

ALFA reports 1Q23 EBITDA of US \$376 million with Axtel as Discontinued Operations

1Q23 HIGHLIGHTS

<p>ALFA</p>	<ul style="list-style-type: none"> ▶ 1Q23 Comparable EBITDA of US \$396 million, tracking in line with full year Guidance, supported by strong start at Sigma and expected normalization of industry references at Alpek ▶ Successfully executed full redemption of US \$500 million Senior Notes due 2024. ALFA gained flexibility for future debt payments ▶ Paid US \$96 million cash dividend as approved at Annual Shareholders' meeting ▶ Reached advanced stage in required registration process to spin-off Axtel; ALFA actively engaged to complete this important milestone
<p>Sigma</p>	<ul style="list-style-type: none"> ▶ Record high quarterly revenue, up 16% year on year driven by growth across all regions ▶ Better-than-expected results in Mexico driven by solid demand, price momentum, Foodservice channel results, and a strong Peso ▶ Euro-denominated revenue up 16% driven primarily by price actions to mitigate ongoing inflationary pressures in raw materials and other inputs
<p>Alpek</p>	<ul style="list-style-type: none"> ▶ Normalization of relevant references such as lower ocean freight rates impacted performance vs. historically high figures in 1Q22, as expected ▶ Enhanced composition of its Board with appointment of 3 new members; increased women participation and number of independent members ▶ Shutdown of PET operations at Cooper River site; estimates annual savings of US \$20 million by transferring production to other facilities
<p>Axtel (Discontinued Operations)</p>	<ul style="list-style-type: none"> ▶ <i>Revenue up 18% year-on-year driven by growth across all segments and a stronger than expected Mexican Peso.</i> ▶ <i>Comparable EBITDA of US \$40 million, up 13% year-on-year driven by solid Revenue growth</i> ▶ <i>Streamlined operations based on a new operating and commercial model; recognized a one-time reorganization charge of US \$10 million</i>

Message from ALFA's President

"ALFA's transformational efforts advanced and first quarter 2023 results were in line with consolidated full year guidance driven by growth in Sigma.

Sigma started the year strongly with Sales and EBITDA up 16% and 19%, respectively, versus 1Q22. This marks the eighth consecutive quarter of year-over-year revenue growth driven by effective price actions and resilient demand. Operations in the Americas posted solid performance supported by robust Foodservice channel results and a stronger-than-expected Mexican peso.

Higher reference ocean freight rates were among the temporary tailwinds that Alpek effectively capitalized for two years before a sudden normalization in 4Q22. As expected, the current normalized levels in relevant industry metrics weighed on Alpek's year-over-year performance. Volume, Sales and Comparable EBITDA were down 5%, 12% and 38%, respectively, versus historically high figures in 1Q22.

ALFA has achieved a profound transformation since the announcement of its plan in 2020. Most importantly, we have a firm commitment and a solid position to complete the final stage of this orderly process. We will remain disciplined in our methodical approach to unlock the Company's fair value potential by efficiently simplifying its corporate structure. Our focus is on finalizing the Axtel spin-off and on finding the most efficient path ahead.

Each step forward is subject to ensuring a strong financial position at the consolidated and individual subsidiary levels. Therefore, it is crucial for Sigma to continue growing and further improve its leverage ratio.

The process also requires reducing debt at the Corporate level with a flexible time horizon. ALFA's valuable assets and solid cashflow generation present various opportunities to reach our goal through organic and inorganic means over time.

During the first quarter, we successfully put in place a more efficient basis for the required debt reduction. ALFA completed the redemption of its US \$500 million Senior Notes due in 2024. We gained full flexibility in terms of the size and timing of future debt payments by funding this transaction with multiple long-term bank loans that are prepayable at any time.

We look forward to completing the Axtel spin-off as ALFA is actively engaged with the Mexican Securities and Banking Commission, and other relevant parties, to fulfill this important milestone shortly. "Controladora Axtel" reached an advanced stage of the required registration process prior to the listing and distribution of its shares to ALFA shareholders.

Our Annual Shareholders' meeting was held on March 9, 2023 where the shareholders approved a cash dividend of US \$2 cents per share, equivalent to approximately US \$96 million. ALFA intends to make a second dividend payment before year-end. The Board of Directors will determine the potential dividend's feasibility as part of its regular capital allocation analysis during the year.

Flexibility related to the size and timing of dividend payments is aligned with ALFA's balanced approach towards capital allocation, which includes dividends, capex, debt reduction and share buybacks. We will continue complementing our transformational efforts by maintaining a disciplined transfer of value to shareholders in the short term.

Other related proposals that were approved at our Annual meeting included the cancellation of 90.4 million shares, equivalent to 1.8% of shares at the end of 2022, and a maximum amount of Ps \$5,800 million (US \$320 million) for share buybacks during 2023.

Relevant ESG developments during 1Q23 include Alpek enhancing the composition of its Board through the appointment of 3 new Directors, including 2 independent members. As of March 2023, the Alpek Board is comprised of 9 independent Directors and women participation increased to 21%.

Moreover, CDP raised Sigma's score in "Supplier Engagement" to A- from B-, reflecting initiatives carried out by the Company to increase awareness and participation across its value chain.

Sigma will publish its individual 2022 Sustainability report shortly. Highlights for 2022 include Environmental gains such as reduction in carbon emissions and water usage. On the Social front, Sigma Mexico signed the UN Women Empowerment Principles. Also, a dedicated Advisory Board with a high degree of diversity and independence enhanced Sigma's Governance since 2Q22.

ALFA, Alpek and Axtel published their respective, integrated 2022 sustainability reports; available on each company's website. We cordially invite you to learn more on how ALFA and its individual businesses contribute towards a more sustainable future.

I would like to thank the entire ALFA team for their hard work to kick-off the year strongly, and our shareholders for their continued support."

All the best,

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 1Q23, 4Q22 and 1Q22. 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:
 - 1Q22: accumulated figures for the three months ended March 31, 2022
 - 4Q22: accumulated figures for the three months ended December 31, 2022
 - 1Q23: accumulated figures for the three months ended March 31, 2023
- ▼ 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:
 - 1Q22: accumulated figures for the three months ended March 31, 2022
 - 4Q22: no figures presented related to Axtel
 - 1Q23: no figures presented related to Axtel
- ▼ 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 and subsequent periods (1Q23 and 4Q22) do not present figures related to Axtel.

SELECTED FINANCIAL INFORMATION (US \$ MILLION)

	1Q23	4Q22	1Q22	Ch.% vs. 4Q22	Ch.% vs. 1Q22
ALFA & Subs with Axtel as Discontinued Operations					
ALFA Revenues	4,085	4,452	4,069	(8)	-
Alpek	2,062	2,457	2,332	(16)	(12)
Sigma	1,991	1,964	1,711	1	16
ALFA EBITDA¹	376	346	610	9	(38)
Alpek	187	186	456	1	(59)
Sigma	192	167	161	15	19
ALFA Comparable EBITDA	396	430	487	(8)	(19)
Alpek	207	270	333	(23)	(38)
Sigma	192	167	161	15	19
Majority Net Income²	(14)	(17)	210	15	(107)
CAPEX & Acquisitions³	86	139	76	(38)	13
ALFA Net Debt⁴	5,049	4,751	4,906	6	3
Alpek	2,082	1,860	1,310	12	59
Sigma	1,840	1,782	1,795	3	3
ALFA Net Debt/EBITDA ⁵	2.7	2.3	2.2		
ALFA Interest Coverage ⁶	5.3	6.4	7.0		
Axtel (as Discontinued Operations)					
Revenues	145	132	122	10	19
EBITDA	28	39	34	(28)	(17)
CAPEX & Acquisitions	0	0	16	-	(100)
Net Debt	0	0	585	-	(100)

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

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

3 Figure includes divestments

4 Net Debt adjusted for Discontinued Operations (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 for all periods

1Q23 EARNINGS CALL INFORMATION

Date: Wednesday, April 26, 2023

Time: 2:00 p.m. EDT (NY) / 12:00 p.m. CST (CDMX)

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

Conference ID: 13737626

Webcast: https://viaavid.webcasts.com/starthere.jsp?ei=1607301&tp_key=f632954be5

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

About ALFA

ALFA is comprised mainly of two 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). In 2022, ALFA reported revenues of Ps. 363,864 million (US \$18.1 billion), and EBITDA of Ps. 42,020 million (US \$2.1 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. Accordingly, future 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.