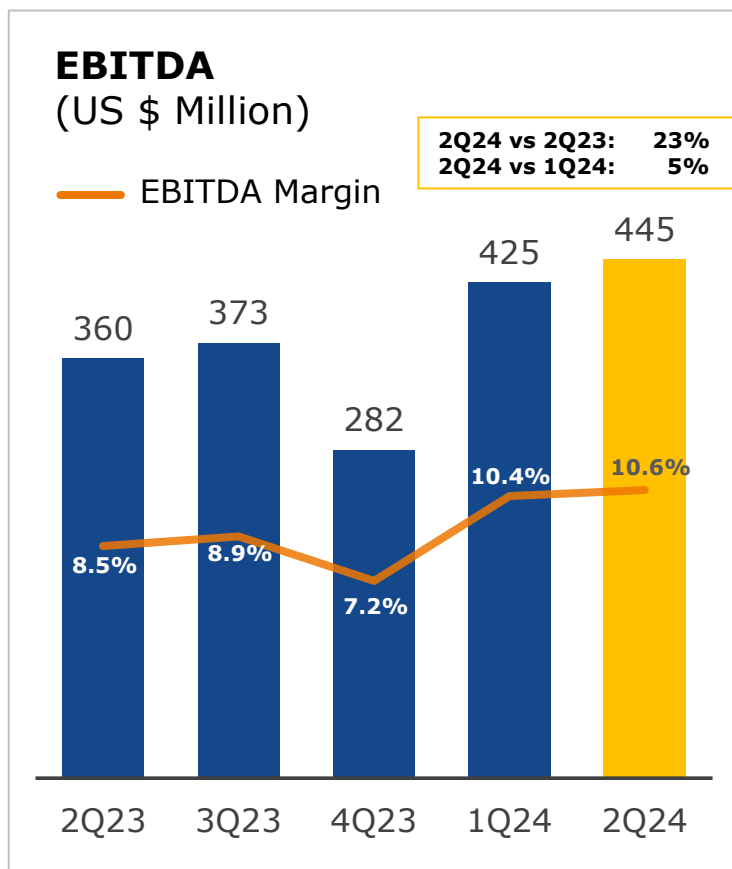
- Sigma: appointed Juan Ignacio Amat as CEO of Sigma Europe, effective June 1st
- Alpek: completed structural cost reduction initiatives to capture annualized savings of US \$75 million

ALFA & Subs*



*Axtel reported as discontinued operations in 2023
No figures presented related to Axtel in subsequent periods (3Q23 to 2Q24)

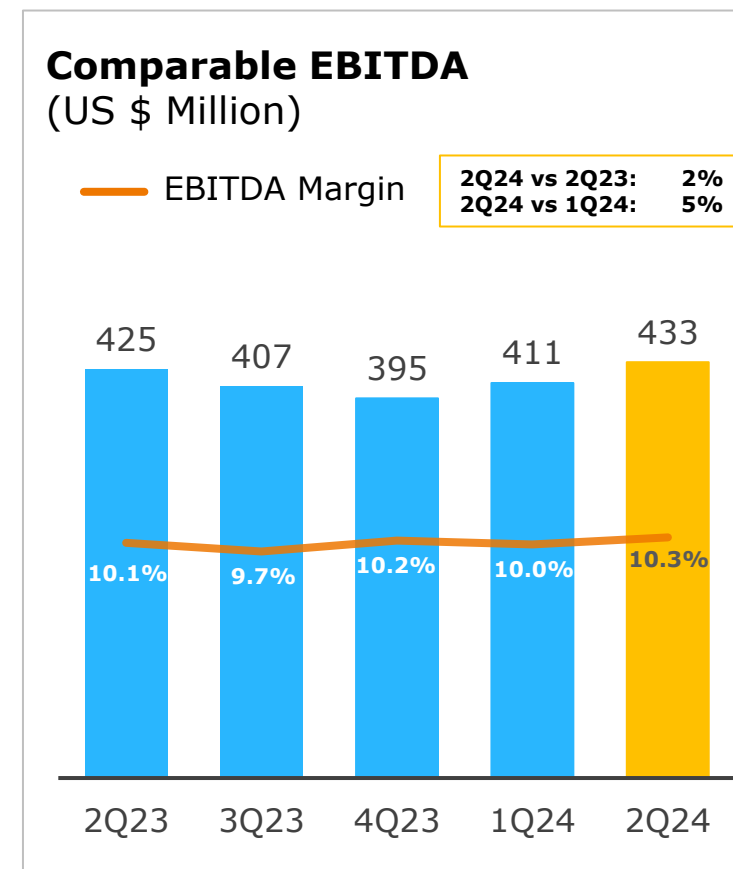
ALFA & Subs*



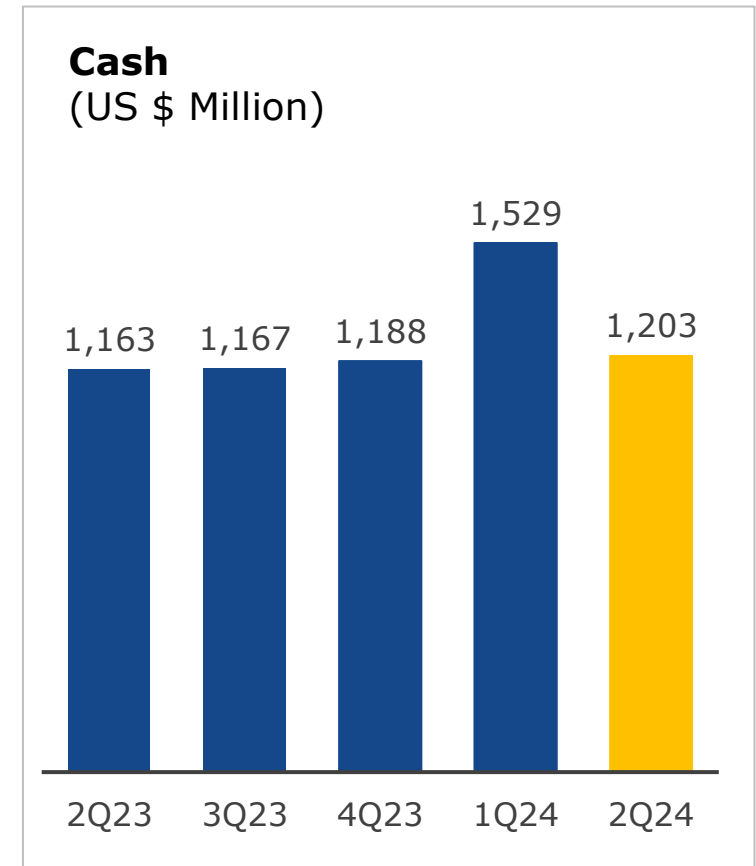
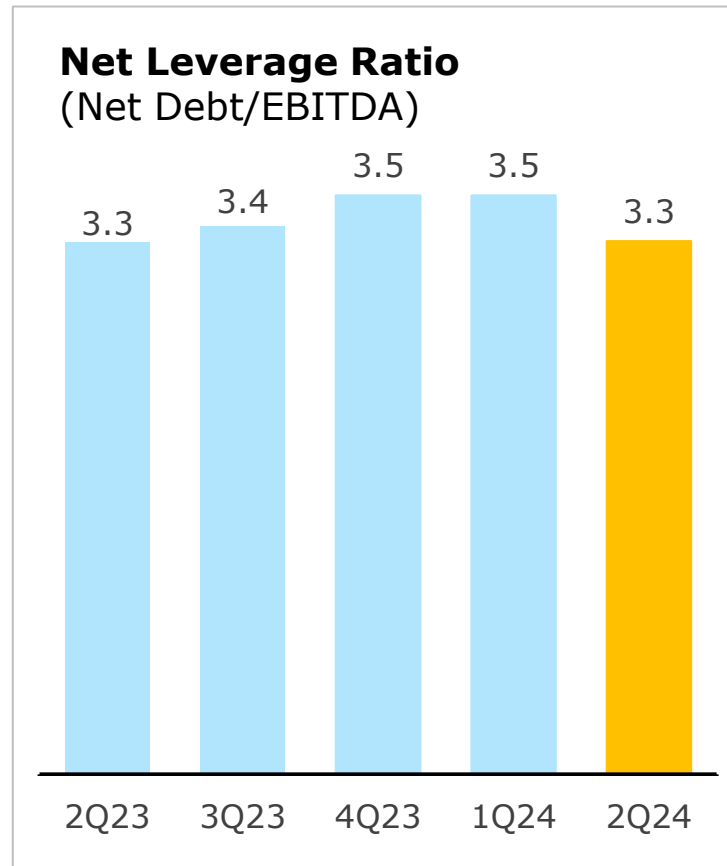
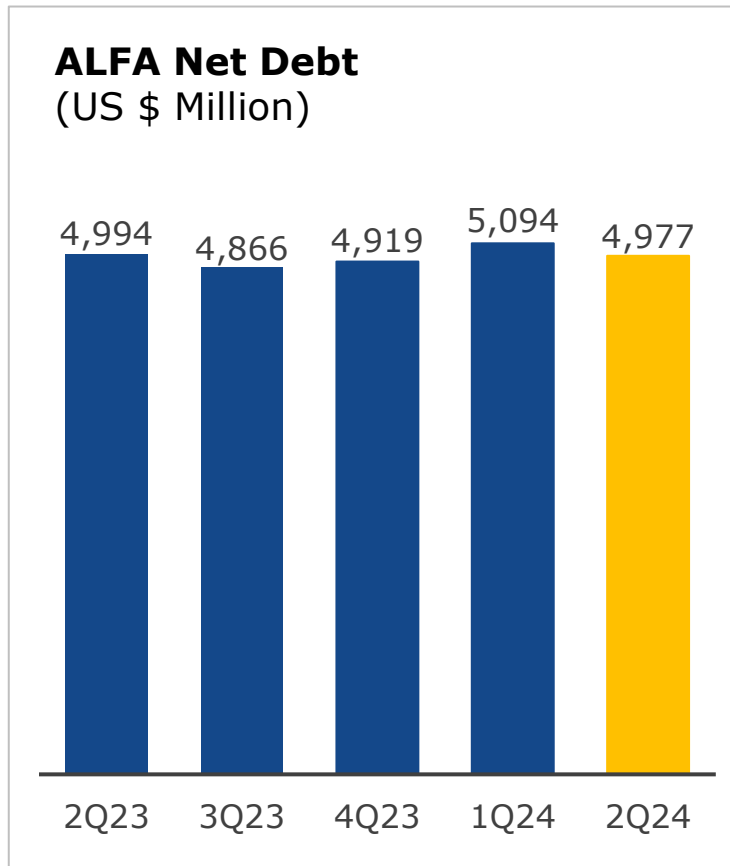
Extraordinary items (US \$ Million)

	2Q23	3Q23	4Q23	1Q24	2Q24
ALPEK¹	(53)	(34)	(114)	14	12
SIGMA	(12)	-	-	-	-
TOTAL	(65)	(34)	(114)	14	12

¹ This figure does not consider hyperinflation and currency devaluation as extraordinary effects starting 1Q24

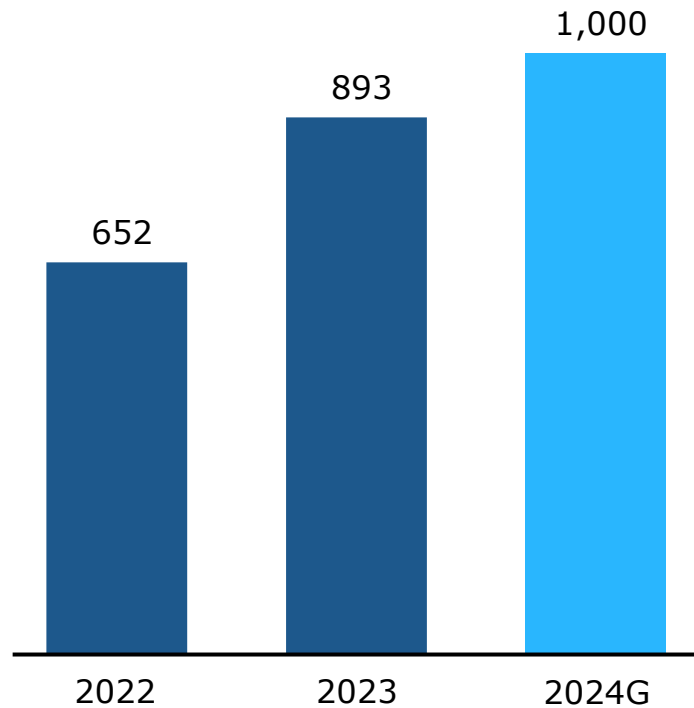


ALFA & Subs*

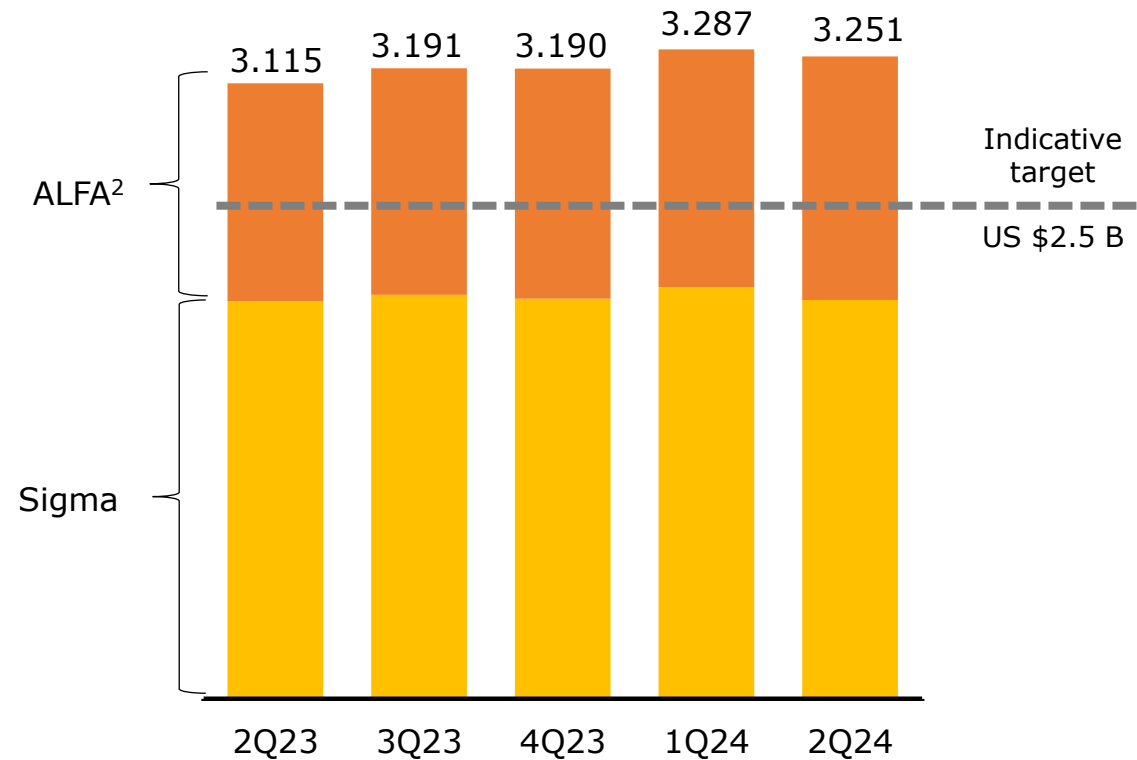


*No figures presented related to Axtel

Sigma EBITDA
(US \$ Million)



Consolidated Net Debt excluding Alpek¹
(US \$ Billion)



1 - Consolidated Net Debt excluding Alpek = Consolidated Net Debt ALFA - Net Debt Alpek
2 - ALFA includes corporate and minor subsidiaries' debt

(US \$ Millions)		New	Previous	Ch. %
Revenues	ALFA	16,775	16,575	1
	Sigma	8,850	8,650	2
	Alpek	7,800	7,800	-

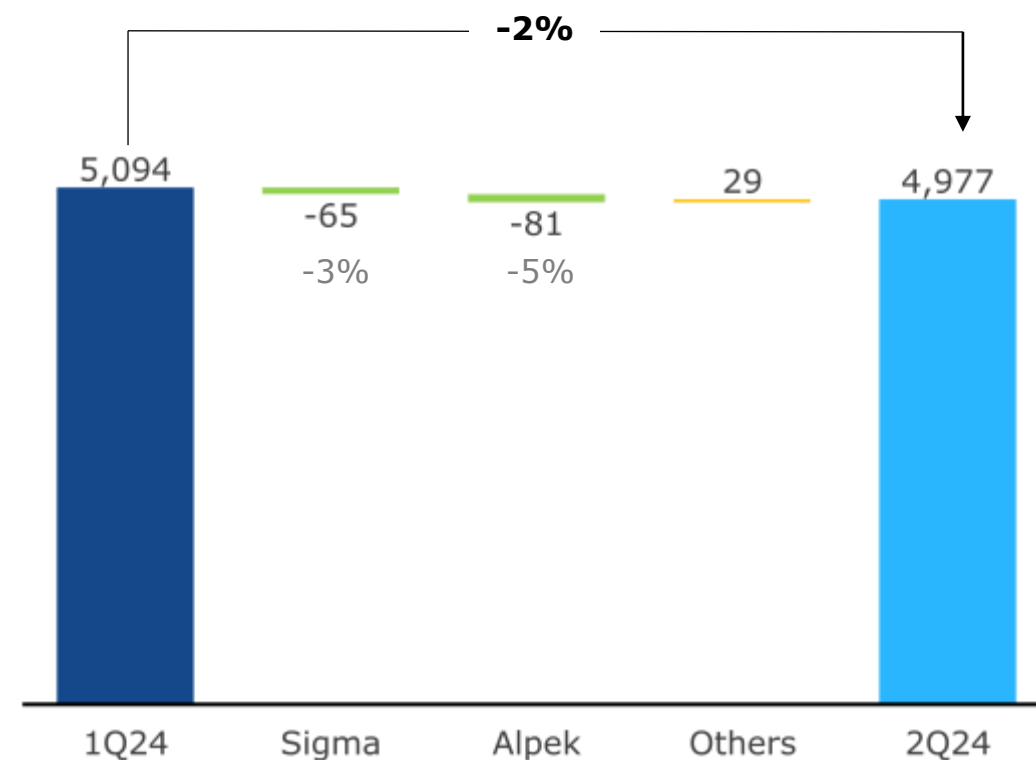
(US \$ Millions)		New	Previous	Ch. %
EBITDA	ALFA	1,590	1,510	5
	Sigma	1,000	920	9
	Alpek	600	600	-

ALFA Consolidated

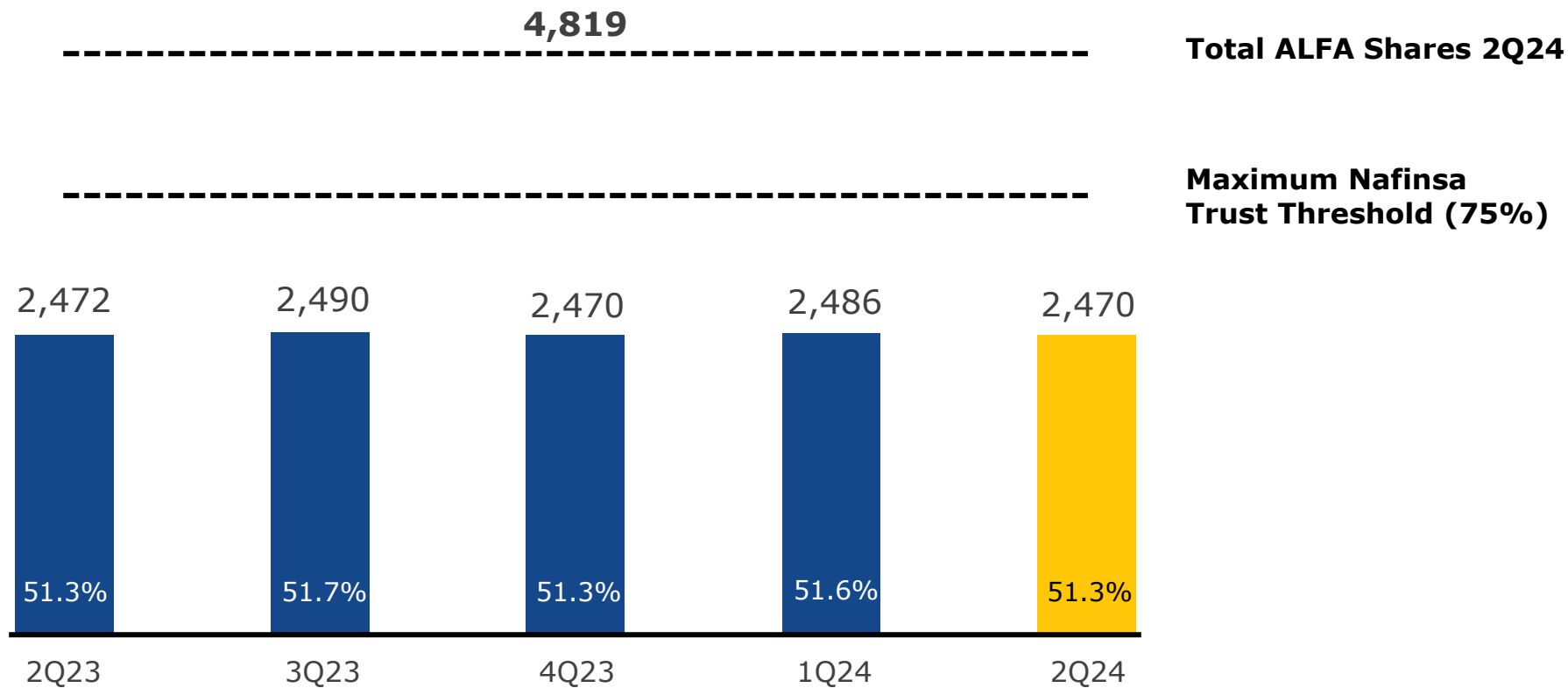
Change in Net Debt (US \$ Million)

	2Q24
EBITDA	445
Net Working Capital (NWC)	30
Capital Expenditures & Acq. (Capex)	(67)
Net Financial Expenses	(123)
Taxes	(152)
Dividends	(20)
Other Sources (Uses)	4
Decrease (Increase) in Net Debt	117

Change in Net Debt 1Q24 vs 2Q24 (US \$ Million)



ALFA Foreign Ownership
(Millions of shares)



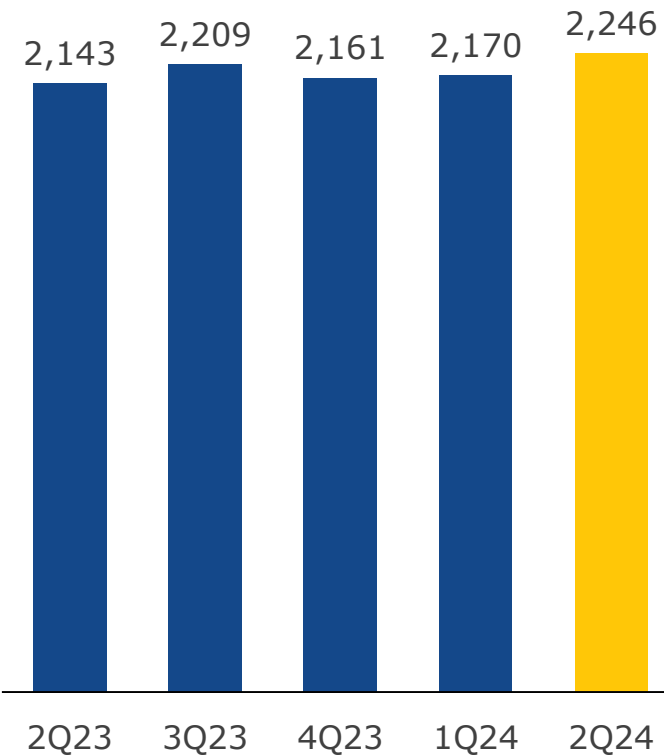
▼ Outstanding consolidated results in 2Q24

- Record quarterly Volume
- Year-on-year Revenue growth for the thirteenth consecutive quarter
- All-time high quarterly EBITDA of US \$279 million supported by solid growth in all regions
- 2024 EBITDA guidance revised up 9% to historic milestone of US \$1.0 billion
- Lowest level in Net Debt to EBITDA ratio of 2.0x in nearly 11 years

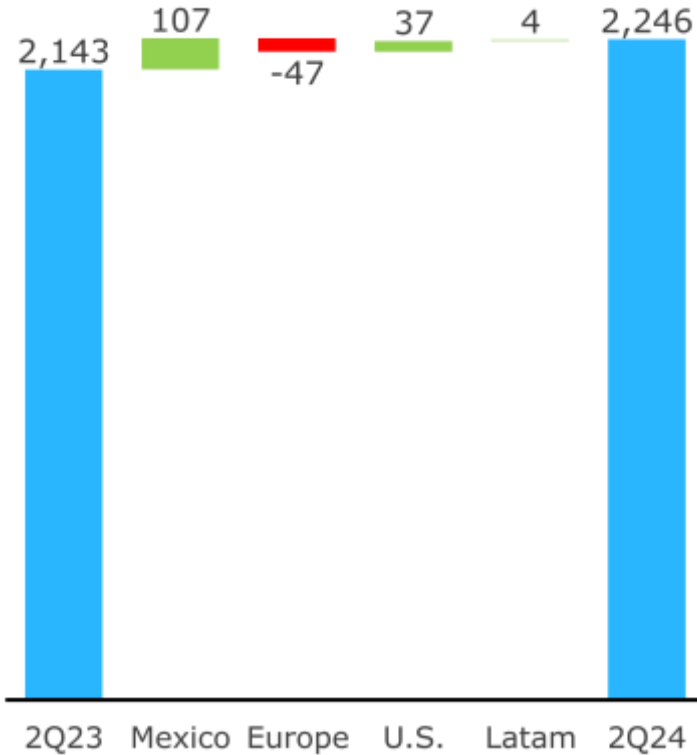
▼ Key performance metrics by Region

- Mexico: Record quarterly Volume, Revenues and EBITDA; growth across all categories and channels
- Europe: 2Q24 EBITDA of US \$18 million driven mainly by operational efficiencies in key markets
- U.S.: All-time high quarterly Volume and Revenues
- Latam: Record second quarter Volume, Revenues and EBITDA; growth across all channels

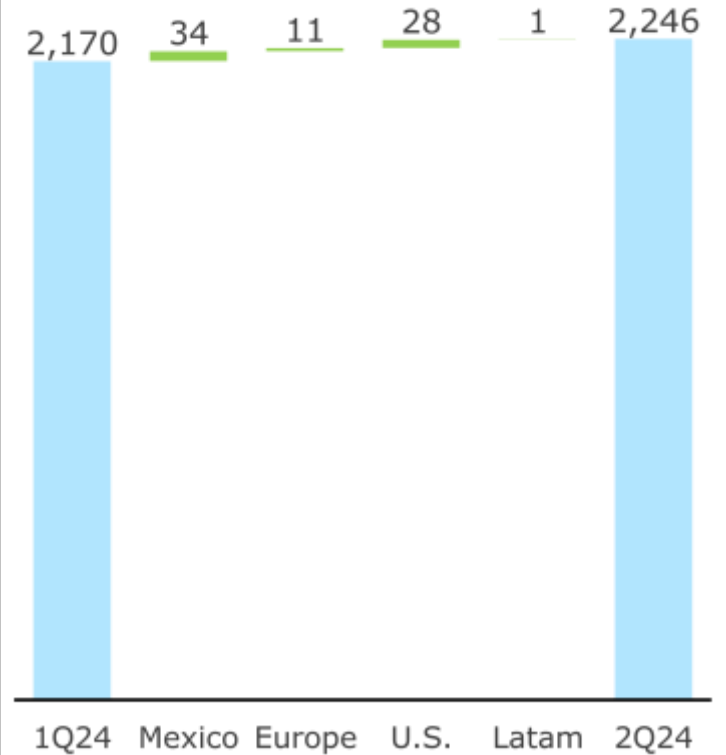
Revenues
(US \$ Million)

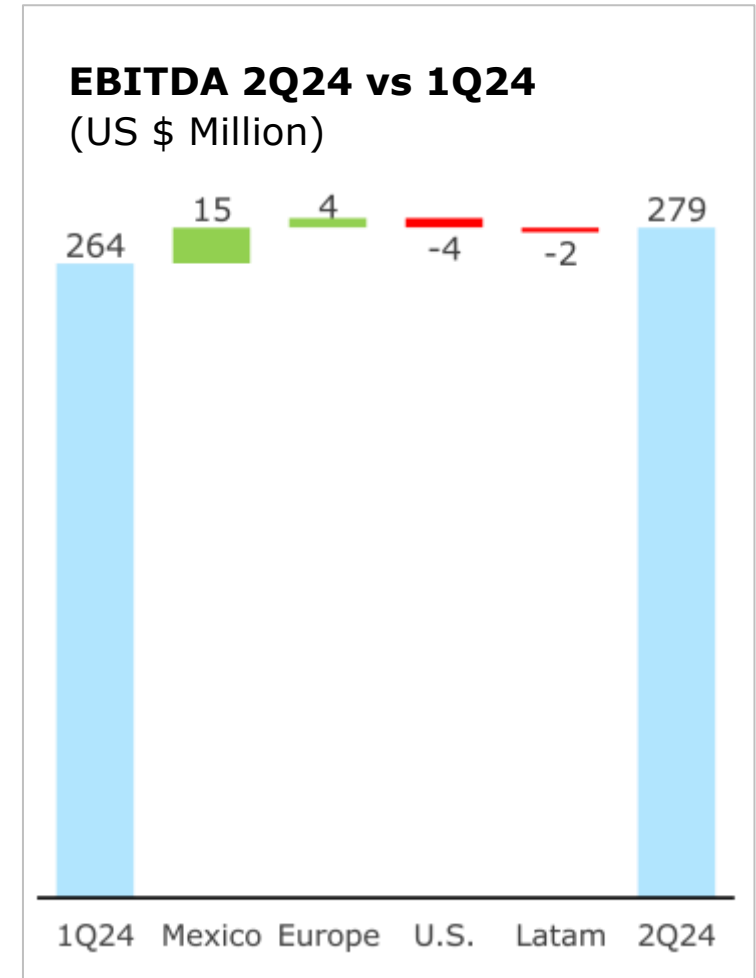
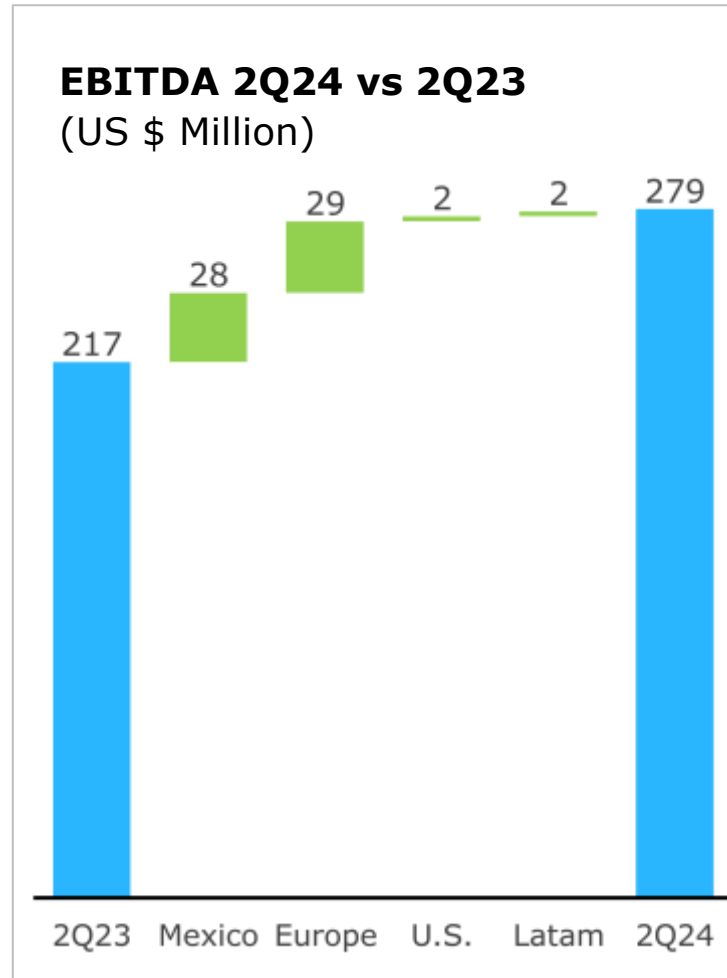
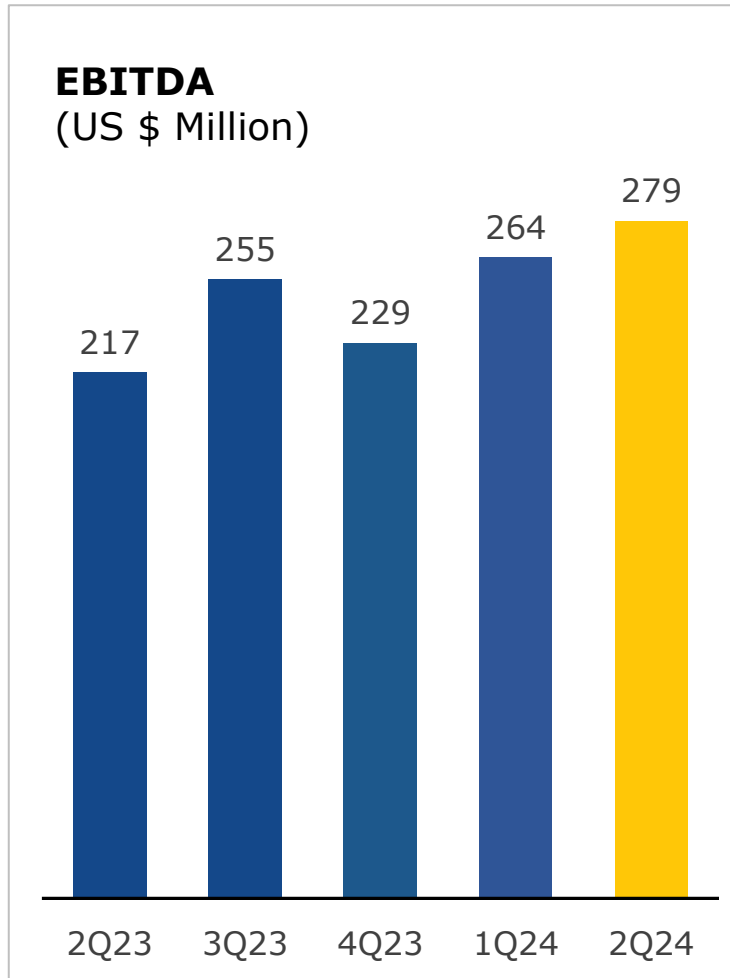


Revenues 2Q24 vs 2Q23
(US \$ Million)

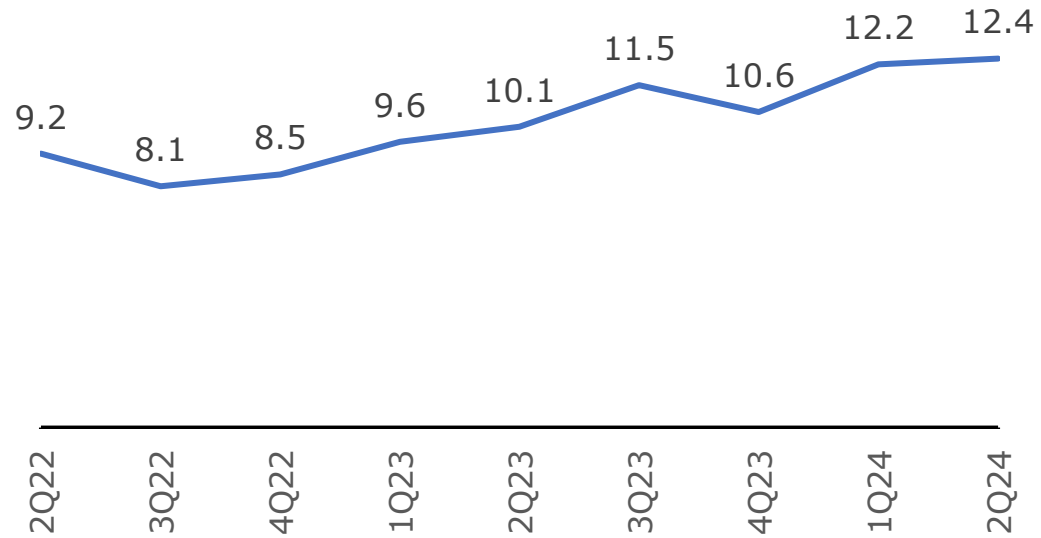


Revenues 2Q24 vs 1Q24
(US \$ Million)

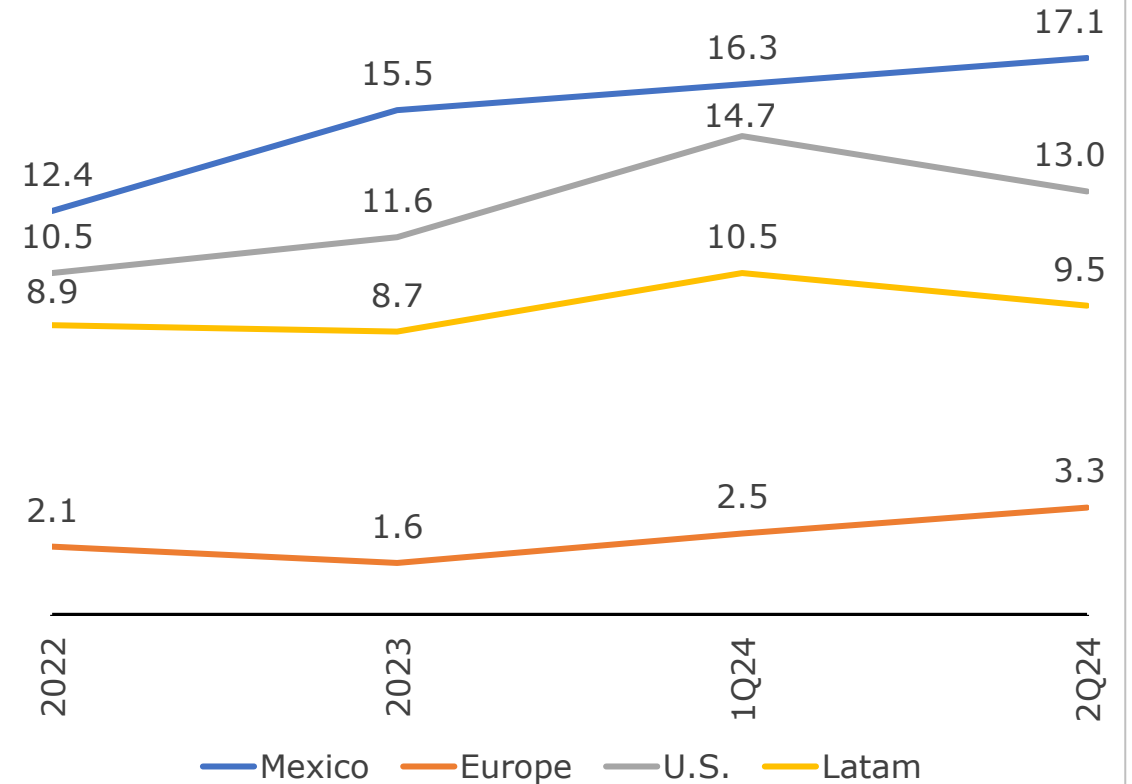




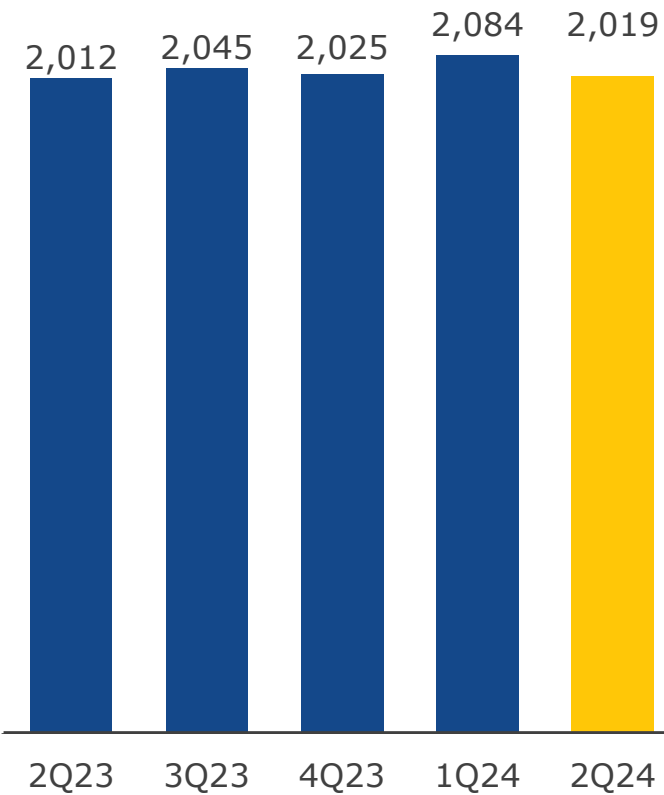
EBITDA Margin (%)



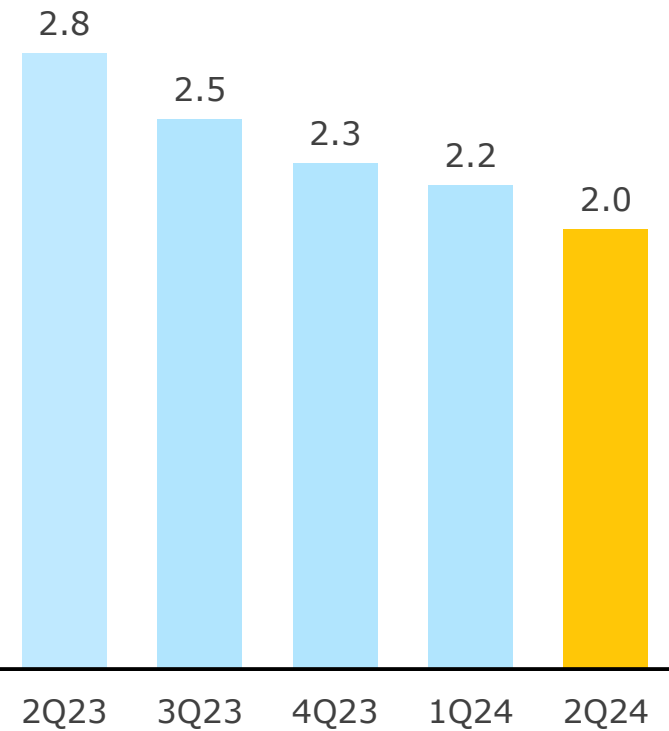
EBITDA Margin By Region (%)



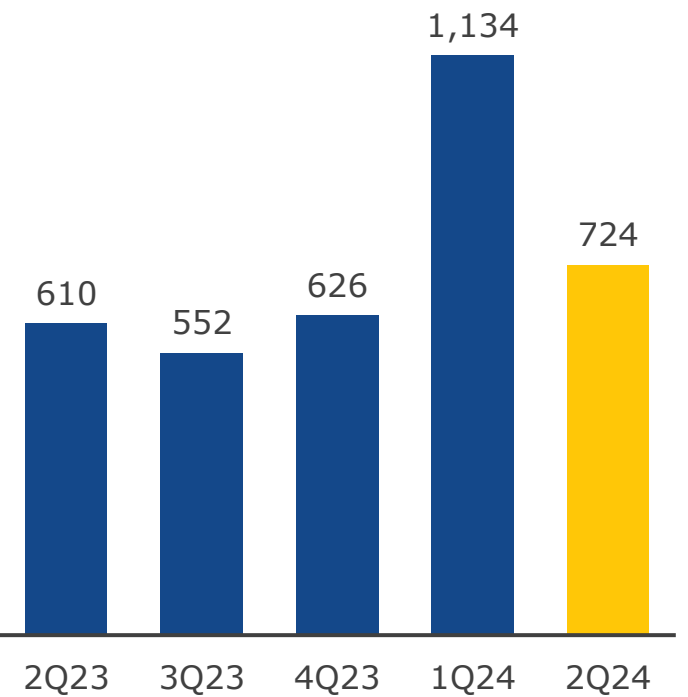
Net Debt
(US \$ Million)



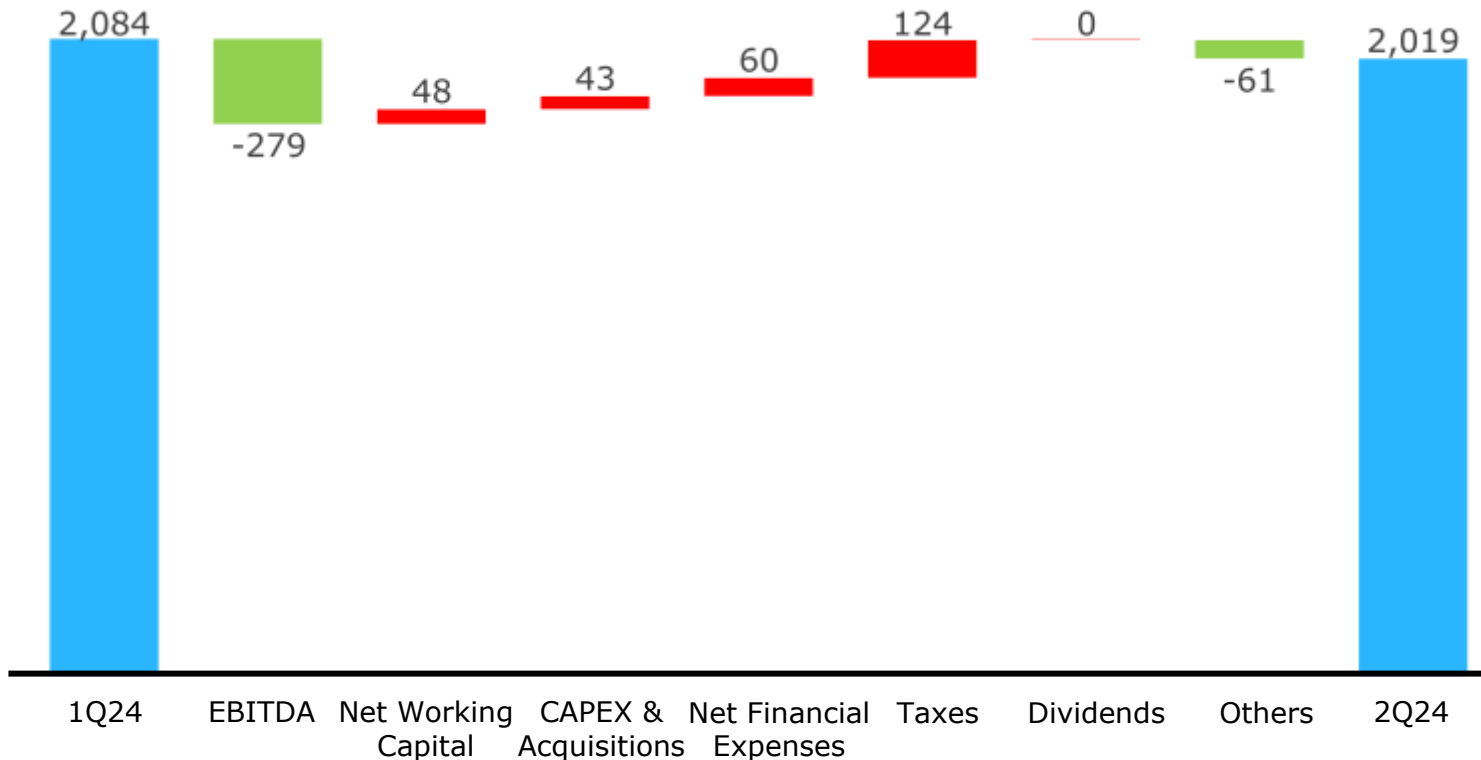
Net Leverage Ratio
(Net Debt/EBITDA)



Cash
(US \$ Million)



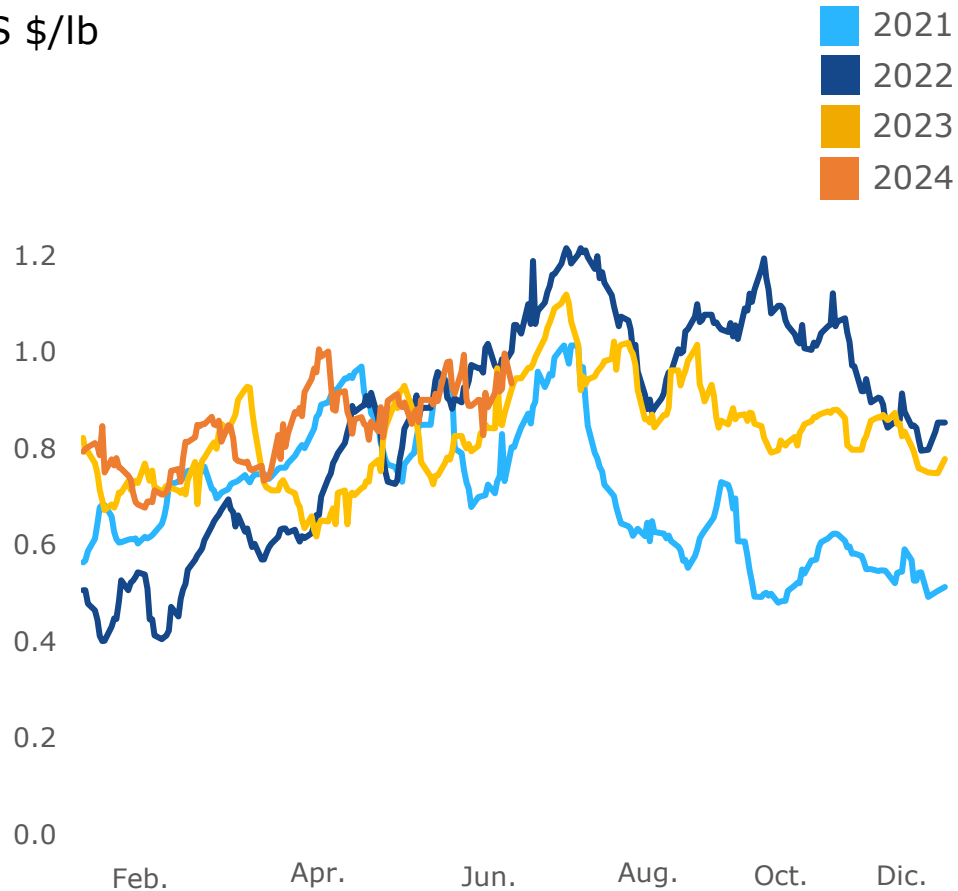
Change in Net Debt 2Q24 vs 1Q24
(US \$ Million)



- Net Debt decreased by US \$65 million when compared to 1Q24
- "Others" include a positive foreign exchange conversion effect resulting primarily from the depreciation of the Mexican peso in June 2024

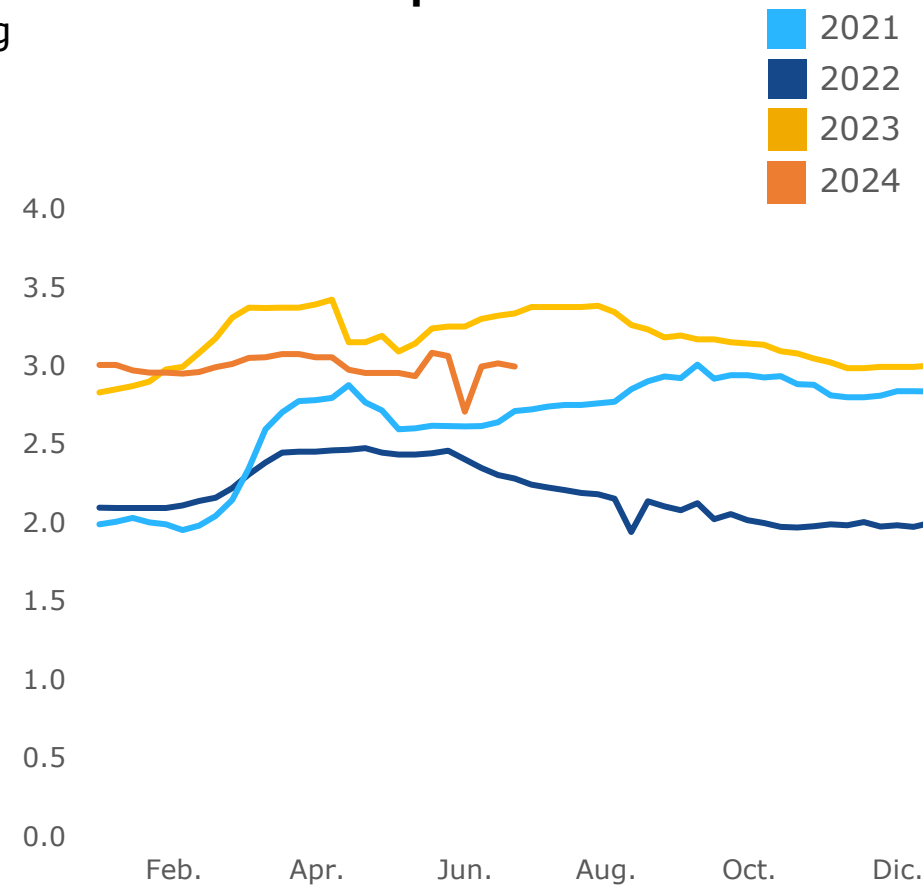
Pork Ham Price in U.S.

US \$/lb



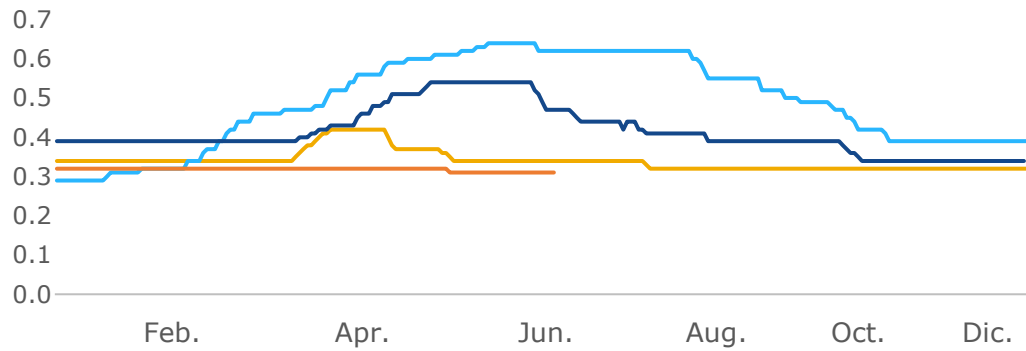
Pork Ham Price in Europe

€/kg



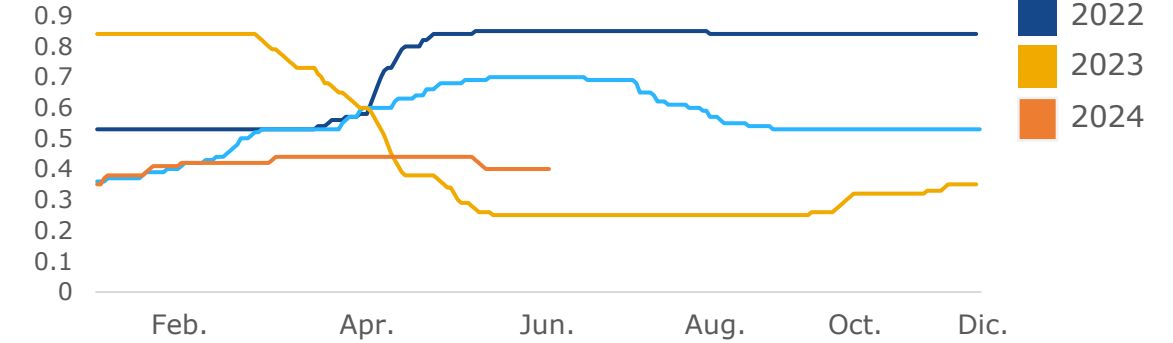
Chicken (MSC)

US \$/lb



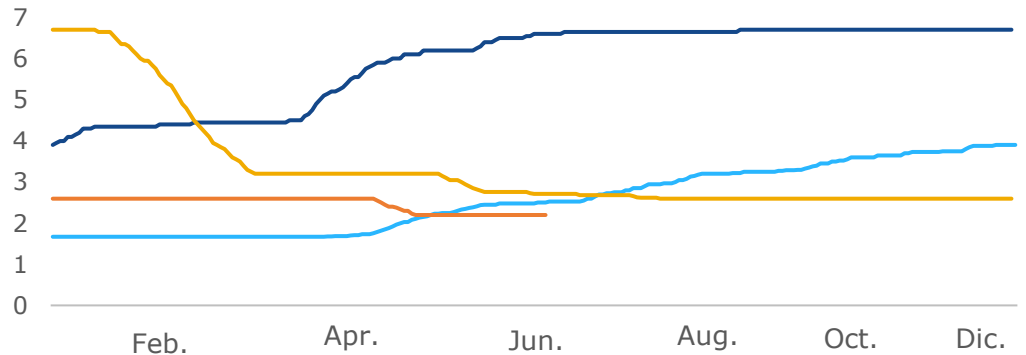
Turkey (MST)

US \$/lb



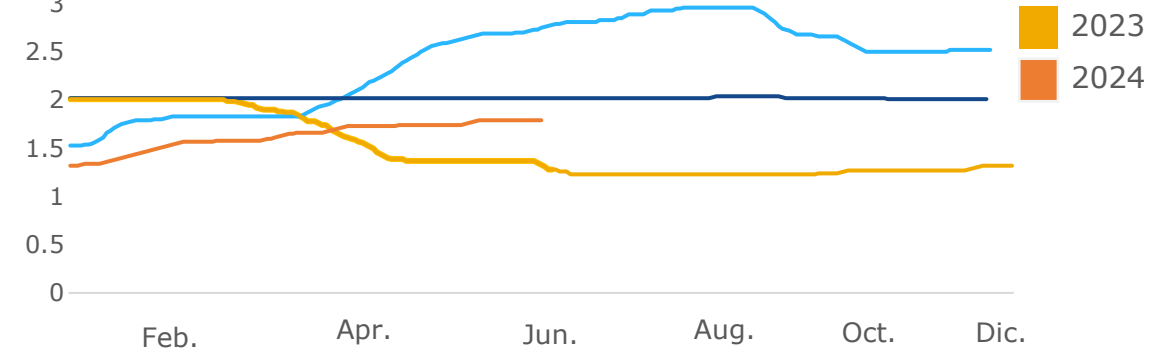
Turkey Breast

US \$/lb



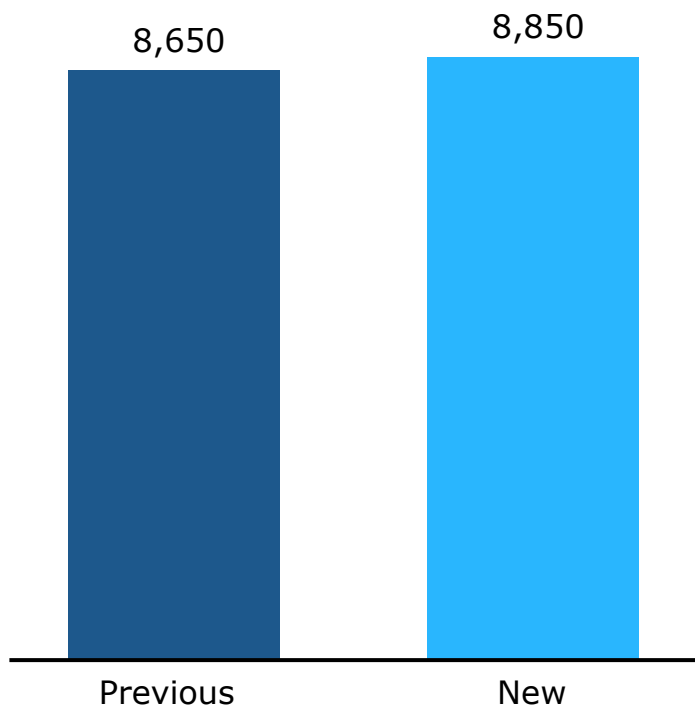
Turkey Thigh

US \$/lb

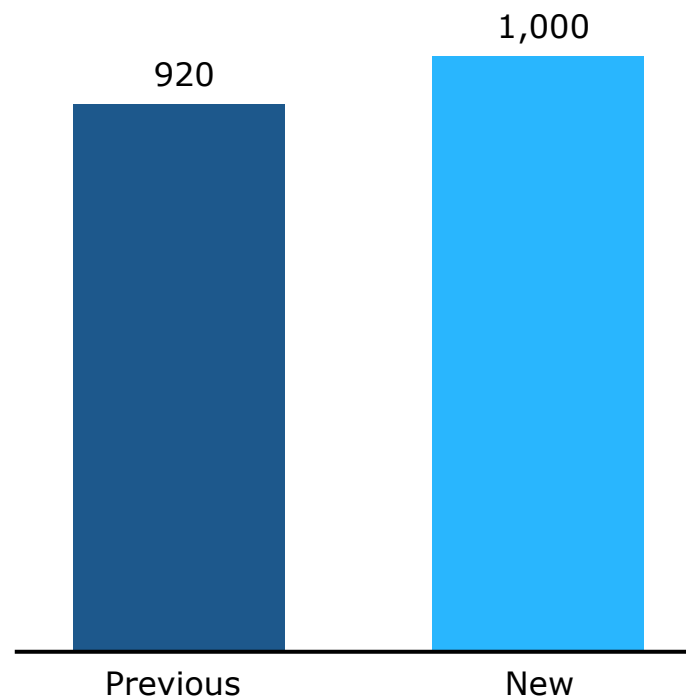


Source: USA - USDA Chicken - MSC, Some Skin, 15-20% Fat, Fresh
 USA - USDA Turkey - MST, Some skin, under 20% fat, Fresh
 USA - UBDA Turkey - Breast, Young Tom, Boneless & Skinless, Fresh
 USA - USDA Turkey - Thigh Meat, Boneless & Skinless, Fresh

Sigma Revenues
(US \$ Million)



Sigma EBITDA
(US \$ Million)



Sigma Europe CEO Succession

- Appointed Juan Ignacio Amat as CEO of Sigma Europe (June 1st)
- 20+ years in large consumer goods companies across Europe
- Successfully implemented transformational plans in various roles

Mexican Local Bond Issuance (May 2024)

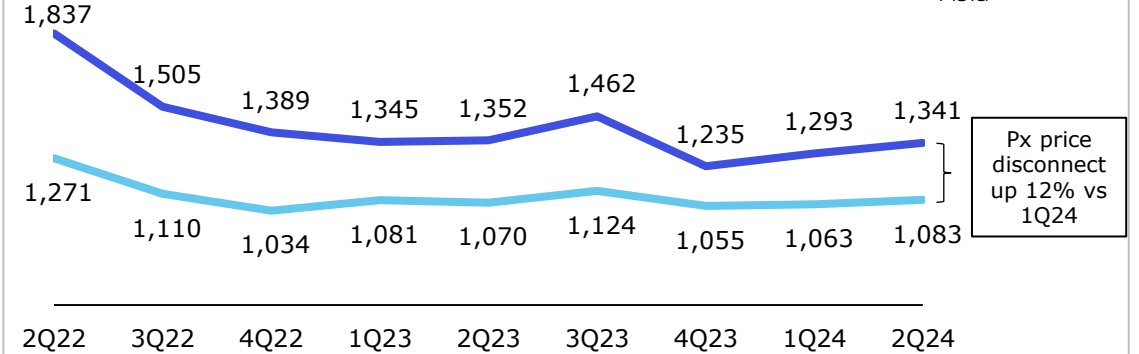
- Successful placement of Ps \$7,141 million (US ~\$424 million)
- Two tranches:
 - Ps \$2,341 million with a 3.8-year term at a variable interest rate
 - Ps \$4,800 million with a 12-year term at a fixed interest rate
- Second tranche represents the only note in the Mexican corporate market with a bullet amortization and a nominal fixed rate
- Average debt maturity extended to 5.7 years from 4.6 years



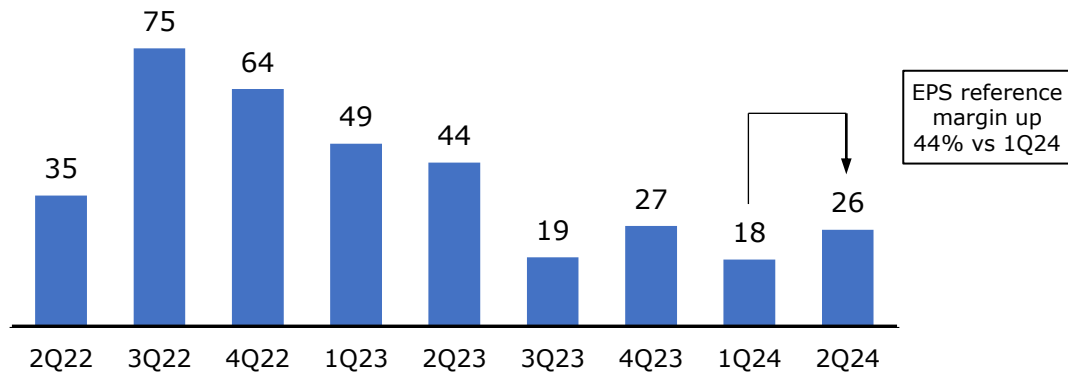
2Q24 Highlights

- Polyester segment volume was up 2% y-o-y driven by resilient regional demand
- Accumulated Comparable EBITDA of US \$312 million is on track to reach full-year guidance of US \$600 million
- Completed structural cost reduction initiatives which are expected to deliver US \$75 million in annualized cost savings
- Net Debt decreased 5% q-o-q driven by solid cash flow.

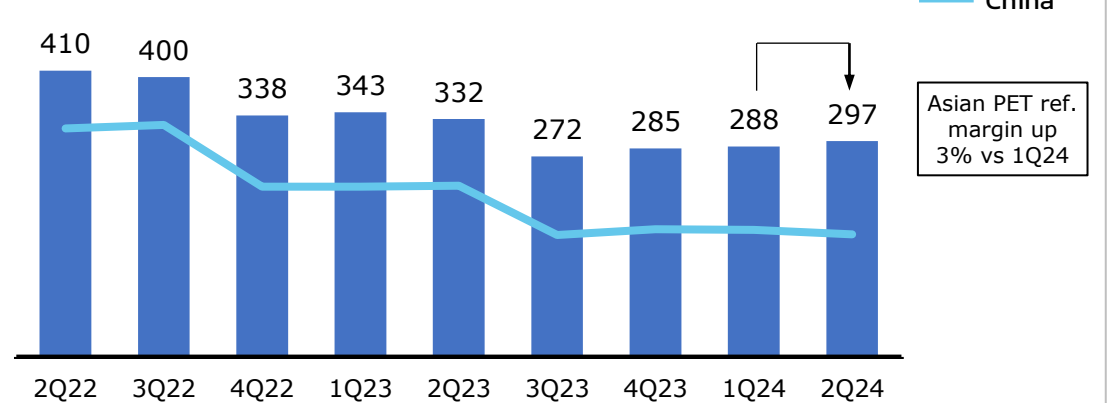
Paraxylene (North America vs Asia) (US\$/Ton)



North America EPS reference margins (US cpp)



Asian Margins Px/MEG to PET (US \$/Ton)





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