

ALFA reports 3Q22 EBITDA of US \$454 million with Axtel as Discontinued Operations; record accumulated EBITDA of US \$1.736 billion

3Q22 HIGHLIGHTS

<p>ALFA</p>	<ul style="list-style-type: none"> ▶ Process to spin-off Axtel moving forward as approved by ALFA shareholders on July 12; Axtel figures presented as discontinued ops ▶ 3Q22 EBITDA of US \$454 million includes an impact of US -\$118 million from extraordinary items at Alpek related to the recent drop in oil prices ▶ Consolidated net leverage ratio of 2.2 times, improves from 2.5 times in 3Q21; Alpek 1.2 times and Sigma 2.5 times at the close of 3Q22 ▶ Repurchased 24.9 million ALFA shares in 3Q22 (~US \$17 million); 86.9 million shares year to date (~US \$60 million)
<p>Alpek</p>	<ul style="list-style-type: none"> ▶ Successful integration of PET Sheet & Resin operations contributed to 3Q22 growth in Volume (+14%), Sales (+42%) and EBITDA (+10%) versus 3Q21 ▶ Comparable 3Q22 EBITDA reached a record US \$424 million, up 81% year-over-year ▶ Restarted construction of integrated PTA-PET plant in Corpus Christi, TX via joint venture (Corpus Christi Polymers)
<p>Sigma</p>	<ul style="list-style-type: none"> ▶ Record quarterly revenue driven by double-digit growth in Mexico, the U.S. and Latam ▶ Euro-denominated revenue up 12% year-over-year, driven by double-digit increase in average prices and slight volume growth in Europe ▶ 3Q22 EBITDA down 14% year-over-year due to inflationary pressures, mainly affecting operations in Europe
<p>Axtel (Discontinued Operation)</p>	<ul style="list-style-type: none"> ▶ <i>Sequential improvement in 3Q22 Revenues (+7%) and EBITDA (+12%) driven by growth in both business units – Infrastructure and Service</i> ▶ <i>US \$74 million Cash plus US \$40 million in available committed credit lines at the close of 3Q22</i>

Message from ALFA's President

"We hope that you and your families have remained well. ALFA advanced on key strategic initiatives and delivered solid financial performance during the third quarter. The Axtel spin-off process has moved forward as planned. Accordingly, ALFA's consolidated financial statements now present Axtel as a discontinued operation.

ALFA's 3Q22 revenue and EBITDA increased 26% and 3% year-over-year, respectively. Third quarter EBITDA of US \$454 million includes an impact of US -\$118 million from extraordinary items at Alpek, comprised primarily of non-cash inventory adjustment and carry-forward effect amid the recent drop in petrochemical feedstock prices. Adjusting for extraordinary items, ALFA's Comparable 3Q22 EBITDA of US \$572 million is a record-high third quarter figure, boosted by Alpek.

Alpek's 3Q22 Comparable EBITDA was up 81% versus 3Q21 and 15% higher than 2Q22 supported by higher-than-expected reference margins in polyester and expandable polystyrene (EPS). Alpek also benefitted from the successful integration of its most recent acquisition – PET Sheet & Resin Business. Results from this new business' first full quarter under Alpek's control exceeded expectations.

Sigma's 3Q22 Revenue increased 9% year-over-year, driven by Volume growth in all regions. However, EBITDA was down 14% over the same period as resilient performance in the Americas was more than offset by a decline in European operations. Performance in Europe continued to be negatively impacted by rising energy prices and the depreciation of the euro, among other unexpected inflationary pressures. It is important to note that Mexico, the U.S. and Latam have achieved positive Accumulated EBITDA growth year-over-year in local currencies. Looking ahead, Sigma's ability to generate stronger EBITDA is key for ALFA's Unlocking Value process beyond the Axtel spin-off.

ALFA is fully committed to continue transferring value to shareholders by following a balanced approach which includes dividend payments, share buybacks and improvement in credit metrics, in addition to the transformational efforts that address its conglomerate discount. During 2022, ALFA has repurchased 86.9 million shares (~US \$60 million). Moreover, Net Debt to EBITDA ratio at the close of 3Q22 was 2.2 times, versus 2.5 times in 3Q21.

The Axtel spin-off marks a new milestone in terms of enhancing our businesses' independence. As approved by ALFA shareholders on July 12 and following virtually the same process we undertook with Nemark, ALFA will transfer its entire share ownership in Axtel to ALFA shareholders via a new, publicly listed entity called "Controladora Axtel".

Following the approval, the required 45-day legal term was completed without objections during the third quarter. Additionally, the new legal entity "Controladora Axtel" was constituted, and its market registration process was initiated. Based on the timeline of our previous spin-off process, we expect the new entity to begin trading in the Mexican Stock Exchange (BMV) before year-end.

Upon completion of this transaction, ALFA will have a leaner structure comprised of only two major subsidiaries – Sigma and Alpek; both of which reinforce the Company’s financial position with their respective investment grade credit ratings. Also, ALFA shareholders will gain autonomy by holding separate stakes in ALFA, Axtel and Nemak. Further, the spin-off marks a new era for Axtel and the attractive prospects of executing its strategic agenda as a standalone entity.

Strengthening the individual businesses via growth and profit-enhancing initiatives is another essential element of our transformational efforts. Alpek and its two partners in Corpus Christi Polymers (CCP) resumed construction of an integrated PTA-PET site in Corpus Christi, Texas with a planned annual capacity of 1.3 and 1.1 million tons of PTA and PET, respectively. Each partner will receive one third of the facility’s total production, enhancing Alpek’s ability to serve increasing customer demand. This state-of-the-art facility is expected to begin operations in 2025 as the most cost-competitive site in the Americas.

Moreover, Sigma’s Growth business unit is actively engaged in developing new sources of revenue through high potential opportunities involving global categories and new business models. Better Balance®, the recently launched global plant-based brand, reached more than 1,000 points of sale across Spain, Mexico, and the United States. Also, during 3Q22, 12 startups were selected to run pilot tests in different regions following the third edition of Tastech by Sigma®, a business accelerator that seeks to transform the food industry.

Focus on continuous ESG improvement by integrating best practices is core to how ALFA and its businesses operate. Most recently, ALFA’s S&P CSA rating increased, scoring significantly above industry average driven by improvements in all three pillars. Also noteworthy on the ESG front, Alpek announced that it had joined Cyclyx International, a consortium-based company that focuses on establishing a circular pathway for plastic recycling through innovative collection methods for expandable styrenics.

In closing, ALFA is on track to achieve its financial and strategic goals thanks to the dedication and hard work of all our team members who continue to execute at the highest levels. My most sincere appreciation to every one of them.”

Keep well/Stay safe,

Álvaro Fernández

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. 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 presents Axtel's assets as "Current assets from discontinued operations" and its liabilities as "Current liabilities from discontinued operations" at the close of 3Q22. Prior periods are not restated.
- The Consolidated Statement of Income presents Axtel's net revenues and expenses as a single line item "Profit (loss) from discontinued operations" as follows:
 - o 3Q21: accumulated figures for the three months ended September 30, 2021
 - o 2Q22: accumulated figures for the three months ended June 30, 2022
 - o 3Q22: accumulated figures for the three months ended September 30, 2022
 - o YTD '21: accumulated figures for the nine months ended September 30, 2021
 - o YTD '22: accumulated figures for the nine months ended September 30, 2022
- The Change in Net Debt presents Axtel's net inflows and outflows as a single line item "Decrease (Increase) in Net Debt from discontinued operations" as follows:
 - o 3Q21: accumulated figures for the three months ended September 30, 2021
 - o 2Q22: accumulated figures for the three months ended June 30, 2022
 - o 3Q22: accumulated figures for the three months ended September 30, 2022
 - o YTD '21: accumulated figures for the nine months ended September 30, 2021
 - o YTD '22: accumulated figures for the nine months ended September 30, 2022
- The Change in Net Debt also presents Axtel's Net Debt balance as "Net Debt from discontinued operations" at the close of 3Q22. Prior periods are not restated.

SELECTED FINANCIAL INFORMATION (US \$ MILLION)

	3Q22	2Q22	3Q21	Ch.% vs. 2Q22	Ch.% vs. 3Q21	YTD '22	YTD '21	Ch. %
ALFA & Subs with Axtel as Discontinued Operations								
ALFA Revenues	4,856	4,709	3,839	3	26	13,633	10,674	28
Alpek	2,951	2,815	2,082	5	42	8,098	5,545	46
Sigma	1,879	1,870	1,729	-	9	5,461	5,049	8
ALFA EBITDA¹	454	672	441	(32)	3	1,736	1,374	26
Alpek	306	507	279	(40)	10	1,270	876	45
Sigma	151	172	176	(12)	(14)	484	540	(10)
ALFA Comparable EBITDA	572	534	396	7	44	1,592	1,160	37
Alpek	424	369	234	15	81	1,126	662	70
Sigma	151	172	176	(12)	(14)	485	540	(10)
Majority Net Income²	141	243	125	(42)	13	594	378	57
CAPEX & Acquisitions³	164	572	83	(71)	98	812	314	159
ALFA Net Debt⁴	4,830	5,406	4,875	(11)	(1)	4,830	4,875	(1)
Alpek	1,805	1,776	1,323	2	36	1,805	1,323	36
Sigma	1,708	1,772	1,692	(4)	1	1,708	1,692	1
ALFA Net Debt/EBITDA ⁵	2.2	2.2	2.5					
ALFA Interest Coverage ⁶	7.3	7.6	5.5					
Axtel (as Discontinued Operations)								
Revenues	133	125	136	6	(2)	381	421	(10)
EBITDA	38	34	44	12	(14)	105	143	(27)
CAPEX & Acquisitions	14	16	24	(13)	(42)	46	55	(16)
Net Debt	566	570	613	(1)	(8)	566	613	(8)

1 EBITDA = Operating Income + depreciation and amortization + impairment of assets.

2 Majority Net Income includes Majority Net Income from Discontinued Operations (Axtel).

3 Gross amount; excludes divestments and Capex from Discontinued Operations (Axtel).

4 Net Debt adjusted for Discontinued Operations (excluding Axtel) at the close of 3Q22; previous periods unchanged.

5 Times. LTM = Last 12 months. Ratio calculated with Discontinued Operations for all periods.

6 Times. LTM = Last 12 months. Interest Coverage = EBITDA/Net Financial Expenses with Discontinued Operations.

3Q22 EARNINGS CALL INFORMATION

Date: Friday, October 21, 2022

Time: 1:00 p.m. EDT (NY) / 12:00 p.m. CDT (CDMX)

By Phone: United States: +1-877-451-6152
International: +1-201-389-0879
Mexico: 800-522-0034

Conference ID: 13733205

Webcast: https://viaavid.webcasts.com/starthere.jsp?ei=1573414&tp_key=09a3866062

Replay: <https://www.alfa.com.mx/en/events/>

About ALFA

ALFA manages a diversified portfolio of leading businesses with global operations: Sigma, a leading multinational food company, focused on the production, marketing and distribution of quality foods through recognized brands in Mexico, Europe, United States and Latin America. Alpek, one of the world's leading producers of polyester (PTA, PET, rPET and fibers), and the leader in the Mexican market for polypropylene (PP) and expandable polystyrene (EPS). Axtel, a provider of Information Technology and Communication (ITC) services for the enterprise and government segments in Mexico. In 2021, ALFA reported revenues of Ps. 308,060 million (US \$15.2 billion), and EBITDA of Ps. 41,050 million (US \$2.0 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

Disclaimer

This release may contain 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. These uncertainties include, but are not limited to, risks related to the impact of the COVID-19 global pandemic, such as the scope and duration of the outbreak, government actions and restrictive measures implemented in response, availability of workers and contractors due to illness and stay at home orders, supply chain disruptions and other impacts to the business, or on the Company's ability to execute business continuity plans, as a result thereof. Accordingly, results could vary from those set forth in this release. The report presents unaudited financial information. Figures are presented in Mexican Pesos or US dollars, as indicated. Where applicable, Peso amounts were translated into US dollars using the average exchange rate of the months during which the operations were recorded. Financial ratios are calculated in US dollars. Due to the rounding up of figures, small differences may occur when calculating percent changes from one period to the other.