

ALFA calls for an Extraordinary Shareholders' Meeting to propose the spin-off of Alpek on October 24, 2024

- ▶ ALFA's conglomerate composition being effectively simplified into wholly-owned food business
- ▶ Alpek fully capable of extending successful track record independent from ALFA
- ▶ Represents the final spin-off in ALFA's corporate simplification process
- ▶ Process aligned with previous spin-offs of ALFA's stakes in Nemark and Axtel

San Pedro Garza García, N.L. Mexico, October 09, 2024. ALFA, S.A.B. de C.V. (BMV: ALFAA) ("ALFA", "Company") announced today it will hold an Extraordinary Shareholders' meeting to present a proposal for the spin-off of its entire ownership stake in Alpek S.A.B. de C.V. (BMV: ALPEKA) ("Alpek") to the ALFA shareholders.

Subject to the corresponding approvals, ALFA expects to transfer all its Alpek shares, as well as certain assets, liabilities and capital to a new entity ("Controladora Alpek") which will be constituted as the spun-off company and listed on the Mexican Stock Exchange (*Bolsa Mexicana de Valores*).

The ALFA shareholders will receive one share of Controladora Alpek for each of their ALFA shares, in addition to retaining their share ownership in ALFA's equity. The spin-off proposal has been authorized and recommended by ALFA's Board of Directors, and is subject to approval at the Extraordinary Shareholders' Meeting that will take place on October 24, 2024. Based on the spin-off processes implemented for Nemark and Axtel, ALFA expects to complete the Alpek spin-off in 2025.

"We are excited to present our shareholders the final spin-off in ALFA's profound transformation process, following key milestones achieved since 2020. A solid foundation from previous stages, the capital infusion from ALFA shareholders, dividends paid by Alpek, bondholder consents and record results at Sigma are key elements to ensure an orderly transition. We greatly appreciate the broad support received from external stakeholders and ALFA team members in preparation for this decisive step forward to realize ALFA's fair value potential as a leading, multinational, branded food business", commented Álvaro Fernández, Chairman and CEO of ALFA.

The recent rally in ALFA's share price reflects a portion of the significant value increase potential concentrated around Sigma. Such attractive opportunity remains the main driver to move forward with the proposal to spin-off Alpek.

Upon completion of the Alpek spin-off, ALFA's corporate structure would be fully transformed from an industrial conglomerate to a single, wholly-owned food company: Sigma.

ALFA shareholders and other potential investors will have absolute autonomy to manage their investments across four independent businesses with leading positions in their respective industries: i) Nemark (Automotive lightweighting solutions), ii) Controladora Axtel (Information and communications technology), iii) Controladora Alpek (Petrochemical), and iv) Alfa|Sigma (Food). As a result, over time each business should be valued based on its individual merits and growth potential.

Alpek is well positioned to be a stand-alone entity as a market leader with independent corporate governance, an experienced management team and a solid financial position.

Sigma is prepared to become the only remaining core ALFA business supported by solid performance across all regions and channels, with expectations to deliver a record full-year EBITDA in excess of US \$1 billion.

To ensure a solid financial position after the proposed spin-off, ALFA plans to pay down debt totaling US \$500 million with proceeds from the Capital Increase that is underway, plus a cash dividend paid by Alpek on September 19, 2024. Throughout the transformation process, ALFA reduced its corporate expenses by 80% and refinanced a significant portion of its debt with prepayable bank loans that provide the necessary flexibility in this final stage. Separately, the Company received requisite consents from holders of its Senior Notes due 2044.

Credit ratings for ALFA, Sigma and Alpek were recently affirmed by Fitch Ratings, Moody's and Standard & Poor's, which incorporated ALFA's plans to obtain requisite consents, pay down debt and spin-off Alpek.

As required by the applicable laws and regulations, ALFA prepared an information memorandum for this transaction, which will be available at www.alfa.com.mx or at the Mexican Stock Exchange's website www.bmv.com.mx.

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About ALFA

ALFA is comprised mainly of two businesses with global operations: Sigma, a leading multinational food company, focuses on the production, marketing, and distribution of quality foods through recognized brands in Mexico, Europe, the United States, and Latin America. Alpek is one of the world's top producers of Polyester (PTA, PET, PET sheet and rPET), and the leader in the Mexican market for Polypropylene (PP) and Expandable Polystyrene (EPS). In 2023, ALFA reported revenues of Ps \$291,207 million (US \$16.4 billion), and EBITDA of Ps \$24,783 million (US \$1.4 billion). ALFA's shares are quoted on the Mexican Stock Exchange and on Latibex, the market for Latin American shares of the Madrid Stock Exchange. For more information, please visit www.alfa.com.mx