



ALFA, S.A.B. de C.V. (BMV: ALFAA)

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EARNINGS REPORT

Third Quarter 2021 (3Q21)

Monterrey, N.L., Mexico, October 20, 2021.

ALFA, S.A.B. de C.V. (BMV: ALFAA) ("ALFA"), a company that has developed a diversified portfolio of leading businesses with global operations, announced today its unaudited results for the third quarter of 2021 ("3Q21"). All figures have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Important note on changes to ALFA's Consolidated Financial Statements

On August 17, 2020, ALFA's shareholders approved to spin-off ALFA's share ownership of Nemak into a new, listed entity: Controladora Nemak, S.A.B. de C.V. ("Controladora Nemak"). The shares of "Controladora Nemak" were distributed to ALFA shareholders and began trading on the Mexican Bolsa on December 14, 2020. In accordance with International Financial Reporting Standards ("IFRS"), Nemak met 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 all items related to Nemak as follows:
 - o At the close of 3Q20, as "Current assets from discontinued operations" and "Current liabilities from discontinued operations"
 - o At the close of 4Q20, all items are eliminated
 - o At the close of 3Q21, no figures shown related to Nemak
 - o Prior periods to 3Q20 were not restated
- The Consolidated Statement of Income presents Nemak's net revenues and expenses as a single line item "Profit (loss) from discontinued operations" as follows:
 - o 4Q20 accumulated figures for the two months and 14 days ended December 14, 2020
 - o 3Q20 accumulated figures from the complete quarter
 - o 3Q21 no figures shown related to Nemak
- The Change in Net Debt presents Nemak's net inflows and outflows as a single line item "Decrease (Increase) in Net Debt from Discontinued Operations" for the nine months ended September 30, 2020.
- The Change in Net Debt also presents Nemak's Net Debt balance as "Net Debt from Discontinued Operations" at the close of 3Q20. Prior periods are not restated.

ALFA reports 3Q21 EBITDA of US \$486 million; record US \$1.5 billion EBITDA in the first nine months of the year

3Q21 HIGHLIGHTS

ALFA	<ul style="list-style-type: none"> 2021 EBITDA Guidance revised up 10% to US \$1.937 billion driven by Alpek Record accumulated EBITDA of US \$1.517 billion Consolidated net leverage ratio of 2.5x; lowest since 2018
Alpek	<ul style="list-style-type: none"> 2021 EBITDA Guidance revised up 19% to US \$1.050 billion 3Q21 Comparable EBITDA of US \$234 million (+52% y-o-y) boosted primarily by record volume and better-than-expected margins in the Plastics & Chemicals segment Targets set for all material ESG issues, including Circularity and CO₂ emissions
Sigma	<ul style="list-style-type: none"> 3Q21 EBITDA of US \$176 million, down 2% y-o-y as growth in Mexico and Latam was offset by the U.S. and Europe Foodservice channel EBITDA 9x higher year-on-year and up 11% versus 3Q19 Profitability enhancement initiatives in Europe moving forward – signed agreement to sell operations in Belgium and the Netherlands
Axtel	<ul style="list-style-type: none"> 3Q21 EBITDA of US \$46 million, down 7% y-o-y mainly due to lower Government segment sales and delays in project implementation due to limited availability of equipment amid the global semiconductor shortage Strong acquisition rate of highly specialized services year to date versus first nine months of 2020: Cybersecurity +13%, Cloud +72% and Systems Integration +29% Year-to-date EBITDA in line with Guidance

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SELECTED FINANCIAL INFORMATION (US \$ MILLIONS)

	3Q21	2Q21	3Q20	Ch. % vs. 2Q21	Ch. % vs. 3Q20	YTD '21	YTD '20	Ch. %
ALFA & Subs with Nemak as Discontinued Operations								
ALFA Revenues	3,976	3,731	3,057	7	30	11,095	9,107	22
Alpek	2,082	1,849	1,325	13	57	5,545	3,933	41
Sigma	1,729	1,707	1,577	1	10	5,049	4,684	8
Axtel	138	149	140	(7)	(2)	426	429	(1)
ALFA EBITDA¹	486	496	438	(2)	11	1,517	1,117	36
Alpek	279	273	179	2	56	876	364	141
Sigma	176	182	179	(3)	(2)	540	506	7
Axtel	46	57	49	(20)	(7)	148	257	(43)
ALFA Comparable EBITDA²	440	449	365	(2)	21	1,303	1,044	25
Alpek	234	225	154	4	52	662	450	47
Sigma	176	182	179	(3)	(2)	540	506	7
Axtel	46	57	49	(20)	(7)	148	146	1
Majority Net Income³	125	99	171	25	(27)	378	253	49
CAPEX & Acquisitions⁴	107	183	67	41	60	369	234	58
Net Debt⁵	4,875	4,811	4,894	1	-	4,875	4,894	-
Alpek	1,323	1,247	1,235	6	7	1,323	1,235	7
Sigma	1,692	1,728	1,930	(2)	(12)	1,692	1,930	(12)
Axtel	613	625	595	(2)	3	613	595	3
ALFA Net Debt/LTM EBITDA⁶	2.5	2.6	3.0					
ALFA LTM Interest Coverage⁷	5.2	5.0	4.4					

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

2 Excludes extraordinary items.

3 Majority Net Income includes Majority Net Income from Discontinued Operations (Nemak).

4 Gross amount; excludes divestments and Capex from Discontinued Operations (Nemak).

5 Net Debt adjusted for Discontinued Operations (excluding Nemak) at the close of 3Q20; previous periods unchanged.

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

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



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Message from ALFA's President

"We hope you and your families have all remained healthy and safe. It has been encouraging to see the decline in COVID-19 cases around the world, following the resurgence during the third quarter related to the Delta variant.

Our businesses continue to demonstrate an ability to successfully operate in a highly dynamic and fluid macro environment. ALFA delivered double-digit top line and EBITDA growth amid supply chain shortages and inflationary pressures affecting the global economy. Quarterly revenue advanced 30% and EBITDA was up 11% versus 3Q20, driven by a strong performance from Alpek. Moreover, ALFA's accumulated EBITDA through September reached a record US \$1.517 billion, putting us on track to exceed our full-year guidance of US \$1.767 billion.

Alpek once again delivered better-than-expected EBITDA, boosted by sustained margin strength. Year-to-date results at Sigma and Axtel are in line with their respective EBITDA estimations. Effective revenue management and a rapid Foodservice channel recovery offset raw material cost pressures and other supply chain headwinds faced by Sigma. Axtel benefitted from a stronger-than-expected Mexican Peso as the Government segment continued to weigh on its Service business unit.

For the remainder of the year, Alpek expects to continue capitalizing on a favorable margin environment, raising its 2021 EBITDA guidance by US \$170 million to a record US \$1.050 billion. Sigma and Axtel maintained previously announced EBITDA guidance figures. At the ALFA level, the latest estimations result in a new 2021 EBITDA Guidance of US \$1.937 billion - the second highest figure in our history.

In addition to our solid operating performance, we continue to advance on the three key components of our Unlocking Value Strategy: reducing leverage, focusing on the core businesses and enhancing business independence.

- i) **Reducing leverage:** A fundamental aspect to unlocking ALFA's full value potential is ensuring that our capital structure is appropriately balanced throughout the transformation process. 3Q21 marks an important milestone as ALFA posted consolidated Net Debt to EBITDA of 2.5x for the first time since 2018, driven in part by Alpek's low leverage of 1.2x.

Moreover, we are committed to accelerating deleverage through strategic initiatives such as the potential sale of Axtel. The Axtel team continues to be actively engaged with potential buyers. However, it is important to note that ALFA's Unlocking Value Strategy will continue moving forward in any scenario supported by additional options to achieve our leverage target.

- ii) **Focusing on the core businesses:** Throughout the transformation process, the business units have been undertaking important initiatives to boost their underlying value.

Sigma advanced on its comprehensive plan to enhance profitability in Europe by signing an agreement to sell its operations in Belgium and the Netherlands to Ter Beke Group. This transaction will allow the Company to concentrate on core European markets, complementing a broad range of initiatives being implemented to achieve its double-digit EBITDA margin target in the region.

Alpek concluded the first phase of a comprehensive ESG effort known as “Project Evergreen”, focused on setting ambition levels and aligning the Company to achieve specific targets related to each of its 12 material issues. Regarding “Carbon emissions & eco-efficiency”, Alpek is committed to the Paris Agreement, 27.5% reduction in Scope 1 and 2 emissions by 2030 (2019 base) and carbon neutrality by 2050. On “Circularity (PET)”, the Company plans to increase its PET bottle recycling capacity to 300 ktons by 2025 to meet customers’ recycled content needs. We invite you to review Alpek’s full set of targets at: www.alpek.com/ESG/Targets

Axtel launched “Alestra Móvil”, the first “Mobile Virtual Network Operator” (MVNO) in Mexico through a partnership with AT&T Mexico. This enhances the Company’s wide solutions offering with new mobility services to customers.

- iii) **Enhancing business independence:** We celebrate the merger of Nemark and Controladora Nemark, effective September 6th, which marks the successful completion of a multi-stage process that initiated with the announcement of ALFA’s Unlocking Value Strategy in 3Q20.

At the corporate level, we remain focused on supporting our individual businesses to achieve service-related independence from ALFA. An important part of this effort involves the gradual transfer of personnel from ALFA to its Subsidiaries. ALFA Corporate headcount is down 14% year-to-date as we continue to make progress on this front.

In closing, I would like to extend my sincerest thanks to our team members around the world for their collective efforts to reach our financial, operational and strategic goals. We are on track to close 2021 on a strong footing to continue with our orderly transformation process.”

Keep well/Stay safe,

Álvaro Fernández

ALFA (BMV: ALFAA) Consolidated Financial Results

INCOME STATEMENT (US \$ Millions)

	3Q21	2Q21	3Q20	(%) 3Q21 vs.		YTD '21	YTD '20	Ch. %
				2Q21	3Q20			
Total Revenues	3,976	3,731	3,057	7	30	11,095	9,107	22
Gross Profit	840	844	752	-	12	2,562	1,941	32
Operating expenses and others	(510)	(504)	(475)	(1)	(7)	(1,512)	(1,336)	(13)
Operating income (loss)	330	340	276	(3)	19	1,050	605	74
Financial cost, net	(120)	(78)	(73)	(54)	(65)	(365)	(327)	(12)
Share of losses of associates	(1)	0	1	(307)	(183)	(1)	(3)	75
Income Tax	(43)	(99)	(86)	57	50	(158)	33	(577)
Profit (loss) from Continuing Operations	167	164	118	2	41	527	309	70
Profit (loss) from Discontinued Operations ¹	0	0	95	-	(100)	0	(31)	100
Consolidated net income (loss)	167	164	214	2	(22)	527	278	90
Controlling Interest	125	99	171	25	(27)	378	253	49
EBITDA	486	496	438	(2)	11	1,517	1,117	36
EBITDA/Revenues (%)	12.2	13.3	14.3			13.7	12.3	

¹ Breakdown of Profit (loss) from Discontinued Operations shown on Table 10.

Total Revenues in 3Q21 were US \$3.976 billion, up 30% when compared to 3Q20. The increase was primarily driven by higher average consolidated prices at Alpek as well as a better-than-expected recovery from the Foodservice channel and a stronger Mexican Peso at Sigma. Accumulated Revenues were US \$11.095 billion, up 22% when compared to nine months ended September 30, 2020 (see Table 2).

EBITDA was US \$486 million, up 11% year-on-year mainly boosted by higher than expected polypropylene and polyester margins at Alpek. 3Q21 EBITDA includes a US \$45 million net gain from extraordinary items related to Alpek, mainly comprised of a US \$22 million non-cash inventory gain and a US \$21 million positive carry-forward effect, given higher Paraxylene and Propylene prices. As a reminder, Alpek's carry-forward effect reflects the estimated impact from feedstock price swings between the time of purchase and consumption. Alpek simplified its Comparable EBITDA calculation as of 1Q21, integrating the carry-forward effect as an extraordinary item. ALFA's Comparable EBITDA figures prior to 1Q21 have been adjusted to reflect this change. Accumulated EBITDA was US \$1.517 billion, up 36% year-on-year, a record for any first nine months of the year.

Adjusting for extraordinary items in all periods, Comparable ALFA EBITDA was US \$440 million, US \$449 million and US \$365 million in 3Q21, 2Q21 and 3Q20, respectively. Comparable ALFA EBITDA was up 21% year-on-year, boosted by 52% growth at Alpek. Accumulated Comparable EBITDA was US \$1.303 billion, up 25% year-on-year (see Tables 3, 4 and 5).

Operating Income was US \$330 million, up from US \$276 million in 3Q20 reflecting the increase in EBITDA explained above. Accumulated Operating Income was US \$1.050 billion, versus US \$605 million in the same period of 2020 (see Table 3).

Comprehensive Financing Expense (CFE) of US \$120 million was up from US \$73 million in 3Q20 primarily due to foreign exchange losses in 3Q21 versus FX gains in 3Q20, related to the fluctuation of the Mexican Peso in each period. Accumulated CFE was US \$365 million, up 12% year-on-year (see Table 6).

Controlling Interest Net Income was US \$125 million in 3Q21 compared to US \$171 million in 3Q20 which benefited from a US \$95 million gain from Discontinued Operations (i.e. Nemark). Accumulated Controlling Interest Net Income was US \$378 million, versus US \$253 million in the same period of 2020 driven by higher Operating Income in 2021. The increase in accumulated Operating Income was partially offset by higher Income Tax. It is important to note that Income Tax in the first nine months of 2020 benefitted from a gain in Deferred Taxes related to the significant depreciation of the Mexican Peso during that time (see Table 7).

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CHANGE IN NET DEBT (US \$ Millions)

				(%) 3Q21 vs.		YTD	YTD	
	3Q21	2Q21	3Q20	2Q21	3Q20	'21	'20	Ch. %
EBITDA	486	497	438	(2)	11	1,517	1,117	36
Net Working Capital	(288)	25	86	-	(433)	(539)	54	-
Capital Expenditures & Acquisitions	(107)	(183)	(67)	41	(60)	(369)	(234)	(58)
Net Financial Expenses	(86)	(81)	(89)	(5)	3	(298)	(277)	(7)
Taxes	(12)	(54)	(44)	79	74	(225)	(295)	24
Dividends	(20)	(122)	0	84	-	(189)	(133)	(42)
Other Sources (Uses)	(36)	(29)	(100)	(24)	64	(75)	(78)	4
Decrease (Increase) in Net Debt from Discontinued Operations ¹	0	0	115	-	(100)	0	(175)	100
Net Debt from Discontinued Operations – Nemak	0	0	1,405	-	(100)	0	1,405	(100)
Decrease (Increase) in Net Debt	(64)	52	1,745	(222)	(104)	(176)	1,382	(113)

¹ Breakdown of Decrease (Increase) in Net Debt from Discontinued Operations shown on Table 11.

Net Debt was US \$4.875 billion at the close of 3Q21, slightly lower year-on-year and 1% below 2Q21. On an absolute basis, consolidated ALFA Net Debt increased US \$176 million versus year-end 2020 due primarily to Alpek. Investment in Net Working Capital and Capex are the two largest line items behind the US \$138 million year-to-date increase in Net Debt posted by Alpek.

As of September 30, 2021, Cash totaled US \$1.345 billion, down US \$133 million quarter-on-quarter. At the close of 3Q21, ALFA had US \$2.812 billion in available Credit Lines. Financial ratios at the close of 3Q21 were: Net Debt to EBITDA of 2.5 times and Interest Coverage of 5.2 times, compared with 3.0 and 4.4 times in 3Q20, respectively (see Table 8).

Net Working Capital was US \$288 million during 3Q21, driven by a US \$244 million investment at Alpek amid a sustained rise in raw material prices. Accumulated Net Working Capital was US \$539 million mainly due to the effect of higher feedstock prices in Alpek.

Capital Expenditures (CAPEX) & Acquisitions was US \$104 million in 3Q21, up 49% versus 3Q20 which had lower-than-normal Capex as part of the actions taken to maximize cash flow amid COVID-19. Sigma and Alpek accounted for 79% of total Capex during the quarter. The remainder of these funds were used for maintenance and minor asset replacements at the subsidiary level. Accumulated CAPEX was US \$360 million versus US \$76 million in the first nine months of 2020.

Dividends of US \$20 million in 3Q21 correspond to dividends paid to minority shareholders at the subsidiary level. Accumulated Dividends were US \$190 million up from US \$133 million in the first nine months of 2020. Accumulated Dividends to ALFA shareholders in 2021 were US \$124 million.

RECENT DEVELOPMENTS - ALFA

2021 Guidance	<ul style="list-style-type: none"> 2021 EBITDA Guidance revised upwards driven by better-than-expected Alpek results and outlook 				
	(US \$ Millions)	Revised 3Q21	Revised 2Q21	Revised 1Q21	Original 2021
	EBITDA				
	ALFA ¹	1,937	1,767	1,637	1,448
	Alpek ²	1,050	880	750	561
	Sigma	725	725	725	725
Unlocking Value	Axtel	209	209	209	209
	1 - Includes US \$200 million extraordinary items from Alpek (ALFA Comparable EBITDA: US \$1.737 billion)				
	2 - Includes US \$200 million extraordinary items (Alpek Comparable EBITDA: US \$850 million)				
	<ul style="list-style-type: none"> Transformational initiative to maximize valuation – eliminate conglomerate discount Gradual and orderly transition towards full business independence (vs conglomerate) Transfer absolute autonomy to ALFA shareholders Commitment to maintain strong credit profile throughout transformation Steady progress on transformational plan; emphasis on three key directives: <ul style="list-style-type: none"> Reduce leverage – 2.5x Net debt/EBITDA target Focus on core businesses – Sigma, Alpek and Axtel Enhance business independence – transfer of corporate service capabilities 				

<p>NAFINSA Trust ("NT")</p>	<ul style="list-style-type: none"> • As reported in July 2021, ALFA successfully completed the process to expand the maximum NT threshold to 75% of ALFA's shares outstanding • The approved threshold of 75% is equivalent to 3,681,908,265 shares, based on the number of ALFA shares outstanding on September 30, 2021 • Based on figures provided by Nacional Financiera, S.N.C., the number of ALFA shares held by foreign investors on September 30, 2021 was 2,420,319,234 shares, equivalent to 49.30% of ALFA shares outstanding • The new threshold provides ample room for foreign investors to continue investing in ALFA
<p>ALFA Extraordinary Shareholders' Meeting</p>	<ul style="list-style-type: none"> • Extraordinary Shareholders' Meeting held on July 29, 2021 • Shareholders approved the merger between ALFA Corporativo and ALFA S.A.B., and the proposed amendment to article 2 of ALFA S.A.B.'s bylaws (Corporate purpose) • The merger and the amendment to ALFA S.A.B.'s bylaws are required under the new outsourcing law in Mexico • These changes give ALFA the flexibility to continue providing services to its subsidiaries while the Unlocking Value plan is completed
<p>Index updates following the expansion of the NAFINSA Trust threshold</p>	<ul style="list-style-type: none"> • FTSE announced an update which resulted in an increase of ALFA shares in certain indexes (effective at the close of September 17, 2021) • ALFA actively engaged with MSCI in anticipation to its upcoming index review (November 11, 2021)

Results by Business

Sigma – FOOD PRODUCTS

43% of ALFA's Revenues in 3Q21



QUARTERLY HIGHLIGHTS

- Further progress in European profitability enhancement initiatives (see Recent Developments section)
- All-time high quarterly Consolidated Revenues driven by record revenues in Mexico and the U.S.
- U.S. EBITDA impacted by industry-wide challenges primarily related to inflationary cost pressures
- European results impacted by a temporary suspension of a license required for pork exports to China
- Foodservice channel EBITDA 11% above pre-pandemic levels

SELECTED FINANCIAL INFORMATION (US \$ MILLIONS)

	3Q21	2Q21	3Q20	(% 3Q21 vs.)		YTD '21	YTD '20	Ch. %
				2Q21	3Q20			
Volume (ktons)	423	428	422	(1)	-	1,270	1,285	(1)
Mexico	210	212	202	(1)	4	623	616	1
Europe	108	109	115	(1)	(6)	329	346	(5)
United States	80	84	81	(5)	(1)	246	251	(2)
Latam	25	24	24	6	5	72	73	(2)
Revenues	1,729	1,707	1,577	1	10	5,049	4,684	8
Mexico	728	714	580	2	26	2,080	1,786	16
Europe	573	583	602	(2)	(5)	1,732	1,710	1
United States	310	300	286	3	8	899	853	5
Latam	118	111	109	6	8	339	336	1
EBITDA	176	182	179	(3)	(2)	540	506	7
Mexico	111	107	84	3	32	311	247	26
Europe	28	32	41	(12)	(32)	98	87	12
United States	26	33	44	(20)	(40)	97	143	(32)
Latam	11	10	9	11	19	33	29	15
CAPEX & Acquisitions¹	53	31	25	72	114	118	83	42
Net Debt	1,692	1,728	1,930	(2)	(12)	1,692	1,930	(12)
Net Debt / LTM EBITDA*	2.4	2.4	2.8					
LTM Interest Coverage ^{2*}	6.5	6.4	5.4					

* Times. LTM = Last 12 months

¹ Gross amount; does not include divestments

² Interest Coverage = EBITDA/Net Financial Expenses

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INCOME STATEMENT (US \$ MILLIONS)

	3Q21	2Q21	3Q20	(%) 3Q21 vs		YTD '21	YTD '20	Ch. %
				2Q21	3Q20			
Total Revenues	1,729	1,707	1,577	1	10	5,049	4,684	8
Gross Profit	467	477	452	(2)	3	1,415	1,318	7
Operating expenses and others	(346)	(350)	(329)	1	(5)	(1,041)	(976)	(7)
Operating income (loss)	120	127	123	(5)	(2)	374	342	9
Financial cost, net	(28)	(64)	(33)	57	16	(122)	(35)	(249)
Share of losses of associates	0	0	1		(100)	-	1	(100)
Income Tax	(37)	(46)	(47)	20	22	(98)	(54)	(82)
Consolidated net income (loss)	56	17	43	236	29	154	254	(39)
EBITDA	176	182	179	(3)	(2)	540	506	7
EBITDA/Revenues (%)	10.2	10.7	11.4			10.7	10.8	

Volume was flat versus 3Q20 despite price increases amid inflationary cost pressures in the U.S., Mexico and Latam. The Foodservice channel recovery in Mexico and Latam, offset lower volume in Europe. Lower volume in Europe was caused by a decrease in sales due to the temporary suspension of a license required for pork exports to China. Excluding Foodservice results, volumes decreased 3% year-on-year. The Foodservice channel volume increased 31% year-on-year and 7% sequentially.

Average prices in local currency increased 5%, with Mexico, the U.S., and Latam reaching high-single-digit growth rates driven by revenue management initiatives in response to higher raw material costs. Meanwhile, average prices in Europe were flat in local currency amid lower pork prices in the region.

Revenues were US \$1.729 billion, up 10% year-on-year. Record quarterly consolidated revenues were driven by revenue management initiatives, a stronger Mexican Peso, and resilient volume despite higher prices. In local currency, revenues were 5% above 3Q20, explained by solid results in Mexico, the U.S., and Latam, which offset the impact from lower European pork exports to China. Revenues in local currencies, increased by 14% in Mexico, 8% in the U.S., and 13% Latam and were 6% lower in Europe when compared to the same period of the previous year (see Table 2).

Accumulated revenues were US \$5.049 billion, 8% higher year-on-year and continue in line with Sigma's full year guidance despite the challenging operating environment. In local currency, accumulated revenues increased by 3% year-on-year.

EBITDA was US \$176 million, a 2% decrease year-on-year. This decline was mainly due to temporary margin pressures due to higher raw material costs in the Americas, and lower European pork exports to China. Results were partially offset by a solid operating performance in Mexico and Latam. In local currency, consolidated EBITDA decreased by 7% when compared to 2020. It is important to note that in 3Q21 the Foodservice channel EBITDA was 9 times higher year-on-year and reached 11% above pre-pandemic levels (2019).

Consolidated EBITDA margin decreased by 117bps to 10.2% year-on-year in 3Q21 mainly due to raw material cost increases in the Americas. However, the nine-month EBITDA margin is 10.7%, in line with the Company's Guidance. Accumulated EBITDA was US \$540 million, up 7% year-on-year, and 2% above 2019 levels. In local currency, accumulated EBITDA was up 2% year-on-year.

Operating Income was US \$120 million, 2% lower when compared to the US \$123 million for 3Q20 reflecting the aforementioned EBITDA decrease. Accumulated Operating Income was US \$374 million, 9% higher year-on-year (see Table 14).

Comprehensive Financing Expense (CFE) was US \$28 million, 15% lower versus US \$33 million in 3Q20, supported by a foreign exchange gain and a lower Net Financial Expense in 3Q21. Accumulated CFE was US \$122 million, up from US \$35 million year-on-year, mainly explained by exchange rate losses year-to-date, related to fluctuations in the Mexican Peso. These were partially offset by a lower Net Financial Expense (see Table 15).

Net Income was US \$56 million in 3Q21 versus US \$47 million in 3Q20, mainly due to lower CFE and income tax year-on-year. The lower income tax during 3Q21 was related to a decrease in deferred taxes. Accumulated Net Income decreased 39% year-on-year to US \$154 million because of a higher CFE and income tax year-on-year.

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CHANGE IN NET DEBT (US \$ MILLIONS)

	3Q21	2Q21	3Q20	(%) 3Q21 vs		YTD '21	YTD '20	Ch. %
				2Q21	3Q20			
EBITDA	176	182	179	(3)	(2)	540	506	7
Net Working Capital	(47)	30	24	(259)	(295)	(70)	(105)	33
Capital Expenditures & Acquisitions	(53)	(31)	(25)	(72)	(114)	(118)	(83)	(42)
Net Financial Expenses	(29)	(27)	(31)	(8)	7	(84)	(98)	14
Taxes	(5)	(19)	(45)	72	88	(65)	(164)	60
Dividends	0	(51)	0	100	-	(101)	0	100
Other Sources (Uses)	(7)	(31)	(37)	79	82	(38)	8	(585)
Decrease (Increase) in Net Debt	36	53	65	(33)	(46)	64	64	-

Net Debt was US \$1.692 billion, 12% and 2% below 3Q20 and 2Q21, respectively. On an absolute basis, Net Debt decreased US \$64 million year-to-date, due to a solid operating performance, an improvement in Net Working Capital, and slower-than-expected CAPEX deployment.

Cash totaled US \$831 million at the end of 3Q21, US \$241 million higher year-on-year and an increase of US \$17 million when compared to 2Q21. Over 70% of cash is held in US dollar and Euros. Financial ratios at the end of the quarter were: Net Debt to EBITDA of 2.4 times and Interest Coverage of 6.5 times (see Table 16).

Net Working Capital increased US \$47 million during 3Q21, reflecting an investment in inventories and a decrease in accounts payables. Accumulated net working capital investment was US \$70 million, 33% lower when compared to the US \$105 million invested during 2020.

Capital Expenditures (CAPEX) totaled US \$53 million during the quarter, 120% higher versus 3Q20. Meanwhile, accumulated CAPEX was US \$117 million, 41% above the same period of 2020. Approximately 80% of CAPEX utilized during 2021 was related to maintenance, while the remainder was invested in expansion and optimization projects.

Dividends. No dividends were paid during the third quarter. Cumulative 2021 dividends remain at US \$101 million.

INDUSTRY COMMENTS - SIGMA

Consumer confidence and retail sales

The U.S., Mexico, and European Consumer Confidence Indexes and mobility indicators continued to improve, supported by vaccination programs amid the recent surge in COVID-19 cases.

In Mexico, the average consumer confidence reported by INEGI¹ remained flat sequentially and increased 8-points to 43.3, when compared to 3Q20. Meanwhile, same-store-sales, reported by ANTAD² increased an average of 10% year-on-year.

Foodservice and Convenience channels continue recovering as mobility and out-of-home consumption increase. For example, hotel occupancy rates at tourist beach destinations reached 57%, and public schools finally reopened after being closed since the beginning of the pandemic.

In the United States, the consumer confidence recovery slowed during the quarter but was 25% higher year-on-year. The Conference Board Consumer Confidence Index indicates consumers have grown more cautious due to fading stimulus and inflationary pressures. Retail sales reported by the U.S. Census Bureau were 4.7% higher year-on-year, primarily driven by back-to-school shopping.

In Europe, the average consumer confidence index reported by the European Commission reflected a recovery from -14.5 in 3Q20 to -4.6 in 3Q21, as COVID-19 cases drop, vaccination programs continue, and mobility restrictions ease.

In Latin America, restrictive measures differ by country, and activities continue to normalize as vaccines are applied, having a positive impact on the Foodservice channel.

Exchange Rate

The Mexican Peso versus the US dollar appreciated by 9% year-on-year. In contrast, the Euro depreciated 1% when compared to 3Q20. During the quarter, Sigma's Latam currency mix experienced a net depreciation effect versus the US dollar of approximately 5% year-on-year.

¹ Instituto Nacional de Estadística y Geografía – National Institute for Statistics and Geography

² Asociación Nacional de Tiendas de Autoservicio y Departamentales - National Association of Supermarkets and Department Stores

Raw Materials

Raw materials in the Americas continued experiencing inflationary pressures during the quarter. As a result, prices reached record levels driven by a strong demand and industry-wide challenges in the supply chain. During the quarter, Sigma leveraged its global sourcing capabilities to meet customer demand and to maintain client service levels.

The company implemented revenue management initiatives to mitigate the impact from these challenges. However, given the ongoing increase in raw material prices, the timing of these actions generates a temporary margin pressure, which eases as price increases go into effect.

Prices for pork ham and trimmings in the U.S. were 47% and 149% higher year-on-year, surpassing prices observed during 2019 when the African Swine Fever affected global pork prices. By the end of the quarter, these prices were US \$0.73 and US \$0.76 per pound, a 43% and 69% increase versus 3Q20 average levels, respectively. In Europe, pork prices declined year-on-year due to lower demand from China and ample availability of pork meat in the market, with pork ham, shoulder, and lean hog prices at 4%, 6% and 2% below 3Q20.

In the U.S., a strong demand for poultry, low inventory levels, and supply chain challenges have also increased pressure on poultry prices. Turkey breast prices rose 61% and 42% year-on year and on a sequential basis, respectively. Turkey thigh prices increased 74% year-on-year and 12% when compared to 2Q21. Chicken prices increased 127% above 3Q20 and 2% sequentially.

The Company relies on long-term relationships with suppliers to ensure the availability and quality of its raw material inputs, better pricing conditions, and prompt delivery, among other considerations.

RESULTS BY REGION - SIGMA

During 3Q21, revenues in Mexico accounted for 42% of the total, while Europe represented 33%, the U.S. 18%, and Latam 7%.

Mexico: In local currency, Revenues increased 14% year-on-year, due to revenue management initiatives in response to raw material inflationary pressures and a continued recovery in the Foodservice and Convenience channels. Average prices increased 9% and volume was up 4% year-on-year.

The Foodservice channel continued its recovery, despite the surge in COVID-19 cases, with revenues 76% above 3Q20 and 9% below 3Q19. Meanwhile, Foodservice EBITDA grew 14 times year-on-year and is 14% above pre-pandemic levels, boosted by increased consumer mobility, as well as cost and expense savings initiatives implemented throughout the pandemic.

EBITDA, in Pesos, increased 19%, driven by efficient revenue management and a continued recovery in the Foodservice channel. Excluding Foodservice results, Revenues and EBITDA increased by 8% and 5%, respectively, versus 3Q20.

Accumulated Revenues and EBITDA were US \$2.080 billion and US \$311 million, 16% and 26% above the same period of the prior year, respectively. In local currency, accumulated Revenues and EBITDA increased 9% and 17%, respectively.

Europe: Revenues in Euros decreased 6% year-on-year in 3Q21, mainly due to lower pork exports to China, while prices remained stable amid lower pork prices in the region.

Foodservice in Europe continued recovering despite a surge in COVID-19 cases, supported by higher out-of-home consumption during the quarter. Foodservice Revenues increased 19% year-on-year and are 8% below 3Q19 levels. Foodservice EBITDA increased almost 3 times versus pre-pandemic levels.

EBITDA, in local currency, decreased 33% year-on-year, mainly due to the impact from lower pork export to China. Excluding the Fresh Meat business Revenues and EBITDA decrease of 2% and 4%, respectively.

Accumulated Revenues and EBITDA were US \$1.732 billion and US \$98 million, 1% and 12% higher year-over-year, respectively. In local currency, accumulated Revenues and EBITDA decreased 5% and increased 6%, respectively.

United States: Record Quarterly Revenues were US \$310 million in 3Q21, up 8% year-on-year, despite industry-wide challenges. Higher revenues were driven by price increases in response to inflationary cost pressures, and a positive mix effect due to a recovery on the European Heritage Brands. Additional price increases have been negotiated and are expected to go into effect in 4Q21. Meanwhile, 3Q21 volumes were flat year-on-year and comparable to pre-pandemic levels.

EBITDA in the region was US \$26 million, down 40% year over year, mainly due to inflationary cost pressures, labor shortages, and other supply chain-related factors.

Accumulated Revenues and EBITDA were US \$899 million and US \$97 million, 5% higher and 32% lower year-over-year, respectively. The EBITDA decrease was mainly a result of industry-wide challenges primarily related to inflationary cost pressures.

Latam: Revenues in local currencies increased 13% year-on-year with Foodservice reflecting a recovery since 2Q20. As a result, EBITDA was 23% higher, further supported by continued cost and expense reduction initiatives. Excluding Foodservice results, Revenues and EBITDA both increased 3% and 5% year-on-year, respectively.

Accumulated Revenues increased 1% to US \$339 million, and EBITDA reached US \$33 million, up 15% year-over-year. In local currencies, accumulated Revenues and EBITDA increased 5% and 19% year-over-year, respectively.

RECENT DEVELOPMENTS – SIGMA

Europe Turnaround	<ul style="list-style-type: none"> Agreement to sell operations in Belgium and the Netherlands, which represented approximately 1% of 2020 consolidated EBITDA; subject to clearance by competition authorities and local employee consultation rights. Sigma press release available here
Growth BU	<p>Plant-Based</p> <ul style="list-style-type: none"> New global brand launched in Europe, U.S. and Mexico - "Better Balance" Better Balance offers healthy and delicious plant-based food options The brand was created at Sigma's Growth Business Unit We invite you to learn more about this brand at www.betterbalancefoods.com <p>Snacking</p> <ul style="list-style-type: none"> Snacking revenues increased 11% year-on-year in 3Q21 and 19% year-to-date <p>Grill House - New Business Models</p> <ul style="list-style-type: none"> Grill House is a premium B2C service app focused on consumers who love the grill Won the E-Commerce Marketer of the year award by Certified Angus Beef 15% compound monthly growth rate since the platform was launched Operates in 5 Mexican cities with plans to open 2 new locations in the remainder of the year <p>Tastech by Sigma</p> <ul style="list-style-type: none"> 11 startups are running pilots across Sigma regions "Demo day" scheduled to take place on November 30, 2021
Innovation	<ul style="list-style-type: none"> 117 new products launched during 3Q21 and over 1,000 in the last 36 months New products launched in the last 36 months represented 10% of 3Q21 Revenues
Sustainability	<ul style="list-style-type: none"> Recognition awarded to Sigma's 2020 Sustainability report by The Hallbars Sustainability Awards 2021 as #2 Best in the World in category B15 Diversified Food, and #1 in C20 Latin America The Campofrio Frescos plant will install solar panels to obtain 11% of its energy requirements, while decreasing 978 tons of direct CO₂ emissions Merco's 2021 Ranking recognizes companies with the best corporate reputations: Campofrio was among the Top 20 Spanish companies, and #3 in the food sector; Sigma Mexico was among the Top 10 in the food sector
Financial Hedges	<ul style="list-style-type: none"> As of September 2021, currency forward hedges totaled US \$525 million with an average exchange rate of \$20.77 MXN/USD, enough to cover Sigma's US dollar needs for the next 10 to 12 months

(See "Financial Statements" for Sigma's 3Q21 Balance Sheet and Income Statement)

Earnings Report

Third Quarter 2021 (3Q21)

alfa

Alpek (BMV: ALPEKA) – PETROCHEMICALS

52% of ALFA's revenues in 3Q21



SELECTED FINANCIAL INFORMATION (US \$ MILLIONS)

	3Q21	2Q21	3Q20	(% 3Q21 vs		YTD '21	YTD '20	Ch. %
				2Q21	3Q20			
Volume (ktons)	1,195	1,201	1,260	(1)	(5)	3,627	3,554	2
Polyester	924	945	1,026	(2)	(10)	2,865	2,927	(2)
Plastics & Chemicals	271	256	234	6	16	762	627	21
Revenues	2,082	1,849	1,325	13	57	5,545	3,933	41
Polyester	1,228	1,183	990	4	24	3,480	3,009	16
Plastics & Chemicals	682	610	297	12	130	1,763	818	116
EBITDA	279	273	179	2	56	876	364	141
Polyester	138	134	109	3	27	456	200	128
Plastics & Chemicals	138	136	67	2	108	398	156	155
Others	2	3	3	(22)	(20)	22	7	203
Comparable EBITDA¹	234	225	154	4	52	662	450	47
Polyester	107	102	95	5	12	299	291	3
Plastics & Chemicals	124	120	56	4	123	342	152	125
Others	3	3	3	(22)	(20)	22	7	203
CAPEX & Acquisitions²	32	132	23	(76)	39	195	65	200
Net Debt	1,323	1,247	1,235	6	7			
Net Debt / LTM EBITDA [*]	1.2	1.3	1.7					
LTM Interest Coverage ^{3*}	8.0	7.3	7.0					

* Times. LTM = Last 12 months

1 Excludes extraordinary items

2 Gross amount; does not include divestments

3 Interest Coverage = EBITDA/Net Financial Expenses

Volume was 1,195 kttons down 5% and 1% versus 3Q20 and 2Q21, respectively. The Plastic & Chemicals (P&C) segment reflected a record for any quarter as demand for Expandable Polystyrene (EPS) continued to increase in the construction and e-commerce segments. However, this strong performance was offset by the Polyester segment where volume was down 2% quarter-on-quarter as the drought in Altamira, Mexico which temporarily affected PTA production in 2Q21, extended into 3Q21. Accumulated volume was 3,627 kttons, up 2% when compared with the same period in 2020, reflecting strong overall demand and continuing on a record-setting annual pace.

Revenues totaled US \$2.082 billion in 3Q21, up 13% versus 3Q20, reflecting higher average consolidated prices and solid volume. Accumulated revenues were US \$5.545 billion, up 41% versus the same period in 2020.

EBITDA was US \$279 million, up 56% from 3Q20, including a non-cash inventory gain of US \$22 million and a positive carry-forward effect of US \$21 million related to the increase in Paraxylene and Propylene prices. Accumulated EBITDA totaled US \$876 million, 141% higher than in 2020.

Comparable EBITDA was US \$234 million, up 52% versus 3Q20, reflecting record volume in the P&C segment, stronger than expected polyester margins, record levels for polypropylene margins and solid EPS performance. Accumulated Comparable EBITDA was US \$662 million, up 47% versus 2020, on track for a record year.

Capital expenditures (CAPEX) & Acquisitions were US \$32 million in 3Q21, compared to US \$23 million in 3Q20. Accumulated CAPEX totaled US \$195 million, including US \$96 million for the acquisition of CarbonLITE's recycled PET plant.

Net Debt was US \$1.323 billion, up 7% and 6% when compared with 3Q20 and 2Q21, respectively. Cash totaled US \$390 million at the end of the third quarter. Financial ratios at the close of 3Q21 were Net Debt to EBITDA of 1.2 times and Interest Coverage of 8.0 times.

RECENT DEVELOPMENTS - ALPEK

Project Evergreen – ESG initiative	<ul style="list-style-type: none"> • Focused on setting ambitious targets and concrete key actions for each of Alpek's ESG material issues • Highlighted commitments include: <ul style="list-style-type: none"> • Carbon Emissions and Eco-efficiency: <ul style="list-style-type: none"> ○ Targeting a Scope 1 and 2 emissions reduction of 27.5% by 2030 (2019 base) ○ Reaching carbon neutrality by 2050 ○ Begin measuring its Scope 3 emissions • Circularity for PET: <ul style="list-style-type: none"> ○ Increase its PET bottle recycling capacity to 300 thousand annual metric tons by 2025 • Occupational Safety: <ul style="list-style-type: none"> ○ Reach a Total Recordable Incident Rate (TRIR) for its employees and contractors in the top decile of its industry (<0.25) • Corporate Governance: <ul style="list-style-type: none"> ○ Enhance the diversity and experience of its Board ○ Increase the frequency in which ESG topics & metrics are reviewed
Upward revision of 2021 EBITDA Guidance	<ul style="list-style-type: none"> • Alpek's 2021 EBITDA Guidance revised upwards once more based on stronger-than-expected accumulated 2021 results and a favorable margin environment expected through year-end • New 2021 Guidance: <ul style="list-style-type: none"> • Assumptions <ul style="list-style-type: none"> ○ Average Brent oil reference price: US \$70 per barrel remains unchanged ○ Asian Integrated PET reference margin for 4Q: US \$315 per ton • EBITDA Guidance <ul style="list-style-type: none"> ○ Reported EBITDA: US \$1,050 million (previous US \$880 million) ○ Comparable EBITDA: US \$850 million (previous US \$765 million) • CAPEX Guidance unchanged at US \$250 million

(See "Appendix – 3Q21 Reports of Listed Businesses" for Alpek's complete 3Q21 Earnings Report)

Earnings Report

Third Quarter 2021 (3Q21)



Axtel (BMV: AXTELCPO) – IT & TELECOM

axtel



3% of ALFA's Revenues in 3Q21

SELECTED FINANCIAL INFORMATION (US \$ MILLIONS)

	3Q21	2Q21	3Q20	(%) 3Q21 vs.		YTD '21	YTD '20	Ch. %
				2Q21	3Q20			
Revenues	138	149	140	(7)	(2)	426	429	(1)
Services - Enterprise	94	94	89	-	6	280	273	3
Services - Government	15	16	21	(7)	(28)	48	67	(29)
Infrastructure	60	69	58	(14)	3	189	173	9
Eliminations	(31)	(31)	(28)	-	(11)	(91)	(85)	(8)
EBITDA	46	57	49	(20)	(7)	148	257	(43)
CAPEX & Acquisitions¹	24	17	17	40	46	55	71	(22)
Net Debt	613	625	595	(2)	3	613	595	3
Net Debt / LTM EBITDA [*]	3.1	3.1	1.9					
LTM Interest Coverage ^{2*}	3.6	3.6	5.1					

* Times. LTM = Last 12 months

1 Gross amount; does not include divestments

2 Interest Coverage = EBITDA/Net Financial Expenses

Revenues totaled US \$138 million, down 2% year-on-year, as the decline in Government Segment revenues was partially offset by the appreciation of the Mexican Peso. On a currency neutral basis, revenues decreased 11% year-on-year due to a 10% decline in the Services unit and a 7% decrease in the Infrastructure unit. The Peso denominated decline in the Services unit was primarily caused by a 35% drop in the Government segment revenues due to termination of contracts and decline in acquisitions of relevant long-term projects, mainly with the federal government. Accumulated Revenues were US \$426 million, down 1% versus the first nine months of 2020 as growth in the Enterprise Services and Infrastructure unit was offset by lower revenues in the Government Services segment.

EBITDA was US \$46 million, down 7% year-on-year. On a currency neutral basis, 3Q21 EBITDA decreased 15% year-on-year as lower Service and Infrastructure unit revenues were partially offset by lower operating expenses. Accumulated EBITDA was US \$148 million, down 43% year-on-year due to extraordinary gains of US \$111 million reported during 2020, which included the one-time gain from the Data Center sale. Adjusting for extraordinary items, Accumulated Comparable EBITDA was up 1% versus the same period last year driven by the Infrastructure unit. On a currency neutral basis, Accumulated Comparable EBITDA was down 6% year-on-year primarily attributable to a 12% decline in the Service unit.



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Capital expenditures (CAPEX) & Acquisitions totaled US \$24 million in 3Q21, compared to US \$17 million in 3Q20. Accumulated CAPEX totaled US \$55 million, down 22% versus 2020, which included an extraordinary investment of US \$22 million for the renewal of spectrum frequencies.

Net Debt was US \$613 million at the close of 3Q21, up 3% when compared to 3Q20 but 2% lower versus 2Q21. On an absolute basis, Net Debt increased US \$11 million year to date resulting from a US \$102 million decrease in gross debt; a US \$3 million non-cash decrease in debt caused by a 2% depreciation of the Mexican Peso; and a US \$116 million decrease in cash. Cash totaled US \$53 million at the end of the third quarter. Financial ratios at the close of 3Q21 were: Net Debt to EBITDA of 3.1 times and Interest Coverage of 3.6 times.

RECENT DEVELOPMENTS - AXTEL

Strategic Sale Process	<ul style="list-style-type: none"> Continues to be actively engaged with potential buyers
Data Center Connect solution	<ul style="list-style-type: none"> Axtel Networks presented its Data Center Connect solution, enabling connectivity between any data center and cloud infrastructure in the world, with low latency and high reliability
Liquidity	<ul style="list-style-type: none"> Axtel repaid US \$20 million under one of its two committed revolving loan facilities With this reduction, available balance under existing committed facilities is ~US \$40 million
Alestra Móvil	<ul style="list-style-type: none"> The first “Mobile Virtual Network Operator” (MVNO) in Mexico through partnership with AT&T Mexico This enhances the Company’s wide solutions offering with new mobility services to customers

(See “Appendix - 3Q21 Reports of Listed Businesses” for Axtel’s complete 3Q21 Earnings Report)

Newpek - OIL & GAS



Following ALFA's decision to exit the oil and gas business and the subsequent sale of the Eagle Ford and Edwards Shale formations, Newpek has become a significantly smaller part of ALFA.

As a result, Newpek's financial results are no longer shown as separate line items. However, additional information related to the remaining operations of Newpek are available in Tables 17, 18 and 19 (pg. 37).

Nemak (BMV: NEMAKA) – ALUMINUM AUTOPARTS



In accordance with International Financial Reporting Standards (IFRS), ALFA's Consolidated Results account for Nemak as Discontinued Operations due to the spin-off of this business.

Additional details related to the effects of discontinued operations on ALFA's consolidated results are available in Tables 9, 10 and 11.

It is important to note that accounting for Nemak as a Discontinued Operation in ALFA's financial statements ended on December 14, 2020.

Please refer to Nemak's 3Q21 Earnings Report for the full analysis of operating figures.

3Q21 EARNINGS CALL INFORMATION

Date: Thursday, October 21, 2021

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: 13723382

Webcast: <http://public.viavid.com/index.php?id=146612>

Replay: <https://www.alfa.com.mx/RI/conference.htm>

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 largest producers of polyester (PTA, PET and fibers), and the leader in the Mexican market for polypropylene, expandable polystyrene (EPS) and caprolactam. Axtel, a provider of Information Technology and Communication services for the enterprise and government segments in Mexico. In 2020, ALFA reported revenues of Ps. 263,867 million (US \$12.3 billion), and EBITDA of Ps. 32,597 million (US \$1.5 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.

Earnings Report

Third Quarter 2021 (3Q21)



Tables

ALFA

Table 1 | VOLUME AND PRICE CHANGES (%)

	3Q21 vs.		YTD '21 vs.
	2Q21	3Q20	YTD '20
Total Volume	0.7	1.4	2.8
Domestic Volume	2.8	12.7	9.3
Foreign Volume	(2.7)	(13.4)	(6.0)
Avg. Ps. Prices	5.6	16.1	9.9
Avg. US \$ Prices	5.9	28.3	18.5

Table 2 | REVENUES

	3Q21	2Q21	3Q20	3Q21 vs.		YTD '21	YTD '20	Ch. %
				(%) 2Q21	(%) 3Q20			
Total Revenues								
Ps. Millions	79,552	74,801	67,575	6	18	223,271	197,538	13
US \$ Millions	3,976	3,731	3,057	7	30	11,095	9,107	22
Domestic Revenues								
Ps. Millions	34,314	30,910	24,632	11	39	93,175	72,690	28
US \$ Millions	1,715	1,542	1,114	11	54	4,631	3,365	38
Foreign Revenues								
Ps. Millions	45,238	43,891	42,943	3	5	130,096	124,848	4
US \$ Millions	2,261	2,189	1,942	3	16	6,463	5,742	13
Foreign / Total (%)	57	59	64	(3)	(11)	58	63	(8)

Table 3 | OPERATING INCOME AND EBITDA

	3Q21	2Q21	3Q20	3Q21 vs.		YTD '21	YTD '20	Ch. %
				(%) 2Q21	(%) 3Q20			
Operating Income								
Ps. Millions	6,601	6,825	6,132	(3)	8	21,162	12,838	65
US \$ Millions	330	340	276	(3)	19	1,050	605	74
EBITDA								
Ps. Millions	9,714	9,955	9,710	(2)	-	30,556	23,972	27
US \$ Millions	486	496	438	(2)	11	1,517	1,117	36
EBITDA/Revenues (%)*	12.2	13.3	14.3	(8)	(15)	13.7	12.3	11

*US dollar denominated EBITDA margin

Earnings Report

Third Quarter 2021 (3Q21)



Table 4 | EXTRAORDINARY ITEMS (US \$ Millions)

Company	Extraordinary item	3Q21	2Q21	3Q20	YTD '21	YTD '20
Alpek	Inventory gain (loss)	22	18	16	103	(43)
	Carry-forward gain (loss)	21	29	6	109	(52)
	Legal fees/expenses & others	1	1	3	2	9
	Total Alpek (previous)	24	19	19	105	(34)
	Total Alpek (with carry-forward)¹	45	48	25	214	(86)
Axtel	Data Center sale gain	-	-	-	-	107
	Spectrum sale gain	-	-	-	-	4
	Total Axtel	-	-	-	-	111
Newpek	Mexico expense recovery provision	-	-	(10)	-	(10)
	US assets sale gain	-	-	58	-	58
	Total Newpek	-	-	48	-	48
ALFA	Total effect on EBITDA (previous)	24	19	67	105	125
	Total effect on EBITDA (with carry forward)¹	45	48	73	214	73

1 Extraordinary items include "Carry-forward gain (loss)" beginning 1Q21. Total figures from previous quarters include the carry-forward effect for comparability purposes.

Table 5 | COMPARABLE EBITDA (US \$ Millions)

Company	3Q21	2Q21	3Q20	(%) 3Q21 vs.		YTD '21	YTD '20	Ch. %
				2Q21	3Q20			
ALFA	440	449	365	(2)	21	1,303	1,044	25
Alpek	234	225	154	4	52	662	450	47
Sigma	176	182	179	(3)	(2)	540	506	7
Axtel	46	57	49	(20)	(7)	148	146	1
Newpek	(3)	(3)	(2)	24	(37)	(9)	(15)	41
ALFA EBITDA/Revenues (%)	11.1	12.0	12.0			11.7	17.3	

Table 6 | COMPREHENSIVE FINANCING INCOME / EXPENSE (US \$ Millions)

	3Q21	2Q21	3Q20	(%) 3Q21 vs.		YTD '21	YTD '20	Ch. %
				2Q21	3Q20			
Financial Expenses	(94)	(89)	(96)	(6)	1	(319)	(307)	(4)
Financial Income	9	8	9	8	(6)	24	35	(31)
Net Financial Expenses	(86)	(81)	(86)	(6)	1	(295)	(272)	(9)
Exchange Rate Gains (Losses)	(35)	2	14	-	(355)	(71)	(55)	(29)
Capitalized Comp. Fin. Expense	0	0	0	(3)	79	1	0	53
Comprehensive Financing Expense	(120)	(78)	(73)	(54)	(65)	(365)	(327)	(12)
Avg. Cost of Borrowed Funds (%)	5.2	4.9	5.3			6.0	5.5	



Earnings Report

Third Quarter 2021 (3Q21)



Table 7 | NET INCOME (US \$ Millions)

	3Q21	2Q21	3Q20	(%) 3Q21 vs.		YTD '21	YTD '20	Ch. %
				2Q21	3Q20			
Consolidated Net Income (Loss)	167	164	214	2	(22)	527	278	90
Minority Interest	42	64	43	(34)	(1)	149	25	499
Majority Net Income (Loss)	125	99	171	25	(27)	378	253	49
Per Share (US dollars)	0.03	0.02	0.03	26	(27)	0.08	0.05	51
Avg. Outstanding Shares (Millions)	4,909	4,909	4,909			4,909	4,953	

Table 8 | STATEMENT OF FINANCIAL POSITION & FINANCIAL RATIOS (US \$ Millions)

	3Q21	2Q21	3Q20	(%) 3Q21 vs.	
				2Q21	3Q20
Assets					
Cash and cash equivalents	1,340	1,473	1,390	(9)	(4)
Trade accounts receivable	1,338	1,229	802	9	67
Inventories	2,108	1,933	1,619	9	30
Other current assets	743	791	684	-6	9
Current assets from discontinued operations ¹	0	0	5,055	-	(100)
Total current assets	5,530	5,425	9,550	2	(42)
Investment in associates and others	440	438	445	-	(1)
Property, plant and equipment, net	4,317	4,420	4,173	(2)	3
Goodwill and intangible assets, net	2,172	2,201	2,198	(1)	(1)
Other non-current assets	836	833	1,307	1	(36)
Total assets	13,295	13,317	17,672	-	(25)
Liabilities & stockholders' equity					
Debt	142	162	240	(12)	(41)
Suppliers	2,403	2,406	1,757	-	37
Other current liabilities	1,010	972	985	4	3
Current liabilities from discontinued operations ¹	0	0	3,333	-	(100)
Total current liabilities	3,556	3,540	6,315	-	(44)
Debt (include debt issuance cost)	5,741	5,788	5,726	(1)	-
Employees' benefits	227	238	209	(5)	9
Other long-term liabilities	803	829	836	(3)	(4)
Total liabilities	10,327	10,396	13,086	(1)	(21)
Total stockholders' equity	2,968	2,921	4,587	2	(35)
Total liabilities & stockholders' equity	13,295	13,317	17,672	-	(25)
Net Debt	4,875	4,811	4,894	1	-
Net Debt/EBITDA*	2.5	2.6	3.0		
Interest Coverage*	5.2	5.0	4.4		

* Times. LTM=Last 12 months

¹ Breakdown of Balance Sheet line items from Discontinued Operations shown on Table 9



Earnings Report

Third Quarter 2021 (3Q21)



Table 9 | STATEMENT OF FINANCIAL POSITION DISCONTINUED OPERATIONS – NEMAK (US \$ MILLIONS)

	3Q20
Current assets	1,719
Non-Current assets	3,336
Total assets	5,055
Current liabilities	1,500
Non-Current liabilities	1,833
Total liabilities	3,333

Table 10 | INCOME STATEMENT DISCONTINUED OPERATIONS – NEMAK (US \$ MILLIONS)

	3Q21	2Q21	3Q20	(% 3Q21 vs.)		YTD '21	YTD '20	Ch. %
				2Q21	3Q20			
Total Revenues	0	0	896	-	(100)	0	2,206	(100)
Gross Profit	0	0	150	-	(100)	0	259	(100)
Operating expenses and others	0	0	(45)	-	100	0	(192)	100
EBITDA	0	0	178	-	(100)	0	283	(100)
Operating income (loss)	0	0	105	-	(100)	0	67	(100)
Financial cost, net	0	0	(3)	-	100	0	(101)	100
Share of losses of associates	0	0	(1)	-	100	0	(1)	100
Income Tax	0	0	(6)	-	100	0	4	(100)
Profit (loss) from discontinued operations (Nemak)	0	0	95	-	(100)	0	(31)	100
Other effects associated to the Nemak spin-off (ALFA)	0	0	0	-	-	0	0	-
Profit (loss) from discontinued operations (ALFA)	0	0	95	-	(100)	0	(31)	100

Table 11 | CHANGE IN NET DEBT DISCONTINUED OPERATIONS – NEMAK (US \$ MILLIONS)

	3Q21	2Q21	3Q20	(% 3Q21 vs.)		YTD '21	YTD '20	Ch. %
				2Q21	3Q20			
EBITDA	0	0	178	-	(100)	0	283	(100)
Net Working Capital	0	0	36	-	(100)	0	(168)	100
Capital expenditures & Acquisitions	0	0	(49)	-	100	0	(188)	100
Net Financial Expenses	0	0	(17)	-	100	0	(54)	100
Taxes	0	0	(4)	-	100	0	(19)	100
Dividends	0	0	0	-	-	0	0	-
Other Sources / Uses	0	0	(29)	-	100	0	(29)	100
Decrease (Increase) in Net Debt	0	0	115	-	(100)	0	(175)	100

Earnings Report

Third Quarter 2021 (3Q21)



SIGMA

Table 12 | SIGMA - VOLUME AND PRICE CHANGES (%)

	3Q21 vs.		YTD '21 vs. YTD '20
	2Q21	3Q20	
Total Volume	(1.2)	0.3	(1.2)
Avg. Ps. Prices	2.3	(1.1)	1.2
Avg. US \$ Prices	2.5	9.3	9.1

Table 13 | SIGMA – REVENUES

	3Q21	2Q21	3Q20	3Q21 vs.		YTD '21	YTD '20	Ch. %
				(%) 2Q21	(%) 3Q20			
Total Revenues								
Ps. Millions	34,592	34,229	34,855	1	(1)	101,632	101,712	-
US \$ Millions	1,729	1,707	1,577	1	10	5,049	4,684	8
Foreign / Total (%)	58	58	63			59	62	

TABLE 14 | SIGMA - OPERATING INCOME AND EBITDA

	3Q21	2Q21	3Q20	3Q21 vs.		YTD '21	YTD '20	Ch. %
				(%) 2Q21	(%) 3Q20			
Operating Income								
Ps. Millions	2,410	2,546	2,719	(5)	(11)	7,534	7,460	1
US \$ Millions	120	127	123	(5)	(2)	374	342	9
EBITDA								
Ps. Millions	3,525	3,651	3,962	(3)	(11)	10,865	11,032	(2)
US \$ Millions	176	182	179	(3)	(2)	540	506	7

Table 15 | SIGMA - COMPREHENSIVE FINANCING INCOME / EXPENSE (US \$ Millions)

	3Q21	2Q21	3Q20	3Q21 vs.		YTD '21	YTD '20	Ch. %
				(%) 2Q21	(%) 3Q20			
Financial Expenses	(31)	(30)	(33)	(4)	5	(93)	(108)	14
Financial Income	3	2	3	11	(10)	8	9	(17)
Net Financial Expenses	(29)	(28)	(30)	(4)	5	(85)	(99)	14
Exchange Rate Gains (Losses)	1	(37)	(3)	102	129	(37)	64	(158)
Capitalized Comp. Fin. Expense	0	0	0	-	-	0	0	-
Comprehensive Financing Expense	(28)	(64)	(33)	57	16	(122)	(35)	(249)
Avg. Cost of Borrowed Funds (%)	4.3	4.3	4.2			4.3	4.3	

Earnings Report

Third Quarter 2021 (3Q21)



Table 16 | SIGMA - STATEMENT OF FINANCIAL POSITION & FINANCIAL RATIOS (US \$ Millions)

	3Q21	2Q21	3Q20	(% 3Q21 vs.	
				2Q21	3Q20
Assets					
Cash and cash equivalents	830	811	588	2	41
Trade accounts receivable	214	238	177	(10)	21
Inventories	858	843	822	2	4
Other current assets	198	206	197	(4)	1
Total current assets	2,101	2,098	1,783	-	18
Investment in associates and others	7	7	6	(3)	8
Property, plant and equipment, net	1,603	1,631	1,612	(2)	(1)
Goodwill and intangible assets, net	1,527	1,548	1,544	(1)	(1)
Other non-current assets	212	224	239	(5)	(11)
Total assets	5,451	5,507	5,185	(1)	5
Liabilities & stockholders' equity					
Debt	63	56	65	13	(3)
Suppliers	1,048	1,134	906	(8)	16
Other current liabilities	404	369	380	9	6
Total current liabilities	1,514	1,560	1,351	(3)	12
Debt (include debt issuance cost)	2,449	2,474	2,443	(1)	-
Employees' benefits	80	93	83	(14)	(3)
Other long-term liabilities	220	224	212	(2)	4
Total liabilities	4,264	4,350	4,088	(2)	4
Total stockholders' equity	1,187	1,157	1,097	3	8
Total liabilities & stockholders' equity	5,451	5,507	5,185	(1)	5
Net Debt	1,692	1,728	1,930	(2)	(12)
Net Debt/EBITDA*	2.4	2.4	2.8		
Interest Coverage*	6.5	6.4	5.4		

* Times. LTM=Last 12 months

Earnings Report

Third Quarter 2021 (3Q21)



NEWPEK

Table 17 | NEWPEK – REVENUES (US \$ Millions)

	3Q21	2Q21	3Q20	(% 3Q21 vs.)		YTD '21	YTD '20	Ch. %
				2Q21	3Q20			
Volume (MBOEPD)¹	1.4	1.3	1.4	5	(1)	1.4	4.2	(67)
Total Revenues								
Ps. Millions	67	66	52	2	28	184	541	(66)
US \$ Millions	3	3	2	3	40	9	26	(65)
Domestic Revenues								
Ps. Millions	64	63	31	1	108	175	286	(39)
US \$ Millions	3	3	1	2	122	9	14	(36)
Foreign Revenues								
Ps. Millions	3	3	22	17	(84)	9	255	(97)
US \$ Millions	0	0	1	18	(83)	0	12	(96)
Foreign / Total (%)	5	4	40	15	(88)	5	47	(90)

¹ Thousands of Barrels of Oil Equivalent Per Day

Table 18 | NEWPEK - OPERATING INCOME AND EBITDA (US \$ Millions)

	3Q21	2Q21	3Q20	(% 3Q21 vs.)		YTD '21	YTD '20	Ch. %
				2Q21	3Q20			
Operating Income								
Ps. Millions	(66)	(74)	1,023	11	(106)	(205)	(49)	(317)
US \$ Millions	(3)	(4)	46	11	(107)	(10)	(1)	(987)
EBITDA								
Ps. Millions	(53)	(69)	1,031	24	(105)	(182)	734	(125)
US \$ Millions	(3)	(3)	46	23	(106)	(9)	33	(128)
CAPEX								
US \$ Millions	1	(3)	(1)	144	224	(3)	(12)	73

Table 19 | NEWPEK - SELECTED BALANCE SHEET INFORMATION & FINANCIAL RATIOS (US \$ Millions)

	3Q21	2Q21	3Q20
Assets	557	564	521
Liabilities	193	195	233
Stockholders' Equity	364	369	288
Net Debt	(10)	(12)	(11)
Net Debt/EBITDA*	2.9	(0.3)	0.3
Interest Coverage*	0.3	(4.0)	2.9

* Times. LTM= Last 12 months

Earnings Report

Third Quarter 2021 (3Q21)



Financial Statements

ALFA, S.A.B. de C.V. and Subsidiaries

BALANCE SHEET

Information in millions of Nominal Mexican Pesos

	Sept 21	Jun 21	Sept 20	(% Sept 21 vs.	
				Jun 21	Sept 20
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	27,219	29,160	31,213	(7)	(13)
Trade accounts receivable	27,175	24,328	18,001	12	51
Other accounts and notes receivable	5,087	5,647	5,322	(10)	(4)
Inventories	42,801	38,280	36,355	12	18
Other current assets	10,002	10,014	10,046	-	-
Current assets from discontinued operations	0	0	113,531	-	(100)
Total current assets	112,284	107,429	214,468	5	(48)
Investments in associates and joint ventures	8,930	8,667	10,004	2	(11)
Property, Plant and equipment	87,671	87,522	93,708	-	(6)
Intangible assets	44,096	43,594	49,350	1	(11)
Other non-current assets	16,982	16,503	29,346	3	(42)
Total assets	269,963	263,715	396,876	2	(32)
LIABILITIES AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Current portion of long-term debt	1,867	1,914	3,338	(2)	(44)
Bank loans and notes payable	1,021	1,301	2,041	(22)	(50)
Suppliers	48,800	47,646	39,467	2	24
Other current liabilities	20,511	19,237	22,130	7	(7)
Current liabilities from discontinued operations	0	0	74,840	-	(100)
Total current liabilities	72,199	70,098	141,816	3	(49)
LONG-TERM LIABILITIES:					
Long-term debt	116,575	114,627	128,580	2	(9)
Deferred income taxes	9,420	9,626	10,408	(2)	(9)
Other liabilities	6,888	6,794	8,359	1	(18)
Estimated liabilities for seniority premiums and pension plans	4,609	4,719	4,704	(2)	(2)
Total liabilities	209,691	205,864	293,868	2	(29)
STOCKHOLDERS' EQUITY:					
Controlling interest:					
Capital stock	170	170	205	-	(17)
Earned surplus	43,443	41,568	77,881	5	(44)
Total controlling interest	43,613	41,738	78,086	4	(44)
Total Non-controlling interest	16,659	16,115	24,922	3	(33)
Total stockholders' equity	60,272	57,852	103,008	4	(41)
Total liabilities and stockholders' equity	269,963	263,715	396,876	2	(32)
Current ratio	1.6	1.5	1.5		
Debt to equity	3.5	3.6	4.6		



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Earnings Report

Third Quarter 2021 (3Q21)



ALFA, S.A.B. de C.V. and Subsidiaries

INCOME STATEMENT

Information in millions of Nominal Mexican Pesos

3Q21 vs. (%)

	3Q21	2Q21	3Q20	YTD '21	YTD '20	2Q21	3Q20
Net sales	79,552	74,801	67,575	223,271	197,538	6	18
Domestic	34,314	30,910	24,632	93,175	72,690	11	39
Export	45,238	43,891	42,943	130,096	124,848	3	5
Cost of sales	(62,742)	(57,872)	(50,942)	(171,679)	(155,378)	(8)	(23)
Gross profit	16,810	16,930	16,633	51,592	42,159	(1)	1
Operating expenses and others	(10,209)	(10,104)	(10,501)	(30,431)	(29,320)	(1)	3
Operating income	6,601	6,825	6,132	21,161	12,839	(3)	8
Comprehensive financing expense, net	(2,404)	(1,564)	(1,585)	(7,373)	(6,962)	(54)	(52)
Equity in income (loss) of associates	(12)	6	16	(13)	(56)	(300)	(175)
Income before the following provision	4,185	5,267	4,563	13,776	5,820	(21)	(8)
Provisions for:							
Income tax	(852)	(1,988)	(1,939)	(3,168)	584	57	56
Profit (loss) from continuing operations	3,333	3,279	2,625	10,607	6,405	2	27
Profit (loss) from discontinued operations	0	0	2,092	0	(861)	-	(100)
Consolidated net income	3,333	3,279	4,716	10,607	828	2	(29)
Income (loss) corresponding to minority interest	842	1,287	950	2,998	(557)	(35)	(11)
Net income (loss) corresponding to majority interest	2,491	1,992	3,766	7,610	5,152	25	(34)
EBITDA	9,714	9,955	9,710	30,556	23,972	(2)	-
Interest coverage*	5.1	5.0	4.3	5.1	4.3		

* Times. LTM=Last Twelve Months

Earnings Report

Third Quarter 2021 (3Q21)



Sigma Alimentos, S.A. de C.V. and Subsidiaries

BALANCE SHEET

Information in millions of Nominal Mexican Pesos

(%) Sept 21 vs.

Assets	Sept 21	Jun 21	Sept 20	Jun 21	Sept 20
CURRENT ASSETS:					
Cash and cash equivalents	16,851	16,066	13,197	5	28
Restricted cash	0	24	27	(100)	(100)
Customers, net	4,355	4,715	3,967	(8)	10
Income tax recoverable	690	680	622	1	11
Inventories	17,431	16,690	18,451	4	(6)
Other current assets	3,340	3,373	3,779	(1)	(12)
Total current assets	42,667	41,548	40,044	3	7
Property, plant and equipment, net	32,560	32,290	36,204	1	(10)
Intangible assets, net	16,745	16,490	18,717	2	(11)
Goodwill	14,267	14,168	15,965	1	(11)
Deferred income tax	3,285	3,564	4,013	(8)	(18)
Investments in associates and joint ventures	137	137	139	-	(2)
Other non-current assets	1,022	863	1,361	18	(25)
Total non-current assets	68,017	67,512	76,399	1	(11)
Total assets	110,684	109,060	116,443	1	(5)
LIABILITIES AND STOCKHOLDER'S EQUITY					
CURRENT LIABILITIES:					
Current debt	650	445	716	46	(9)
Notes payables	630	662	739	(5)	(15)
Suppliers	21,278	22,466	20,342	(5)	5
Income tax payable	833	525	600	59	39
Provisions	114	118	146	(3)	(22)
Other current liabilities	7,212	6,633	7,786	9	(7)
Total current liabilities	30,716	30,850	30,328	-	1
NON-CURRENT LIABILITIES:					
Non-current debt	47,808	47,007	52,632	2	(9)
Notes payables	1,928	1,980	2,225	(3)	(13)
Deferred income taxes	3,753	3,722	4,291	1	(13)
Employees benefits	1,626	1,842	1,854	(12)	(12)
Provisions	83	83	97	(1)	(14)
Income tax payable	627	623	373	1	68
Other non-current liabilities	35	35	4	-	823
Total non-current liabilities	55,860	55,292	61,475	1	(9)
Total liabilities	86,577	86,141	91,803	1	(6)
STOCKHOLDERS' EQUITY:					
Total controlling interest:	24,107	22,919	24,640	5	(2)
Total non-controlling interest:	0	0	0	-	-
Total stockholders' equity	24,107	22,919	24,640	5	(2)
Total liabilities and stockholders' equity	110,684	109,060	116,443	1	(5)

Earnings Report

Third Quarter 2021 (3Q21)



Sigma Alimentos, S.A. de C.V. and Subsidiaries

INCOME STATEMENT

	3Q21	2Q21	3Q20	YTD '21	YTD '20	3Q21 vs. (%)	
						2Q21	3Q20
Revenue	34,592	32,811	34,855	101,632	101,712	5	(1)
Cost of sales	(25,250)	(23,219)	(24,861)	(73,141)	(73,058)	9	2
Gross profit	9,342	9,591	9,994	28,491	28,654	(3)	(7)
Selling expenses	(5,420)	(5,319)	(5,637)	(16,205)	(16,575)	2	(4)
Administrative expenses	(1,567)	(1,656)	(1,690)	(4,832)	(4,666)	(5)	(7)
Other income (expenses), net	55	(39)	52	80	48	(241)	6
Operating profit	2,410	2,578	2,719	7,534	7,460	(7)	(11)
Comprehensive financial expenses, net	(558)	(610)	(730)	(2,457)	(691)	(9)	(24)
Equity in income (loss) of associates	0	0	13	0	12	-	(100)
Profit before income tax	1,852	1,968	2,003	5,077	6,781	(6)	(8)
Provisions for:							
Income tax	(739)	(309)	(1,063)	(1,975)	(1,224)	140	(30)
Net consolidated profit	1,113	1,659	940	3,102	5,558	(33)	18
Non-controlling interest	0	0	0	0	0	-	-
Controlling interest	1,113	1,659	940	3,102	5,558	(33)	18

Appendix - Listed Business 3Q21 Reports

Alpek (BMV: ALPEKAA) – Petrochemicals

Axtel (BMV: AXTELCPO) – IT & Telecom



THIRD QUARTER **2021 RESULTS**

Alpek Posts Comparable EBITDA of U.S. \$234M (Reported EBITDA of U.S. \$279M) EBITDA Guidance raised to U.S. \$850M as Margins and Volume Resiliency Expected to Continue

Monterrey, Mexico – October 20th, 2021 – Alpek, S.A.B. de C.V. (BMV: ALPEK), a leading petrochemical company in the Americas, announced today its third quarter 2021 results (3Q21).

QUARTERLY HIGHLIGHTS

- Strong overall volume of 1.2 million tons (-1% QoQ) and record P&C volume of 271 thousand tons (+6% QoQ)
- Comparable EBITDA of U.S. \$234 million (+4% QoQ) due to strong 3Q volume and continued strength in margins
- Accumulated Controlling Interest Net Income of U.S. \$356 million through three quarters (+594% YoY) as a result of strong operational results
- Leverage further improved to 1.2x as a result of strong improvement in last-twelve-months EBITDA
- Targets set for Alpek's material ESG issues, including Circularity, CO₂ Emissions, Safety and Corporate Governance
- Comparable EBITDA Guidance raised to U.S. \$850 million (+11%) due to better-than-expected results and outlook

3Q21 KEY METRICS

(in U.S.\$ million, except for volume and production figures)

	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
Volume¹ (ktons)	1,195	1,201	1,260	(1)	(5)	3,627	3,554	2
Polyester	924	945	1,026	(2)	(10)	2,865	2,927	(2)
Plastics & Chemicals	271	256	234	6	16	762	627	21
Production (ktons)	1,565	1,526	1,608	3	(3)	4,712	4,779	(1)
Polyester	1,285	1,240	1,337	4	(4)	3,871	3,996	(3)
Plastics & Chemicals	281	286	271	(2)	4	841	782	8
Revenues	2,082	1,849	1,325	13	57	5,545	3,933	41
Polyester	1,228	1,183	990	4	24	3,480	3,009	16
Plastics & Chemicals	682	610	297	12	130	1,763	818	116
EBITDA	279	273	179	2	56	876	364	141
Polyester	138	134	109	3	27	456	200	128
Plastics & Chemicals	138	136	67	2	108	398	156	155
Others	2	3	3	(22)	(20)	22	7	203
Comparable EBITDA²	234	225	154	4	52	662	450	47
Polyester	107	102	95	5	12	299	291	3
Plastics & Chemicals	124	120	56	4	123	342	152	125
Others	3	3	3	(22)	(20)	22	7	203
Net Income (Controlling Interest)	111	124	65	(10)	71	356	51	594
CAPEX	32	132	23	(76)	39	195	65	200
Net Debt	1,323	1,247	1,235	6	7			
Net Debt / EBITDA³	1.2	1.3	1.7					

(1) Excludes intracompany sales (2) Excludes inventories, carry-forward effects, and non-operating, one-time (gains) losses (3) Times: last 12 months

MESSAGE FROM OUR CEO

“During this quarter, Alpek has once again exceeded expectations and set three new records. We reached our highest ever quarterly volume and Comparable EBITDA for the Plastics & Chemicals segment, as well as Alpek’s highest Comparable EBITDA for the first three quarters in a year. While we expected that Polyester margins would normalize through year-end and Polypropylene margins would return to historical levels after a longer-than-expected run, quite the opposite happened. Elevated marine freight costs and the impact of Hurricane Ida to producers in the U.S. Gulf Coast increased PP margins and kept Polyester margins strong. Based on our record-breaking performance so far this year, and our confidence that 2021 will end on a high note, we are once again raising annual EBITDA Guidance figures.

In 3Q21, we also embarked on Project Evergreen, a comprehensive and analytically based effort designed to understand, benchmark, define, and communicate our ambition levels and corresponding targets for each of Alpek’s material ESG issues. Our most important commitments from this initiative include reaching carbon neutrality by 2050, improving safety rates to the industry’s top decile, and increasing PET recycling capacity to over 300 thousand tons.”



José de Jesús Valdez

CEO

Overview

The third quarter of 2021 was a testament to the continued strength of the global economy and demand for our products across both segments. Starting with refined products, average Brent crude oil prices increased to U.S. \$73 dollars per barrel, 6% higher than in 2Q21, and closing the quarter at U.S. \$79 dollars per barrel. U.S. average reference paraxylene (“Px”) prices increased accordingly by 7% versus last quarter. In Plastics & Chemicals, average reference Propylene prices increased to U.S. \$0.82 per pound, 23% higher than the U.S. \$0.67 per pound in 2Q21.

Demand for petrochemical products also remained strong in 3Q21, and high marine freight costs have raised import parity pricing in the Americas. The combination of these effects led Asian integrated Polyester reference margins to an average of U.S. \$318 dollars per ton in 3Q21 (+27% YoY), higher than Alpek’s latest Guidance figure of U.S. \$300 dollars per ton. Polypropylene margins also rose to an average U.S. \$0.52 per pound (+11% QoQ) partially due to continued demand strength, the impact of Hurricane Ida on U.S. Gulf Coast producers, as well as the aforementioned high cost of Asian alternatives.

Project Evergreen

Over the past two years, Alpek has made a concerted effort to improve the way it identified material ESG risks, addressed these issues head-on, disclosed its relative progress, and worked tirelessly on being a more responsible steward of the planet and the concerns of the company’s broader stakeholder base.

This quarter, Alpek reached the next milestone in its ESG strategy by carrying out the first phase of *Project Evergreen*, a comprehensive and analytical review of the global ESG landscape, as well as our progress to date, focused on aligning the entire company behind concrete ambition levels, targets, and key action items for each of Alpek's 12 material issues.

Regarding the issue of **Carbon Emissions and Eco-Efficiency**:

"Alpek is committed to the Paris Agreement. It is targeting a Scope 1 and 2 emissions reduction of 27.5% by 2030 (2019 base), reaching carbon neutrality by 2050, and will begin measuring its Scope 3 emissions."

To reach its goals, Alpek will begin to transition its energy contracts to renewable energy sources, identify and execute a series of energy efficiency projects at its operations, and explore new technologies that will allow it to eliminate fossil-fuel-based steam generation.

In terms of **Circularity** for PET:

"Alpek plans to increase its PET bottle recycling capacity to 300 thousand annual metric tons by 2025 to meet its customers' recycled content needs."

It will do so by expanding its current rPET operations, carrying out focused M&A in the sector, and focusing on providing value-added pelletization, needed to ensure bottle-to-bottle recycling. For Polypropylene and EPS, the company is focused on solutions pertaining to chemical recycling and biodegradability.

On the topic of **Occupational Safety**:

"Alpek plans to reach a Total Recordable Incident Rate (TRIR) for its employees and contractors in the top decile of its industry, though its goal remains to achieve zero accidents every single day."

Key activities for this goal include performing safety audits led by experts, higher reliance on technology to reduce human error, alignment in variable compensation mechanisms, and strong training initiatives to foster a next-level safety culture.

Finally, regarding **Corporate Governance**:

"Alpek is committed to further improving the composition and effectiveness of its Board by increasing the frequency in which ESG topics & metrics are reviewed, as well as enhancing the diversity and experience of its members."

On this front, the company plans to propose changes to its Board composition at its next Shareholders' Meeting. It will also be providing increased disclosure and information to facilitate proxy voting.

For more detailed information on the targets for all twelve of Alpek's material issues, visit: www.alpek.com/esg/targets

Revised Guidance & Outlook

In the Second Quarter 2021 Earnings Report, Alpek updated its Guidance figures to reflect a longer-than-expected strong margin environment. Having observed this strength carry over into 3Q21, and with elevated freight costs likely to continue providing additional protection to an already strong supply/demand balance through year-end, the Company is once again updating its guidance figures as well as the underlying key assumptions.

In the Polyester segment, Alpek expects Asian integrated margins to remain at approximately U.S. \$315 dollars per ton through year-end. In Plastics & Chemicals, the strength of Polypropylene margins is also expected to last through the end of the fourth quarter, albeit at levels lower than current figures. Volume figures for both segments should remain in line with original guidance and at record levels.

Finally, we are maintaining CAPEX Guidance at U.S. \$250 million. Overall, at the end of this quarter we have a more positive outlook for the remainder of 2021 and for 2022.

New guidance figures are based on the following underlying key assumptions:

- Average Brent crude oil reference price of U.S. \$70 dollars per barrel
- 4Q Average Asian Integrated PET Reference Margins of U.S. \$315 dollars per ton

	Revised 2021 Guidance (U.S.\$M)	Change (% vs. '20)	Previous 2021 Guidance (U.S.\$M)	Change (% vs. '20)
Reported EBITDA	U.S. \$1,050M	86	U.S. \$880M	56
Comparable EBITDA	U.S. \$850M	41	U.S. \$765M	27

Alpek will further discuss its revised guidance figures during its 3Q21 Webcast.

FINANCIAL RESULTS

EBITDA

(in U.S.\$ million)

	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
Reported EBITDA	279	273	179	2	56	876	364	141
Inventory Adjustment	(22)	(18)	(16)	(26)	(42)	(103)	43	(337)
Carry-forward effect	(21)	(29)	(6)	26	(256)	(109)	52	(307)
Others	(1)	(1)	(3)	(31)	54	(2)	(9)	77
Comparable EBITDA	234	225	154	4	52	662	450	47

Comparable EBITDA was U.S. \$234 million, 4% higher than 2Q21, because of record P&C volume, normalization of polyester margins at higher-than-historical levels, record figures for polypropylene margins, and solid EPS performance.

Reported EBITDA was U.S. \$279 million, 2% higher than in 2Q21. This quarter reflected a positive inventory effect of U.S. \$22 million and carry-forward effect of U.S. \$21 million given increased Px and Propylene prices.

INCOME STATEMENT

(in U.S.\$ million)

	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
Total Revenues	2,082	1,849	1,325	13	57	5,545	3,933	41
Gross Profit	300	284	180	6	66	918	367	150
Operating expenses and others	(74)	(63)	(57)	(18)	(30)	(198)	(164)	(21)
Operating Income	226	221	123	2	83	720	203	255
Financial cost, net	(37)	(19)	(16)	(99)	(126)	(130)	(100)	(30)
Share of losses of associates	(1)	(1)	(1)	5	(17)	(1)	(2)	42
Income tax	(46)	(43)	(27)	(7)	(73)	(135)	(23)	(478)
Consolidated Net Income	142	159	80	(10)	78	454	78	481
Controlling interest	111	124	65	(10)	71	356	51	594

Revenues for the third quarter totaled U.S. \$2,082 million, 13% higher than 2Q21, due to higher average consolidated prices and strong consolidated volume in 3Q21.

Net Income attributable to Controlling Interest for the third quarter of 2021 was U.S. \$111 million, compared to U.S. \$124 million in 2Q21. This decrease was due to higher financial costs.

CASH FLOW

(in U.S.\$ million)

	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
EBITDA	279	273	179	2	56	876	364	141
Net Working Capital & Others	(245)	6	56	(4,539)	(535)	(432)	183	(336)
CAPEX	(32)	(132)	(23)	76	(39)	(195)	(65)	(200)
Financial Expenses	(26)	(25)	(25)	(4)	(3)	(117)	(76)	(54)
Income Tax	(3)	(32)	4	91	(168)	(79)	(97)	19
Dividends	(20)	(128)	-	85	(100)	(171)	(163)	(4)
Payment to affiliated companies	(2)	-	-	(100)	(100)	(3)	-	(100)
Other Sources / Uses	(27)	11	2	(354)	(1,353)	(19)	(50)	63
Decrease (Increase) in Net Debt	(76)	(28)	193	(173)	(139)	(138)	95	(245)

Net Working Capital (NWC) totaled U.S. \$245 million partly due to the continued rise in raw material prices and increase to inventory levels.

CAPEX for the quarter totaled U.S. \$32 million, keeping Alpek in line with its annual CAPEX guidance.

NET DEBT & LEVERAGE

(in U.S.\$ million)

	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)
Net Debt	1,323	1,247	1,235	6	7
EBITDA (LTM)	1,077	977	719	10	50
Net Debt / EBITDA (LTM)	1.2	1.3	1.7		

Consolidated Net Debt as of September 30, 2021 was U.S. \$1.323 billion, up 6% and 7% QoQ and YoY respectively. Net Debt increased by U.S. \$76 million during 3Q21. Gross Debt reached U.S. \$1.713 billion, and Cash declined to U.S. \$390 million, a slight decrease to levels more in line with historical averages. Financial ratios for the quarter improved as Net Debt to EBITDA was further reduced to 1.2x and Interest Coverage to 8.0x, with Leverage decreasing due to higher LTM EBITDA.

RESULTS BY BUSINESS SEGMENT: POLYESTER

(Purified Terephthalic Acid (PTA), Polyethylene Terephthalate (PET), rPET, Polyester fibers – 64% of Alpek's Net Sales)

QUARTERLY HIGHLIGHTS

- Polyester volume of 924 thousand tons (-2% QoQ), which was slightly impacted by nature-related events
- Integrated Asian polyester reference margins remained strong (+27% YoY), due to a high spread vs. Chinese figures
- Polyester Comparable EBITDA of U.S. \$107 million (+5% QoQ), due to resilient volume and margins
- Polyester Reported EBITDA of U.S. \$138 million (+3% QoQ), with an inventory gain (U.S. \$18 million) and a positive carry-forward effect (U.S. \$11 million) that were lower than in 2Q21

KEY METRICS - POLYESTER (in U.S.\$ million, except volume and production)	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
Volume (ktons)	924	945	1,026	(2)	(10)	2,865	2,927	(2)
Production (ktons)	1,285	1,240	1,337	4	(4)	3,871	3,996	(3)
Revenues	1,228	1,183	990	4	24	3,480	3,009	16
Reported EBITDA	138	134	109	3	27	456	200	128
Inventories	(18)	(14)	(5)	(34)	(302)	(82)	47	(273)
Carry-forward effect	(11)	(17)	(6)	34	(89)	(73)	52	(240)
Others	(1)	(1)	(3)	(20)	62	(2)	(9)	80
Comparable EBITDA	107	102	95	5	12	299	291	3

Polyester Volume was 924 thousand tons in 3Q21, 2% lower quarter-on-quarter, as the drought in Altamira, Mexico, which temporarily affected local PTA production in the second quarter, extended into part of 3Q21. Additionally, the company took precautionary measures against Hurricane Ida at one of its U.S. Gulf Coast facilities, which reduced output for the quarter. Volume would have been similar to last year's record levels had it not been for these two nature-related events.

Polyester Comparable EBITDA reached U.S. \$107 million, 5% higher QoQ. This was due to strong average Asian integrated polyester margins of U.S. \$318 dollars per ton.

As a result of a 6% increase in the average Brent Crude oil price, average U.S. reference paraxylene ("Px") prices rose by 7% QoQ. This resulted in a non-cash **inventory gain** of U.S. \$18 million and a positive **carry-forward effect** of U.S. \$11 million in 3Q21.

Polyester Reported EBITDA was U.S. \$138 million for the quarter, up 3% versus 2Q21, as a result of positive inventory, carry-forward effects and others that resulted in a U.S. \$31 million gain in line with last quarter's U.S. \$32 million gain, as feedstock prices remained high.

RESULTS BY BUSINESS SEGMENT: PLASTICS & CHEMICALS (P&C)

(Polypropylene (PP), Expandable Polystyrene (EPS), Caprolactam (CPL), Other products – 31% of Alpek's Net Sales)

QUARTERLY HIGHLIGHTS

- Record P&C volume of 271 thousand tons (+6% QoQ) as EPS demand increased in construction and e-commerce
- Record Polypropylene margins of U.S. \$0.52 per pound (+11% QoQ) as demand continues to outpace supply
- Record P&C Comparable EBITDA of U.S. \$124 million (+4% QoQ) mainly from strong EPS volume and PP margins
- P&C Reported EBITDA of U.S. \$138 million (+2% QoQ), due to an inventory gain (U.S. \$4 million) and a positive carry-forward effect (U.S. \$10 million)

KEY METRICS – P&C (in U.S.\$ million, except volume and production)	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
Volume (ktons)	271	256	234	6	16	762	627	21
Production (ktons)	281	286	271	(2)	4	841	782	8
Revenues	682	610	297	12	130	1,763	818	116
Reported EBITDA	138	136	67	2	108	398	156	155
Inventories	(4)	(4)	(11)	2	65	(21)	(4)	(418)
Carry-forward effect	(10)	(12)	-	15	(100)	(35)	-	(100)
Others	-	-	-	-	-	-	-	-
Comparable EBITDA	124	120	56	4	123	342	152	125

P&C Volume was 271 thousand tons, up 6% QoQ and 16% YoY, exceeding the previous record for any quarter. Excluding the incremental volume from the Styrenics business acquired in the United States, volume was still 4% higher quarter-on-quarter as demand for EPS has continued to increase in the construction and e-commerce segments.

P&C Comparable EBITDA set a new quarterly record at U.S. \$124 million, up 4% and 123% when compared to 2Q21 and 3Q20, respectively, mainly due to record PP margins resulting from a strong supply/demand balance and high marine freight costs which have increased import parity pricing from Asia.

Propylene prices averaged U.S. \$0.82 per pound, up 23% versus 2Q21, as Hurricane Ida affected producers along the U.S. Gulf Coast, resulting in a non-cash **inventory gain** of U.S. \$4 million and positive **carry-forward effect** of U.S. \$10 million.

P&C Reported EBITDA was U.S. \$138 million during the quarter, up 2% QoQ and 108% YoY, reflecting the record business fundamentals described for 3Q21, as well as the previously mentioned inventory gain and positive carry-forward effect.

ABOUT ALPEK

Alpek is a leading petrochemical company operating two business segments: “Polyester” (PTA, PET, rPET, and polyester fibers), and “Plastics & Chemicals” (polypropylene, expandable styrenics, caprolactam, and other specialty & industrial chemicals). Alpek is a leading producer of PTA and PET worldwide, the largest rPET producer in the Americas, the 3rd largest expandable polystyrene manufacturer worldwide, and the only producer of polypropylene and caprolactam in Mexico.

NOTE ON FORWARD LOOKING STATEMENTS

This release 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, results could vary from those set forth in this release. The report presents unaudited financial information based on International Financial Reporting Standards (IFRS). Figures are stated in nominal Mexican pesos (\$) and in current U.S. Dollars (U.S. \$), as indicated. Where applicable, peso amounts were translated into U.S. Dollars using the average exchange rate of the months during which operations were recorded. Financial ratios are calculated in U.S. Dollars. Due to the rounding up of figures, small differences may occur when calculating percent changes from one period to the other.

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APPENDIX A – ADDITIONAL FINANCIAL INFORMATION

TABLE 1 PRICE CHANGES (%)	QoQ (%)	YoY (%)	Ch. (%)
Polyester			
Avg. Ps. Prices	6	25	10
Avg. U.S. \$ Prices	6	38	18
Plastics & Chemicals			
Avg. Ps. Prices	6	80	65
Avg. U.S. \$ Prices	6	98	77
Total			
Avg. Ps. Prices	13	50	28
Avg. U.S. \$ Prices	13	66	38

TABLE 2 REVENUES	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
Total Revenues								
Ps. Million	41,652	37,077	29,310	12	42	111,559	85,280	31
U.S. \$ Million	2,082	1,849	1,325	13	57	5,545	3,933	41
Domestic Revenues								
Ps. Million	16,474	13,189	8,547	25	95	41,421	24,075	72
U.S. \$ Million	823	658	382	25	115	2,059	1,112	85
Foreign Revenues								
Ps. Million	25,178	23,888	20,853	5	21	70,138	61,205	15
U.S. \$ Million	1,258	1,191	943	6	33	3,486	2,822	24
Foreign / Total (%)	60	64	71			63	72	

TABLE 3 OP. INCOME AND EBITDA	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
Operating Income								
Ps. Million	4,522	4,437	2,735	2	65	14,505	4,369	232
U.S. \$ Million	226	221	123	2	83	720	203	255
EBITDA								
Ps. Million	5,581	5,481	3,958	2	41	17,656	7,863	125
U.S. \$ Million	279	273	179	2	56	876	364	141

TABLE 4 COMPARABLE EBITDA	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
EBITDA								
Ps. Million	5,581	5,481	3,958	2	41	17,656	7,863	125
U.S. \$ Million	279	273	179	2	56	876	364	141
Adjustments*								
Ps. Million	(905)	(959)	(553)	6	(63)	(4,324)	1,984	(318)
U.S. \$ Million	(45)	(48)	(25)	6	(82)	(214)	86	(347)
Comparable EBITDA								
Ps. Million	4,677	4,522	3,404	3	37	13,332	9,847	35
U.S. \$ Million	234	225	154	4	52	662	450	47

*Inventory adjustments, Carry-forward effects, and non-operating, one-time (gains) losses

TABLE 5 IFRS 16 EFFECT (in U.S.\$ million)	1Q21	2Q21	3Q21
Income Statement			
Amortization	11	12	12
Financial Expense	2	2	2
Balance Sheet			
Assets- Right of use	146	142	152
Liabilities			
Short-term lease	39	38	36
Long-term lease	108	106	120
Net Debt	9	6	24

TABLE 6 FINANCIAL COST, NET (in U.S.\$ million)	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
Financial Expenses	(30)	(28)	(28)	(5)	(7)	(125)	(90)	(39)
Financial Income	5	5	4	6	35	14	23	(40)
Net Financial Expenses	(25)	(24)	(24)	(4)	(2)	(112)	(67)	(67)
Fx Gains (Losses)	(12)	5	8	(356)	(265)	(18)	(33)	44
Financial Cost, Net	(37)	(19)	(16)	(99)	(126)	(130)	(100)	(30)

TABLE 7 NET INCOME (in U.S.\$ million, except as noted)	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
Consolidated Net Income	142	159	80	(10)	78	454	78	481
Non-Controlling Interest	31	35	15	(11)	109	98	27	265
Controlling Interest	111	124	65	(10)	71	356	51	594
Earnings per Share (U.S. \$)	0.05	0.06	0.03	(10)	71	0.17	0.02	594
Avg. Outstanding Shares (million)*	2,111	2,112	2,112	-	-	2,112	2,113	-

* The same number of equivalent shares are considered in the periods presented

TABLE 8 | STATEMENT OF FINANCIAL POSITION & FINANCIAL RATIOS (in U.S.\$ million)

	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)
Assets					
Cash and cash equivalents	390	476	519	(18)	(25)
Trade accounts receivable	1,004	866	495	16	103
Inventories	1,227	1,068	778	15	58
Other current assets	362	373	324	(3)	12
Total current assets	2,982	2,783	2,117	7	41
Investment in associates and others	440	438	435	-	1
Property, plant and equipment, net	1,993	2,025	1,849	(2)	8
Goodwill and intangible assets, net	171	176	184	(3)	(7)
Other non-current assets	499	530	525	(6)	(5)
Total assets	6,086	5,952	5,111	2	19
Liabilities & stockholders' equity					
Debt	30	50	109	(39)	(72)
Suppliers	1,205	1,125	698	7	73
Other current liabilities	317	288	286	10	11
Total current liabilities	1,553	1,463	1,093	6	42
Debt (include debt issuance costs)	1,518	1,520	1,485	-	2
Employees' benefits	70	67	56	4	27
Other long-term benefits	411	416	424	(1)	(3)
Total liabilities	3,553	3,466	3,058	2	16
Total stockholders' equity	2,533	2,486	2,052	2	23
Total liabilities & stockholders' equity	6,086	5,952	5,111	2	19
Net Debt					
Net Debt	1,323	1,247	1,235	6	7
Net Debt / EBITDA*	1.2	1.3	1.7		
Interest Coverage*	8.0	7.3	7.0		

* Times: last 12 months

POLYESTER

TABLE 9 REVENUES	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
Total Revenues								
Ps. Million	24,574	23,720	21,901	4	12	70,036	65,331	7
U.S. \$ Million	1,228	1,183	990	4	24	3,480	3,009	16
Domestic Revenues								
Ps. Million	5,841	5,349	3,889	9	50	15,634	11,726	33
U.S. \$ Million	292	267	176	9	66	777	541	44
Foreign Revenues								
Ps. Million	18,733	18,371	18,011	2	4	54,402	53,605	1
U.S. \$ Million	936	916	814	2	15	2,703	2,469	9
Foreign / Total (%)	76	77	82			78	82	

TABLE 10 OP. INCOME AND EBITDA	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
Operating Income								
Ps. Million	1,970	1,917	1,456	3	35	6,849	1,588	331
U.S. \$ Million	98	96	66	3	50	339	76	348
EBITDA								
Ps. Million	2,761	2,690	2,409	3	15	9,199	4,300	114
U.S. \$ Million	138	134	109	3	27	456	200	128

TABLE 11 COMPARABLE EBITDA	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
EBITDA								
Ps. Million	2,761	2,690	2,409	3	15	9,199	4,300	114
U.S. \$ Million	138	134	109	3	27	456	200	128
Adjustments*								
Ps. Million	(620)	(640)	(302)	3	(105)	(3,193)	2,082	(253)
U.S. \$ Million	(31)	(32)	(14)	3	(126)	(158)	90	(274)
Comparable EBITDA								
Ps. Million	2,141	2,050	2,107	4	2	6,006	6,382	(6)
U.S. \$ Million	107	102	95	5	12	299	291	3

*Inventory adjustments, Carry-forward effects, and non-operating, one-time (gains) losses

PLASTICS & CHEMICALS

TABLE 12 REVENUES	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
Total Revenues								
Ps. Million	13,656	12,220	6,552	12	108	35,465	17,662	101
U.S. \$ Million	682	610	297	12	130	1,763	818	116
Domestic Revenues								
Ps. Million	7,231	6,727	3,724	8	94	19,823	10,196	94
U.S. \$ Million	361	336	169	8	114	985	472	109
Foreign Revenues								
Ps. Million	6,424	5,493	2,827	17	127	15,641	7,466	110
U.S. \$ Million	321	274	128	17	151	778	346	125
Foreign / Total (%)	47	45	43			44	42	

TABLE 13 OP. INCOME AND EBITDA	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
Operating Income								
Ps. Million	2,501	2,457	1,211	2	107	7,204	2,628	174
U.S. \$ Million	125	123	54	2	129	358	120	199
EBITDA								
Ps. Million	2,771	2,727	1,481	2	87	8,007	3,411	135
U.S. \$ Million	138	136	67	2	108	398	156	155

TABLE 14 COMPARABLE EBITDA	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
EBITDA								
Ps. Million	2,771	2,727	1,481	2	87	8,007	3,411	135
U.S. \$ Million	138	136	67	2	108	398	156	155
Adjustments*								
Ps. Million	(284)	(319)	(251)	11	(13)	(1,131)	(98)	(1,055)
U.S. \$ Million	(14)	(16)	(11)	11	(28)	(56)	(4)	(1,297)
Comparable EBITDA								
Ps. Million	2,487	2,408	1,230	3	102	6,876	3,313	108
U.S. \$ Million	124	120	56	4	123	342	152	125

*Inventory adjustments, Carry-forward effects, and non-operating, one-time (gains) losses

APPENDIX B – FINANCIAL STATEMENTS

ALPEK, S.A.B. DE C.V. and Subsidiaries CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Sep-21	Jun-21	Sep-20	QoQ (%)	YoY (%)
(in millions of Mexican Pesos)					
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	7,865	9,381	11,602	(16)	(32)
Restricted cash	53	52	58	3	(9)
Trade accounts receivable	20,384	17,155	11,125	19	83
Other accounts and notes receivable	4,940	4,888	6,036	1	(18)
Inventories	24,911	21,148	17,476	18	43
Other current assets	2,409	2,493	1,248	(3)	93
Total current assets	60,562	55,117	47,545	10	27
NON-CURRENT ASSETS:					
Investment in associates and others	8,938	8,676	9,772	3	(9)
Property, plant and equipment, net	40,475	40,098	41,517	1	(3)
Goodwill and intangible assets	3,463	3,479	4,138	-	(16)
Other non-current assets	10,143	10,486	11,796	(3)	(14)
Total assets	123,581	117,856	114,768	5	8
LIABILITIES AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Debt	616	992	2,457	(38)	(75)
Suppliers	24,478	22,274	15,675	10	56
Other current liabilities	6,434	5,704	6,415	13	-
Total current liabilities	31,528	28,970	24,547	9	28
NON-CURRENT LIABILITIES:					
Debt (include debt issuance cost)	30,833	30,099	33,357	2	(8)
Deferred income taxes	4,506	4,650	4,745	(3)	(5)
Other non-current liabilities	3,842	3,581	4,785	7	(20)
Employees' benefits	1,428	1,335	1,248	7	14
Total liabilities	72,137	68,635	68,682	5	5
STOCKHOLDERS' EQUITY:					
Controlling interest:					
Capital stock	6,031	6,034	6,035	-	-
Share premium	8,996	9,015	9,025	-	-
Contributed capital	15,027	15,049	15,060	-	-
Earned surplus	30,091	28,236	25,372	7	19
Total controlling interest	45,118	43,285	40,432	4	12
Non-controlling interest	6,326	5,936	5,654	7	12
Total stockholders' equity	51,444	49,221	46,086	5	12
Total liabilities and stockholders' equity	123,581	117,856	114,768	5	8

ALPEK, S.A.B. DE C.V. and Subsidiaries
CONSOLIDATED STATEMENT OF INCOME

	3Q21	2Q21	3Q20	QoQ (%)	YoY (%)	YTD21	YTD20	Ch. (%)
(in millions of Mexican Pesos)								
Revenues	41,652	37,077	29,310	12	42	111,559	85,280	31
Domestic	16,474	13,189	8,457	25	95	41,421	24,075	72
Export	25,178	23,888	20,853	5	21	70,138	61,205	15
Cost of sales	(35,644)	(31,381)	(25,316)	(14)	(41)	(93,067)	(77,355)	(20)
Gross profit	6,008	5,696	3,994	5	50	18,492	7,925	133
Operating expenses and others	(1,486)	(1,259)	(1,259)	(18)	(18)	(3,987)	(3,556)	(12)
Operating income	4,522	4,437	2,735	2	65	14,505	4,369	232
Financial result, net	(744)	(374)	(355)	(99)	(110)	(2,649)	(2,124)	(25)
Equity in income of associates and joint ventures	(12)	(13)	(11)	6	(3)	(19)	(42)	52
Income before taxes	3,766	4,050	2,369	(7)	59	11,837	2,203	437
Income taxes	(917)	(860)	(597)	(7)	(54)	(2,708)	(509)	(432)
Consolidated net income	2,849	3,190	1,772	(11)	61	9,129	1,694	439
Income attributable to Controlling interest	2,219	2,484	1,436	(11)	55	7,155	1,103	548
Income attributable to Non-controlling interest	630	706	336	(11)	88	1,974	591	234

EARNINGS REPORT

Third Quarter 2021 (3Q21)



Monterrey, Mexico, October 20, 2021. - Axtel, S.A.B. de C.V. (BMV: AXTELCPO) ("Axtel" or "the Company"), a Mexican Information and Communications Technology company, announced today its unaudited results for the third quarter of 2021 ("3Q21").

Axtel reports 3Q21 EBITDA of US \$46 million (Ps. 912 million)

SELECTED FINANCIAL INFORMATION

(IN MILLIONS)

	3Q21	2Q21	3Q20	(%) 3Q21 vs.		YTD'21	YTD'20	YTD
				2Q21	3Q20			Δ (%)
Revenues (Ps.)	2,759	2,983	3,095	(8)	(11)	8,577	9,279	(8)
US \$	138	149	140	(7)	(2)	426	429	(1)
EBITDA (Ps.) ¹	912	1,141	1,078	(20)	(15)	2,969	5,275	(44)
US \$	46	57	49	(20)	(7)	148	257	(43)
Net Income (loss) (Ps.)	(302)	344	(174)	--	(74)	(244)	568	--
US \$	(15)	17	(8)	--	(80)	(12)	40	--
CAPEX (Ps.) ²	486	349	367	39	32	1,108	1,486	(25)
US \$	24	17	17	40	46	55	71	(22)
Net Debt (US \$)	613	625	595	(2)	3			
Net Debt / LTM EBITDA*	3.1	3.1	1.9					
LTM Interest Coverage*	3.6	3.6	5.1					

* Times. LTM = Last twelve months. See page 7 for ratio calculation details.

1) EBITDA = Operating income + depreciation & amortization + impairment of assets.

2) Gross amount; does not include divestments.

3Q21 HIGHLIGHTS

RESULTS

- The Company achieved acquisitions of new enterprise segment contracts 60% higher than the previous year quarter. However, due to the semiconductor shortage, this growth in acquisitions has not translated into revenues that could mitigate the continued decline in voice revenues.

NEW SOLUTIONS

- In August, Alestra launched its new mobile service "Alestra Móvil", the first enterprise MVNO in Mexico.
 - Alestra Móvil enables companies to transfer their capabilities, experience, tools and fixed technologies to a mobile device, with the support of AT&T Mexico's network.
- Axtel Networks presented its Data Center Connect solution, enabling connection between any data center and cloud infrastructure in the world, with low latency and high reliability.

STRATEGIC PROCESS

- Conversations with strategic investors continued during the quarter.

LIQUIDITY

- In the quarter, Axtel repaid US \$20 million under one of its committed revolving loan facilities.
 - Consequently, the available balance under committed facilities is approximately US \$40 million.

MESSAGE FROM AXTEL'S CEO

"During the third quarter, we achieved acquisitions of new enterprise segment contracts 60% higher compared to the previous year; the highest level since the beginning of the pandemic. However, the economic recovery has not been uniform for our clients, as certain industries, such as entertainment and tourism, continue recovering from the negative effects of the pandemic, and others, such as the financial sector, are reducing physical locations under the new normal. The negative effects of the global semiconductor shortage and logistics delays were accentuated in Axtel this quarter. Delivery times between 4 to 6 weeks have now become 5 to 6 months, which translates into cancellation of time-sensitive projects and a general delay in implementation times and, therefore, revenue recognition. These delays translate into an estimated direct impact of at least Ps. 50 million for the second half of 2021, plus a 50% increase in the volume of contracts under implementation due to limited availability of equipment.

Alestra's third quarter results show an accelerated acquisition of digital transformation solutions in the enterprise segment, 36% higher than the previous year, translating into a 15% growth in its revenues, not sufficient to mitigate the decline in voice revenues and the underperformance of the government segment, which continues with difficulties in securing relevant projects. On the other hand, Axtel Networks reported lower revenues as up-front payment, dark-fiber contracts recorded a reduction of more than 50% compared to the previous year, when we achieved an extraordinary level of this type of contracts. Year-to-date EBITDA is in line with guidance, however we expect a challenging fourth quarter due to the aforementioned.

2021 has been a complex year for the Company, with the effects caused by the uncertainty of new variants of COVID-19 and the secondary impacts on the economic recovery. Our experience since last year indicates that the new normal will include a hybrid office model, where we will combine the benefits of personal interaction with remote work.

Regarding our strategic process, we continue engaged with potential investors, supported by the current and future business prospects of the Infrastructure unit and the growth opportunities of digital transformation and mobility services for enterprise customers. Concurrently, we remain committed to improving our profitability, evaluating internal and external projects and opportunities to position the Company for future growth, for the benefit of our customers, shareholders and community."

Eduardo Escalante

REVENUES – Business Units

	3Q21	2Q21	3Q20	3Q21 vs.		YTD'21	YTD'20	YTD
				2Q21	3Q20			Δ (%)
SERVICES (Ps.)	2,179	2,210	2,427	(1)	(10)	6,608	7,351	(10)
US \$	109	110	110	(1)	(1)	328	341	(4)
Enterprise (Ps.)	1,875	1,884	1,959	(0)	(4)	5,639	5,899	(4)
US \$	94	94	89	(0)	6	280	273	3
Government (Ps.)	304	326	468	(7)	(35)	969	1,452	(33)
US \$	15	16	21	(7)	(28)	48	67	(29)
INFRASTRUCTURE (Ps.)	1,194	1,387	1,280	(14)	(7)	3,810	3,765	1
US \$	60	69	58	(14)	3	189	173	9
ELIMINATIONS (Ps.) *	(614)	(614)	(612)	0	(0)	(1,841)	(1,837)	(0)
US \$	(31)	(31)	(28)	(0)	(11)	(91)	(85)	(8)
TOTAL REVENUES (Ps.)	2,759	2,983	3,095	(8)	(11)	8,577	9,279	(8)
US \$	138	149	140	(7)	(2)	426	429	(1)

* For consolidation purposes, revenues of Infrastructure Unit coming from Services Unit are presented as "eliminations".

Total revenues were US \$138 million in 3Q21, down 2% when compared to 3Q20. In pesos, revenues decreased 11%, due to a 10% decline in Alestra's revenues and a 7% decrease in Axtel Networks.

INFRASTRUCTURE BUSINESS UNIT ("AXTEL NETWORKS")

Revenues reached US \$60 million in 3Q21; up 3% compared to 3Q20. In pesos, revenues declined 7%, driven by a 58% decrease in revenues from up-front payment contracts providing dark-fiber to mobile and wholesale operators.

Revenues coming from Alestra remained flat and represented 48% of total Infrastructure Unit's year to date ("YTD") revenues.

SERVICES BUSINESS UNIT ("ALESTRA")

Revenues totaled US \$109 million in 3Q21, down 1% compared to 3Q20. In pesos, revenues declined 10%, due to 4% and 35% declines in enterprise and government segments, respectively.

ENTERPRISE SEGMENT (85% of Services Unit YTD revenues)

Enterprise segment revenues totaled US \$94 million in 3Q21. In pesos, revenues were 4% lower than 3Q20, due to 7% and 15% decreases in *standard* and *value added* services, respectively. (Table 1).

STANDARD SERVICES revenues reached Ps. 1,231 million in 3Q21, down 7% year-over-year, mainly due to a 20% decrease in *voice* revenues, which were declining prior to COVID and accelerated since then due to the substitution by collaboration solutions; as well as a 3% decline in *data & internet* solutions and 5% decline in *VPN & ethernet* solutions due to fewer services with existing customers.

VALUE-ADDED SERVICES revenues reached Ps. 251 million in 3Q21, down 15% when compared to 3Q20, mainly due to a 20% decrease in *managed services* as a result of a higher level of non-recurring equipment sales in 3Q20.

DIGITAL TRANSFORMATION revenues reached Ps. 393 million in 3Q21, up 15% compared to 3Q20, mainly due to a strong 64% increase in *managed applications* resulting from non-recurring revenues and a combined 12% increase in *cloud* and *cybersecurity* solutions, due to incremental services with existing customers.

REVENUES – Business Units

SERVICES BUSINESS UNIT (“ALESTRA”) (cont’d)

GOVERNMENT SEGMENT (15% of Services Unit YTD revenues)

Government segment revenues amounted US \$15 million in 3Q21. In pesos, revenues declined 35% compared to 3Q20, due to the termination of contracts and a decline in acquisitions of relevant long-term projects, mainly with federal government. Besides pursuing business opportunities with federal government entities, the Company continues working to further diversify into state and local governments and public universities. (Table 2).

STANDARD SERVICES revenues reached Ps. 150 million in 3Q21, 38% lower than 3Q20, mainly due to decreases in *hosting* services and *VPN & ethernet* solutions.

VALUE-ADDED SERVICES revenues reached Ps. 80 million in 3Q21, down 23% when compared to 3Q20, mostly due to a decline in *managed services*.

DIGITAL TRANSFORMATION revenues reached Ps. 74 million in 3Q21, a 39% decline compared to 3Q20, due to reductions in both *managed applications* and *cybersecurity* solutions.

GROSS PROFIT

Gross profit is defined as revenues minus cost of revenues. For 3Q21, gross profit was US \$100 million. In pesos, gross profit totaled Ps. 2,003 million, down 10% compared to 3Q20.

SERVICES UNIT (ALESTRA) gross profit amounted Ps. 904 million, a 14% decrease compared to the year-earlier quarter, mainly due to declines in *voice* and *managed services* revenues and lower *system integration* margins for the enterprise segment; as well as lower revenues in the government segment.

INFRASTRUCTURE UNIT (AXTEL NETWORKS) gross profit amounted to Ps. 1,099 million, down 6% compared to the year-earlier quarter, as a result of lower revenues previously explained.

OPERATING EXPENSES AND OTHER INCOME (EXPENSES)

Operating expenses reached US \$55 million in 3Q21; in pesos, operating expenses decreased 7%.

SERVICES UNIT (ALESTRA) operating expenses decreased 16% compared to 3Q20, as a result of declines in personnel, reductions in advertising expenses and lower debt provision charge.

INFRASTRUCTURE UNIT (AXTEL NETWORKS) operating expenses increased 4% compared to 3Q20, as one-time credits benefited leases expenses in 3Q20.

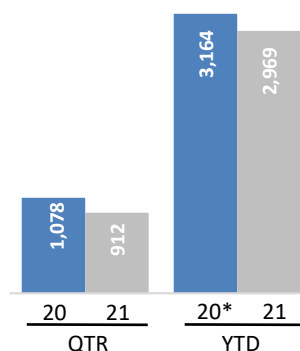
Other income reached Ps. 3 million during 3Q21, compared to Ps. 30 million in 3Q20.

EBITDA

EBITDA totaled US \$46 million in 3Q21. In pesos, EBITDA reached Ps. 912 million, compared to Ps. 1,078 million in 3Q20, a 15% decline.

EBITDA margin decreased from 34.8% in 3Q20 to 33.0% in 3Q21 as efficiencies in operating expenses did not compensate the decline in gross profit.

(in Million Ps.)



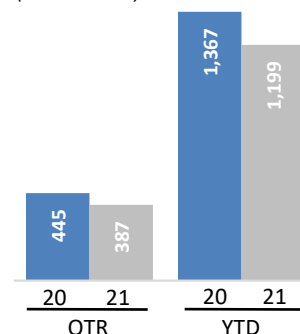
* Adjusted for data center divestment (1Q20) and spectrum (2Q20) transactions.

SERVICES UNIT (ALESTRA)

(40% of Axtel's YTD EBITDA)

Services Business Unit EBITDA amounted to US \$19 million in 3Q21. In pesos, EBITDA reached Ps. 387 million, a 13% decrease year-over-year, due to the decline in gross profit, partially mitigated by the reduction in operating expenses previously described.

(in Million Ps.)

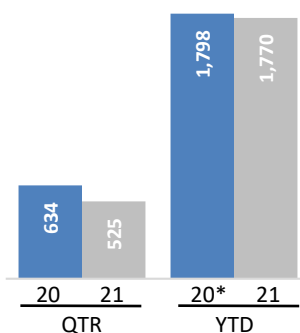


INFRASTRUCTURE UNIT (AXTEL NETWORKS)

(60% of Axtel's YTD EBITDA)

Infrastructure Unit EBITDA reached US \$26 million in 3Q21. In pesos, EBITDA reached Ps. 525 million, down 17% compared to 3Q20 explained by the decrease in gross profit and higher operating expenses due the one-time benefit in 3Q20.

(in Million Ps.)



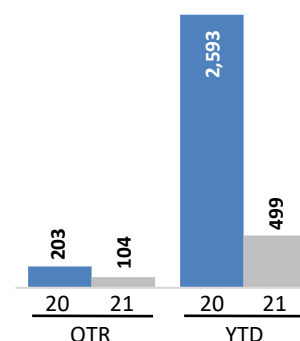
* Adjusted for data center divestment (1Q20) and spectrum (2Q20) transactions.

OPERATING INCOME

In the 3Q21, operating income totaled US \$5 million.

In pesos, 3Q21 operating income totaled Ps. 104 million, compared to Ps. 203 million in 3Q20, a Ps. 100 million decrease mainly due to a decline in EBITDA, partially mitigated by lower depreciation and amortization expenses.

(in Million Ps.)



COMPREHENSIVE FINANCING RESULT

The comprehensive financing cost reached US \$26 million in 3Q21 or Ps. 512 million, higher than Ps. 25 million recorded in 3Q20; mostly explained by a Ps. 246 million FX loss during 3Q21 resulting from a depreciation of the Mexican peso against the US dollar compared to a Ps. 222 million FX gain in 3Q20. Net interest expenses decreased 18% from 3Q20 to 3Q21, due to a lower level of total debt.

NET DEBT

Net debt as of 3Q21 was US \$613 million, an increase of 3% or US \$17 million in comparison with 3Q20; comprised of a US \$110 million decrease in debt, a US \$18 million non-cash increase in debt caused by an 11% appreciation of the Mexican peso year-over-year and a US \$109 million decrease in cash.

Total debt reduction of US \$110 million year-over-year is explained by i) a US \$60 million decrease related to the partial redemption of the 2024 Senior Notes in March 2021; ii) a US \$34 million decrease in bank loans, including the US \$20 million reduction in the drawn down amount under a committed line facility in September 2021; iii) a US \$9 million decrease in other loans and financial leases; iv) a US \$4 million decrease due to the amortization of the long-term facility; and v) a US \$4 million decrease in accrued interests.

As of 3Q21, cash balance totaled US \$53 million (Ps. 1,083 million). Cash in 3Q20 totaled US \$163 million (Ps. 3,656 million), which included US \$13 million of restricted cash and approximately US \$57 million of remaining proceeds from the data centers transaction.

Financial ratios for the third quarter 2021 were: Net Debt to EBITDA of 3.1 times and Interest Coverage of 3.6 times. (Table 6).

CAPITAL EXPENDITURES (CAPEX)

Capital investments totaled US \$24 million in 3Q21, compared to US \$17 million in 3Q20. YTD 2021 Capex totaled US \$55 million (64% for Axtel Networks and 36% for Alestra); a US \$16 million decline compared to US \$71 million YTD 2020.

2020 figure includes an extraordinary investment of US \$22 million related to the renovation of spectrum frequencies and excludes a US \$167 million benefit from the data center divestment.

OTHER INFORMATION

- This report presents unaudited financial information based on International Financial Reporting Standards (IFRS). Figures are presented in Mexican Pesos (Ps.) or US Dollars (US \$), 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.
- This report 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 and financial performance of the company, all of which are difficult or impossible to predict accurately. These statements reflect management's current views, which are subject to different risks. Accordingly, results could vary from those set forth in this release. The company disclaims any obligation to update statements in this release based on new information available.
- Net Debt / EBITDA ratio: means net debt translated into US Dollars using the end-of-period exchange rate divided by LTM EBITDA translated into US Dollars using the average exchange rate for each month during which the operations were recorded. Net debt means total debt (including accrued interests) minus cash (including restricted cash).
- Net interest coverage ratio: means the ratio of LTM EBITDA to interest expense (net of interest income), both translated into US Dollars using the average exchange rate for each month during which the operations were recorded. Interest expense calculated *pro forma* for debt prepayments.
- To reduce exchange rate risk exposure, Axtel maintains forward transactions for an outstanding amount of US \$13 million @ 20.06 MXN/USD, where Axtel buys USD and sells MXN, hedging approximately 70% of its USD-denominated Capex and interest obligations up to November 2021. Additionally, Axtel maintains an interest rate swap ("IRS") for Ps. 3,360 million, maturing in December 2022, where Axtel pays 8.355% and receives TIIE 28d.
- Subject to market conditions, the Company's liquidity position and its contractual obligations, from time to time, the Company may acquire or divest its own shares (AxtelCPOs) or its Senior Notes.

ABOUT AXTEL

Axtel is a Mexican Information and Communication Technology company that serves the enterprise, government and wholesale segments through its business units Alestra (Services) and Axtel Networks (Infrastructure).

Axtel is a subsidiary of ALFA, which owns 52.8% of its equity.

Axtel adhered to the UN Global Compact in 2011 the world's largest social responsibility initiative. It has received recognition from CEMEFI as a Socially Responsible Company since 2008.

Axtel shares, represented by Ordinary Participation Certificates, or CPOs, trade on the Mexican Stock Market under the symbol "AXTELCPO" since 2005.

Axtel's Investor Relations Center: [axtelcorp.mx](mailto:ir@axtel.com.mx)

Enterprise and Government services website: alestra.mx

NOTE: Axtel no longer offers services for the residential segment. In December 2018, it sold part of its residential business to Televisa (IZZI) and, in May 2019, the rest to Megacable.

Appendix A – Tables

TABLE 1 | SERVICES BUSINESS UNIT (ALESTRA) REVENUES - ENTERPRISE SEGMENT

(IN MILLIONS)

	3Q21	2Q21	3Q20	(%) 3Q21 vs.		YTD'21	YTD'20	YTD Δ (%)
				2Q21	3Q20			
STANDARD SERVICES (Ps.)	1,231	1,252	1,320	(2)	(7)	3,799	4,099	(7)
VALUE ADDED (Ps.)	251	264	295	(5)	(15)	737	813	(9)
DIGITAL TRANSFORMATION (Ps.)	393	368	343	7	15	1,103	987	12
TOTAL ENTERPRISE (Ps.)	1,875	1,884	1,959	(0)	(4)	5,639	5,899	(4)
US \$	94	94	89	(0)	6	280	273	3
Recurrent (Ps.)	1,761	1,780	1,861	(1)	(5)	5,364	5,628	(5)
Non recurrent (Ps.)	114	104	98	9	16	275	271	1

TABLE 2 | SERVICES BUSINESS UNIT (ALESTRA) REVENUES - GOVERNMENT SEGMENT

(IN MILLIONS)

	3Q21	2Q21	3Q20	(%) 3Q21 vs.		YTD'21	YTD'20	YTD Δ (%)
				2Q21	3Q20			
STANDARD SERVICES (Ps.)	150	127	243	18	(38)	437	742	(41)
VALUE ADDED (Ps.)	80	130	104	(38)	(23)	303	403	(25)
DIGITAL TRANSFORMATION (Ps.)	74	69	121	7	(39)	229	306	(25)
TOTAL GOVERNMENT (Ps.)	304	326	468	(7)	(35)	969	1,452	(33)
US \$	15	16	21	(7)	(28)	48	67	(29)
Recurrent (Ps.)	249	250	457	(0)	(45)	816	1,283	(36)
Non recurrent (Ps.)	55	76	11	(28)	379	153	169	(9)

TABLE 3 | INFRASTRUCTURE BUSINESS UNIT (AXTEL NETWORKS) REVENUES

(IN MILLIONS)

	3Q21	2Q21	3Q20	(%) 3Q21 vs.		YTD'21	YTD'20	YTD Δ (%)
				2Q21	3Q20			
TOTAL INFRASTRUCTURE (Ps.)	1,194	1,387	1,280	(14)	(7)	3,810	3,765	1
US \$	60	69	58	(14)	3	189	173	9
ELIMINATIONS (Ps.) *	(614)	(614)	(612)	0	(0)	(1,841)	(1,837)	(0)
US \$	(31)	(31)	(28)	(0)	(11)	(91)	(85)	(8)

* For consolidation purposes, revenues coming from Services Unit (Alestra) are presented as "eliminations".

Appendix A – Tables

TABLE 4 | OPERATING INCOME AND EBITDA
(IN MILLIONS)

	3Q21	2Q21	3Q20	(%) 3Q21 vs.		YTD'21	YTD'20	YTD
				2Q21	3Q20			Δ (%)
Operating Income (Ps.)	104	310	203	(67)	(49)	499	2,593	(81)
US \$	5	15	9	(66)	(44)	25	133	(81)
EBITDA (Ps.)	912	1,141	1,078	(20)	(15)	2,969	5,275	(44)
US \$	46	57	49	(20)	(7)	148	257	(43)
Adjustments* (Ps.)	0	0	0	--	--	0	(2,110)	--
US \$	0	0	0	--	--	0	(111)	--
Comparable EBITDA (Ps.)	912	1,141	1,078	(20)	(15)	2,969	3,164	(6)
US \$	46	57	49	(20)	(7)	148	146	1
Services Unit (Ps.)	387	434	445	(11)	(13)	1,199	1,367	(12)
Infrastructure Unit (Ps.)	525	707	634	(26)	(17)	1,770	1,798	(2)

*Adjustments include one-time (gains) losses, such as the Data Centers divestment in 1Q20 and spectrum transfer transaction in 2Q20.

TABLE 5 | COMPREHENSIVE FINANCING RESULT
(IN MILLIONS)

	3Q21	2Q21	3Q20	(%) 3Q21 vs.		YTD'21	YTD'20	YTD
				2Q21	3Q20			Δ (%)
Net interest expense	(266)	(276)	(325)	4	18	(903)	(1,069)	15
FX gain (loss), net	(246)	393	222	--	--	(160)	(1,511)	89
Ch. FV of Fin. Instruments	0	0	79	--	--	0	106	--
Total (Ps.)	(512)	117	(25)	--	(1,978)	(1,064)	(2,474)	57
US \$	(26)	6	(2)	--	(1,424)	(53)	(117)	55

TABLE 6 | NET DEBT AND FINANCIAL RATIOS
(US \$ MILLIONS)

	3Q21	2Q21	3Q20	(%) 3Q21 vs.	
				2Q21	3Q20
Senior Notes 2024	440	440	500	(0)	(12)
Long-term bank loan	157	162	145	(3)	8
Short-term bank loans	29	50	63	(41)	(53)
Other loans + leases	27	35	35	(22)	(21)
Accrued interests	12	5	15	161	(19)
Total Debt	666	691	758	(4)	(12)
% US \$ denominated debt	71%	72%	73%		
(-) Cash and cash eq.	(53)	(66)	(163)	20	67
Net Debt	613	625	595	(2)	3
Net Debt / LTM EBITDA*	3.1	3.1	1.9		
LTM Interest Coverage*	3.6	3.6	5.1		

* Times. LTM = Last twelve months. See page 7 for calculation details.

Appendix B – SERVICES UNIT (ALESTRA) – New vs. Former Services Families

TABLE 7 | 2020 and 2021 REVENUES (NEW SERVICES FAMILIES)
(IN MILLIONS)

	1Q20	2Q20	3Q20	4Q20	2020	1Q21	2Q21	3Q21
SERVICES UNIT (Ps.)	2,552	2,372	2,427	2,473	9,824	2,219	2,210	2,179
US \$	129	102	110	120	461	109	110	109
ENTERPRISE (Ps.)	2,015	1,925	1,959	1,935	7,834	1,880	1,884	1,875
STANDARD SERVICES	1,443	1,336	1,320	1,297	5,396	1,315	1,252	1,231
VALUE ADDED	253	266	295	283	1,096	222	264	251
DIGITAL TRANSFORMATION	320	324	343	355	1,342	342	368	393
GOVERNMENT (Ps.)	537	447	468	538	1,990	339	326	304
STANDARD SERVICES	243	257	243	219	961	160	127	150
VALUE ADDED	194	105	104	157	560	93	130	80
DIGITAL TRANSFORMATION	100	85	121	163	469	86	69	74

TABLE 8 | 2020 AND 2021 REVENUES (FORMER SERVICES FAMILIES – as reported in 2020)
(IN MILLIONS)

	1Q20	2Q20	3Q20	4Q20	2020	1Q21	2Q21	3Q21
SERVICES UNIT (Ps.)	2,552	2,372	2,427	2,473	9,824	2,219	2,210	2,179
US \$	129	102	110	120	461	109	110	109
ENTERPRISE (Ps.)	2,015	1,925	1,959	1,935	7,834	1,880	1,884	1,875
TELECOM	1,710	1,610	1,589	1,570	6,478	1,549	1,527	1,462
IT	305	316	370	366	1,356	330	357	413
GOVERNMENT (Ps.)	537	447	468	538	1,990	339	326	304
TELECOM	239	236	226	258	960	187	141	162
IT	298	211	242	280	1,030	152	185	142

Appendix C – Financial Statements

Axtel, S.A.B. de C.V. and Subsidiaries

Unaudited Consolidated Balance Sheet

(IN MILLION PESOS)

	3Q21	2Q21	3Q20	(%) 3Q21 vs.	
				2Q21	3Q20
ASSETS					
CURRENT ASSETS					
Cash and equivalents	1,083	1,313	3,361	(18)	(68)
Restricted cash	-	-	295	--	--
Accounts receivable	2,172	2,250	2,593	(3)	(16)
Related parties	16	13	22	25	(29)
Refundable taxes and other acc. rec.	957	1,057	928	(9)	3
Advances to suppliers	732	697	876	5	(16)
Inventories	92	115	92	(20)	0
Financial Instruments	8	2	-	378	--
Total current assets	5,060	5,447	8,167	(7)	(38)
NON CURRENT ASSETS					
Property, plant and equipment, net	10,426	10,938	11,756	(5)	(11)
Long-term accounts receivable	20	-	-	--	--
Intangible assets, net	1,789	1,755	1,774	2	1
Deferred income taxes	2,858	2,759	3,404	4	(16)
Investment shares associated co.	292	292	292	(0)	(0)
Other assets	308	336	430	(8)	(28)
Total non current assets	15,694	16,079	17,655	(2)	(11)
TOTAL ASSETS	20,754	21,526	25,822	(4)	(20)
LIABILITIES & STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES					
Account payable & Accrued expenses	2,248	2,433	2,797	(8)	(20)
Accrued Interest	248	93	339	167	(27)
Short-term debt	-	-	310	--	--
Current portion of long-term debt	430	459	1,625	(6)	(74)
Taxes payable	-	-	8	--	--
Financial Instruments	65	88	140	(26)	(53)
Deferred Revenue	96	90	167	7	(43)
Provisions	28	26	83	7	(67)
Other accounts payable	723	885	1,115	(18)	(35)
Total current liabilities	3,838	4,073	6,583	(6)	(42)
LONG-TERM LIABILITIES					
Long-term debt	12,755	13,041	14,625	(2)	(13)
Employee Benefits	815	781	765	4	7
Derivative Financial Instruments	3	8	91	(63)	(97)
Other LT liabilities	1	1	52	11	(98)
Total long-term debt	13,574	13,831	15,532	(2)	(13)
TOTAL LIABILITIES	17,411	17,904	22,115	(3)	(21)
STOCKHOLDERS' EQUITY					
Capital stock	464	464	464	-	-
Reserve for repurchase of shares	190	192	186	(1)	2
Cumulative earnings (losses)	2,688	2,967	3,056	(9)	(12)
TOTAL STOCKHOLDERS' EQUITY	3,343	3,623	3,707	(8)	(10)
TOTAL LIABILITIES AND EQUITY	20,754	21,526	25,822	(4)	(20)

Appendix C – Financial Statements

Axtel, S.A.B. de C.V. and Subsidiaries

Unaudited Consolidated Income Statement

(IN MILLION PESOS)

	3Q21	2Q21	3Q20	[%] 3Q21 vs.		YTD'21	YTD'20	YTD Δ (%)
				2Q21	3Q20			
Total Revenues	2,759	2,983	3,095	(8)	(11)	8,577	9,279	(8)
Cost of sales and services	(756)	(763)	(874)	1	14	(2,292)	(2,598)	12
Gross Profit	2,003	2,220	2,220	(10)	(10)	6,286	6,681	(6)
Operating expenses	(1,095)	(1,087)	(1,172)	(1)	7	(3,328)	(3,551)	6
Other income (expenses), net	3	8	30	(58)	(89)	11	2,145	(99)
Depr., amort. & impairment assets	(808)	(832)	(875)	3	8	(2,470)	(2,682)	8
Operating income	104	310	203	(67)	(49)	499	2,593	(81)
Comprehensive financing result, net	(512)	117	(25)	--	(1,978)	(1,064)	(2,474)	57
Equity in results of associated company	(0)	(0)	-	--	--	(0)	-	--
Income (loss) before income taxes	(408)	427	179	--	--	(564)	119	--
Income taxes	106	(83)	(352)	--	--	320	449	(29)
Net Income (Loss)	(302)	344	(174)	--	(74)	(244)	568	--