

1Q24

Earnings Presentation

April 2024



Disclaimer

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

Important note on changes to ALFA's Consolidated Financial Statements

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

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

- The Consolidated Statement of Financial Position presents Axtel's assets as "Current assets from discontinued operations" and its liabilities as "Current liabilities from discontinued operations" at the close of 1Q23. Prior periods are not restated.
- The Consolidated Statement of Income presents Axtel's net revenues and expenses as a single line item "Profit (loss) from discontinued operations" as follows:
 - 1Q23: accumulated figures for the three months ended March 31, 2023
 - 4Q23: no figures presented related to Axtel
 - 1Q24: no figures presented related to Axtel
- The Change in Net Debt presents Axtel's net inflows and outflows as a single line item "Decrease (Increase) in Net Debt from discontinued operations" as follows:
 - 1Q23: accumulated figures for the three months ended March 31, 2023
 - 4Q23: no figures presented related to Axtel
 - 1Q24: no figures presented related to Axtel

▼ **Annual Shareholders' Meeting held on March 6th**

- Álvaro Fernández appointed Chairman of the Board, in addition to his position as CEO
- Alejandra Palacios appointed independent member of the Board, beginning on May 15, 2024
- Paid US \$48 million cash dividend

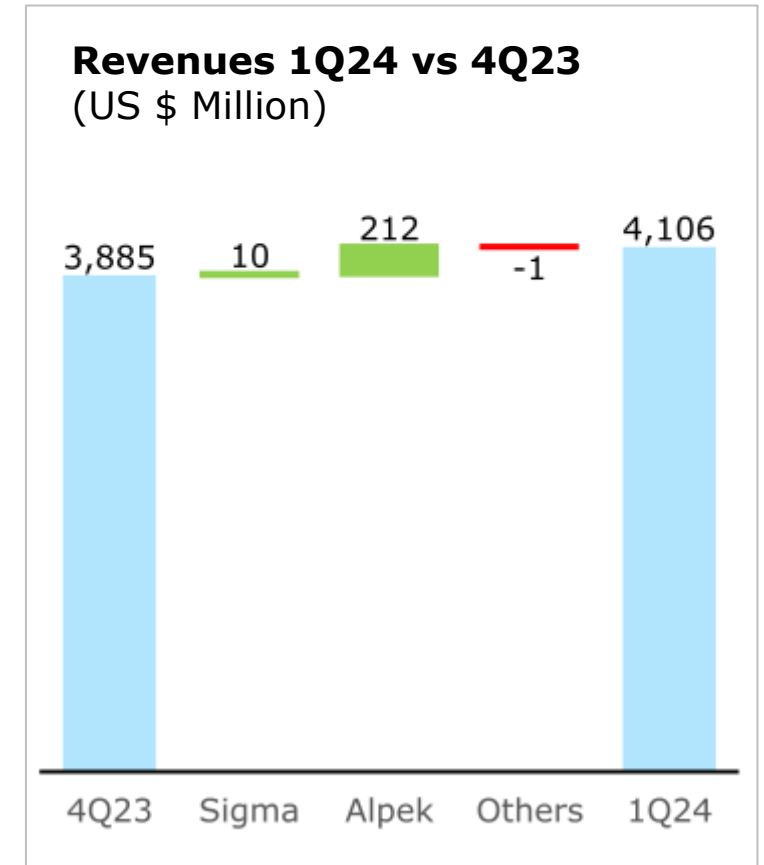
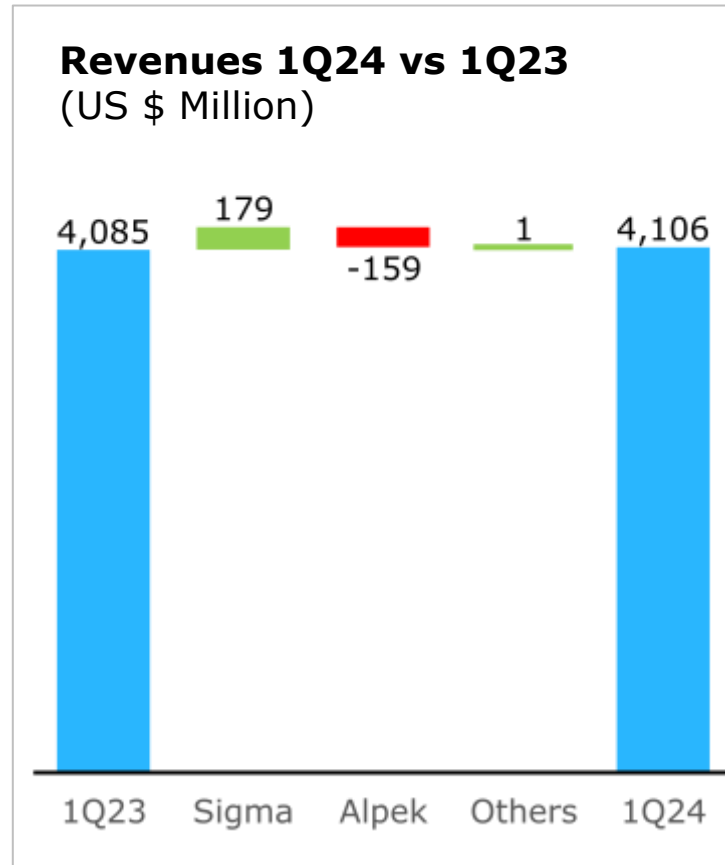
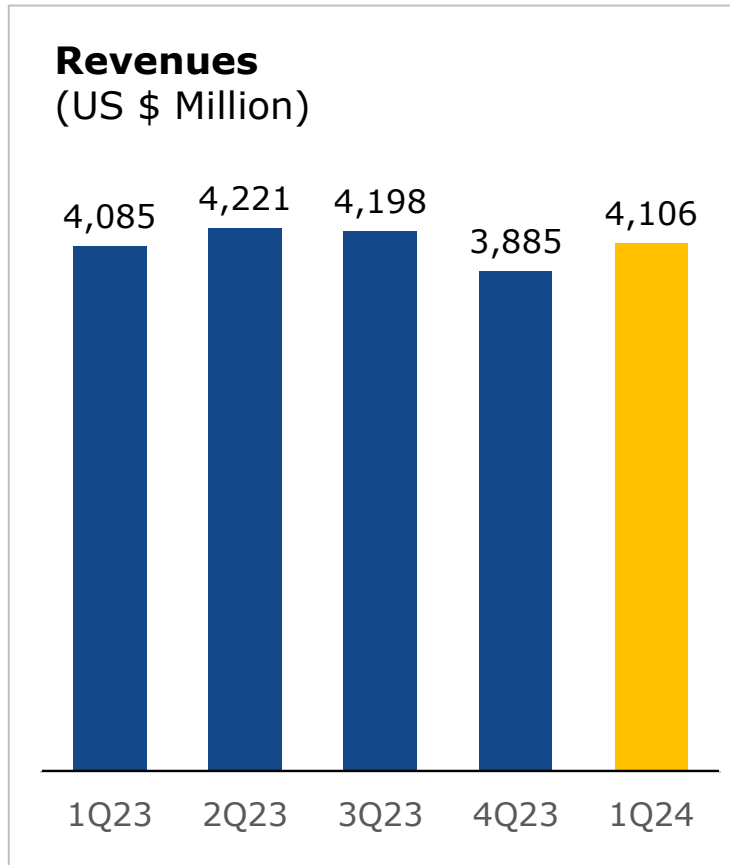
▼ **1Q24 represents a better-than-expected start of the year; EBITDA up 13% versus 1Q23**

- Sigma: Record-high quarterly EBITDA driven by double-digit growth across all regions
- Alpek: Comparable EBITDA of US \$154 million on track to achieve full-year guidance

▼ **ALFA focused on reaching desired financial conditions to complete transformation**

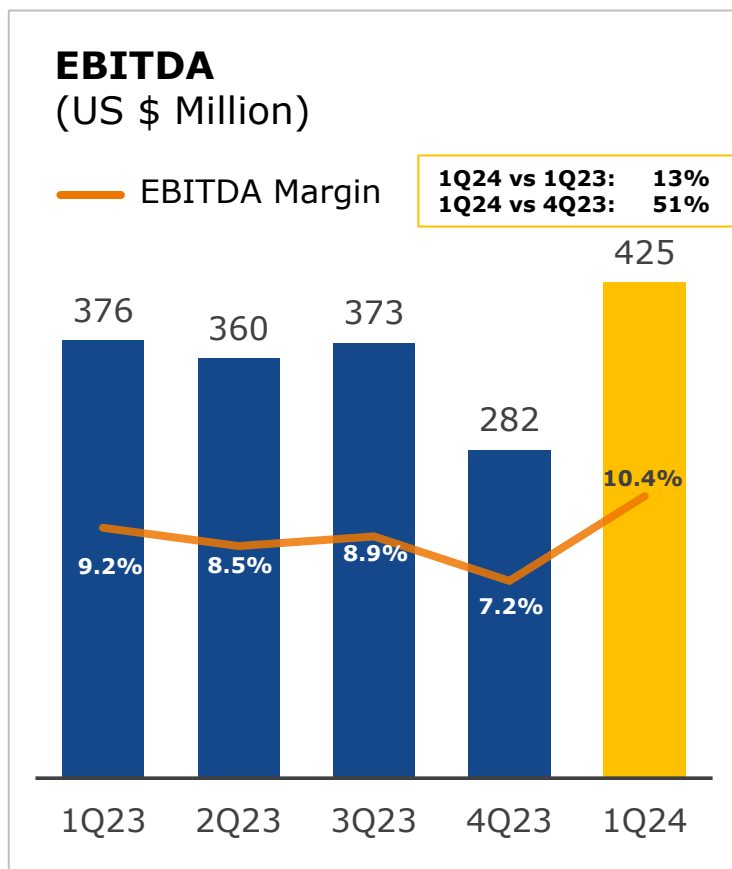
- Sigma LTM EBITDA reached US \$965 million; posted lowest net leverage ratio in 10 years (2.2x)
- Debt reduction outside of Alpek is key to move forward
- Advancing on the selective monetization of non-core assets

ALFA & Subs*



*Axtel reported as discontinued operations from 1Q23 to 2Q23
No figures presented related to Axtel in subsequent periods (3Q23, 4Q23 and 1Q24)

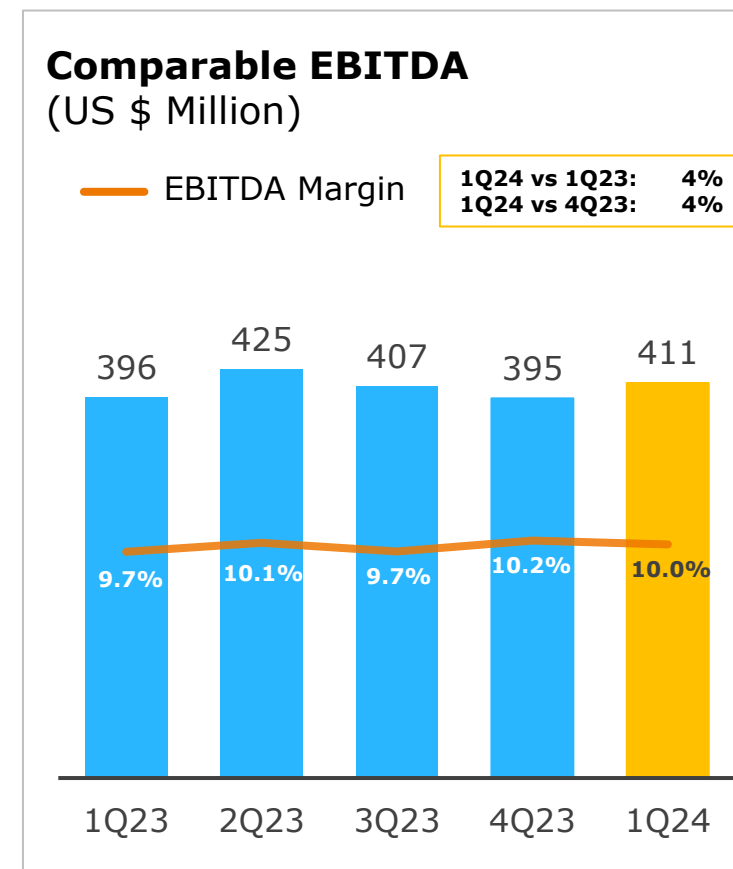
ALFA & Subs*



Extraordinary items (US \$ Million)

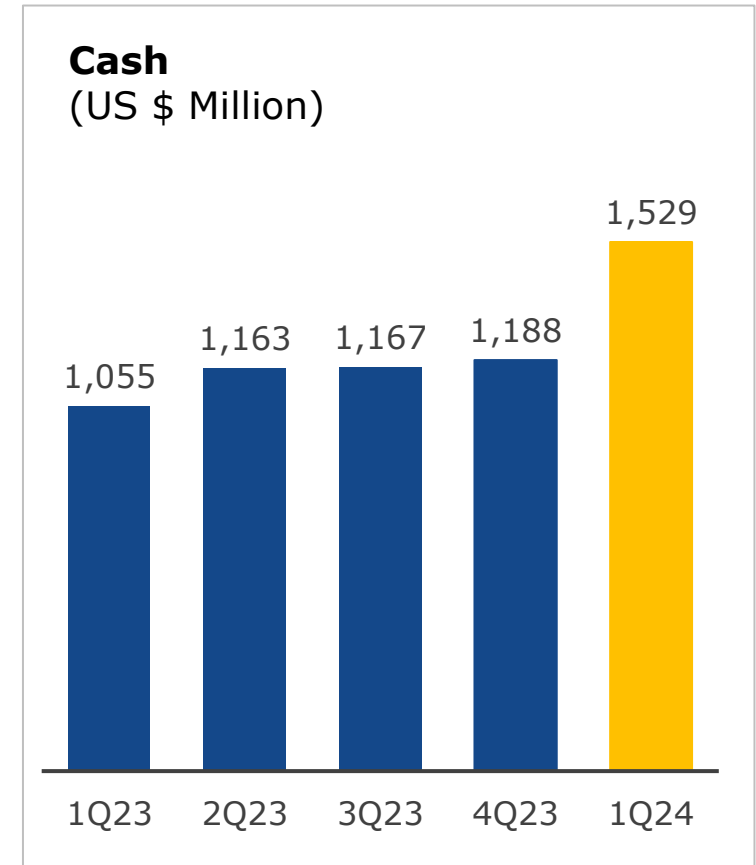
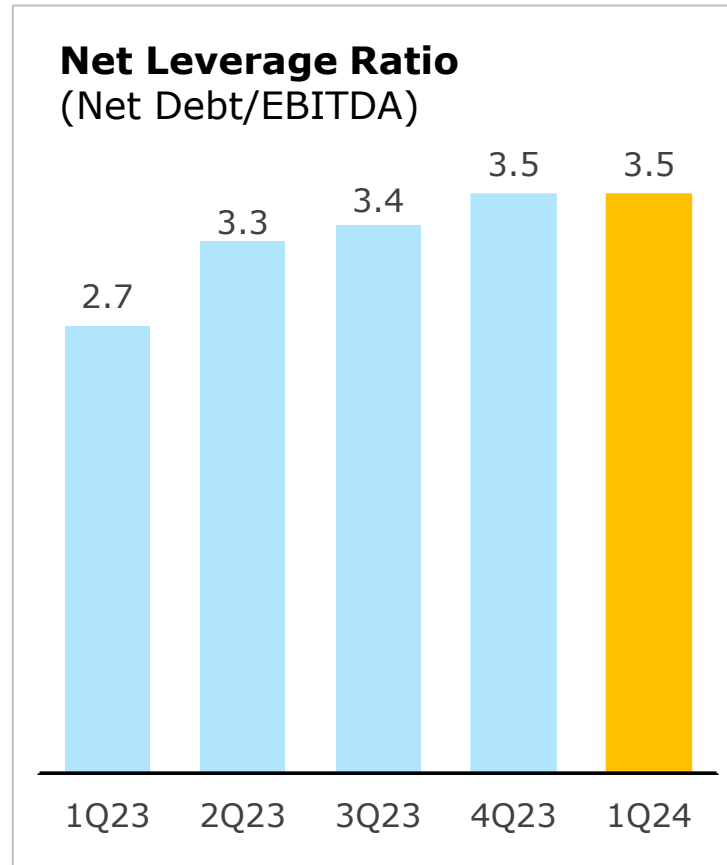
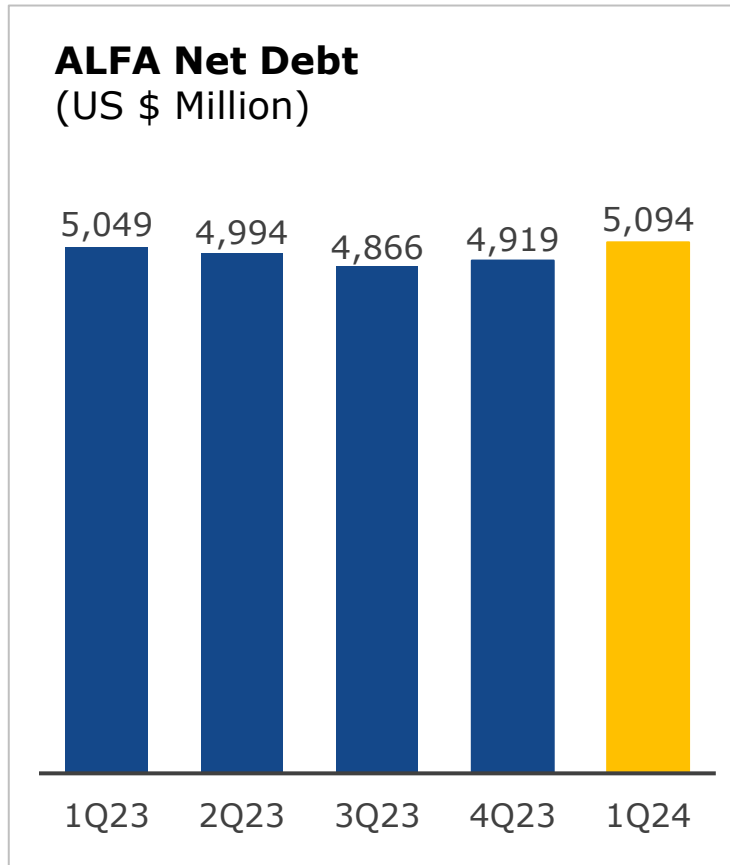
	1Q23	2Q23	3Q23	4Q23	1Q24
ALPEK¹	(20)	(53)	(34)	(114)	14
SIGMA	-	(12)	-	-	-
TOTAL	(20)	(65)	(34)	(114)	14

¹ This figure no longer consider hyperinflation and currency devaluation as extraordinary effects starting 1Q24



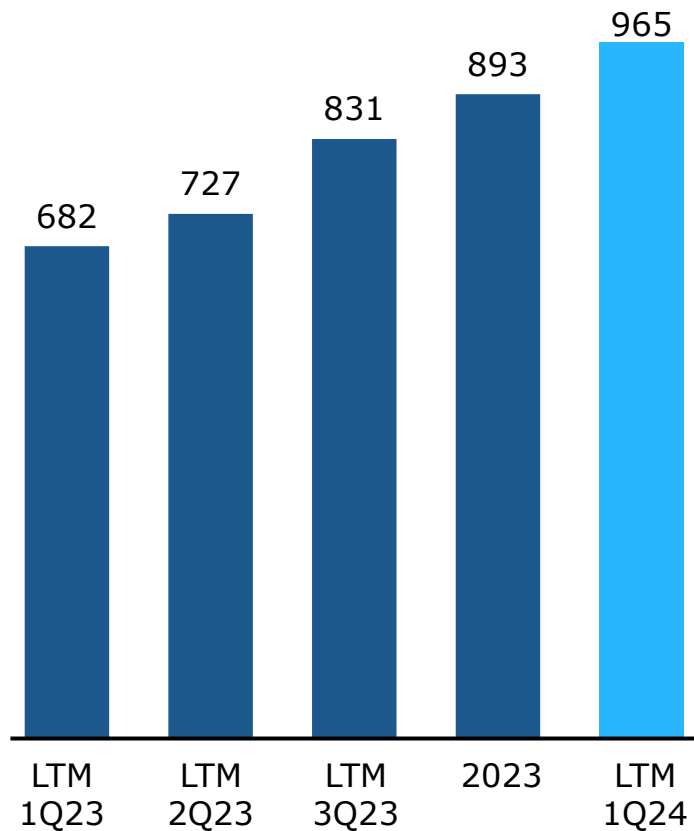
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ALFA & Subs*

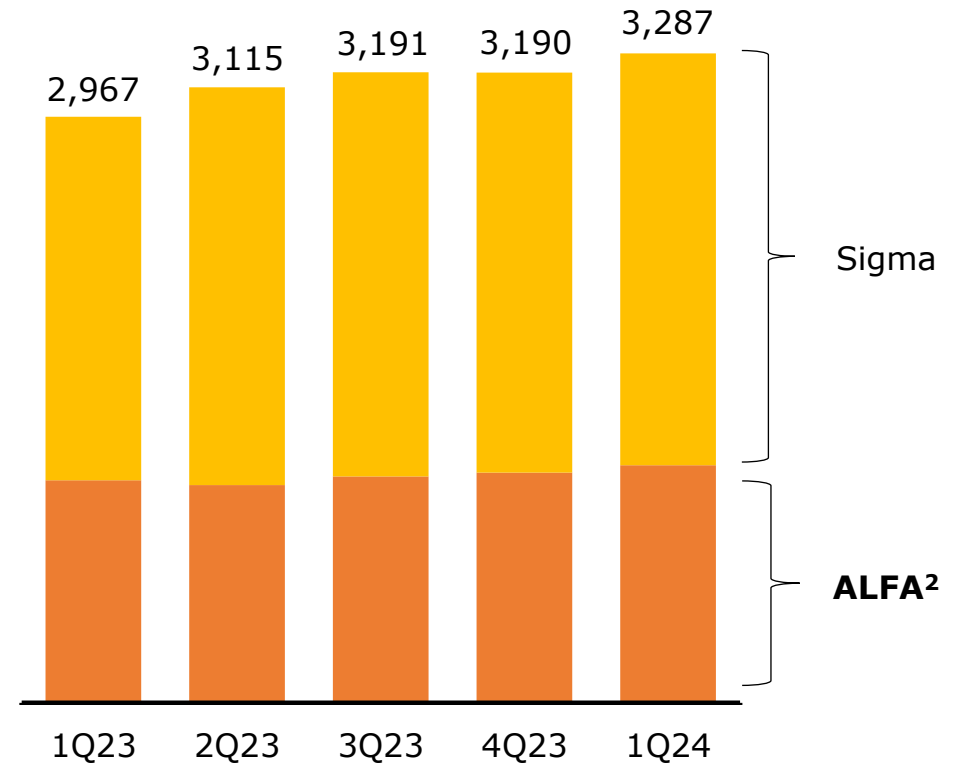


*No figures presented related to Axtel

Sigma quarterly LTM EBITDA
(US \$ Million)



Consolidated Net Debt excluding Alpek¹
(US \$ Million)



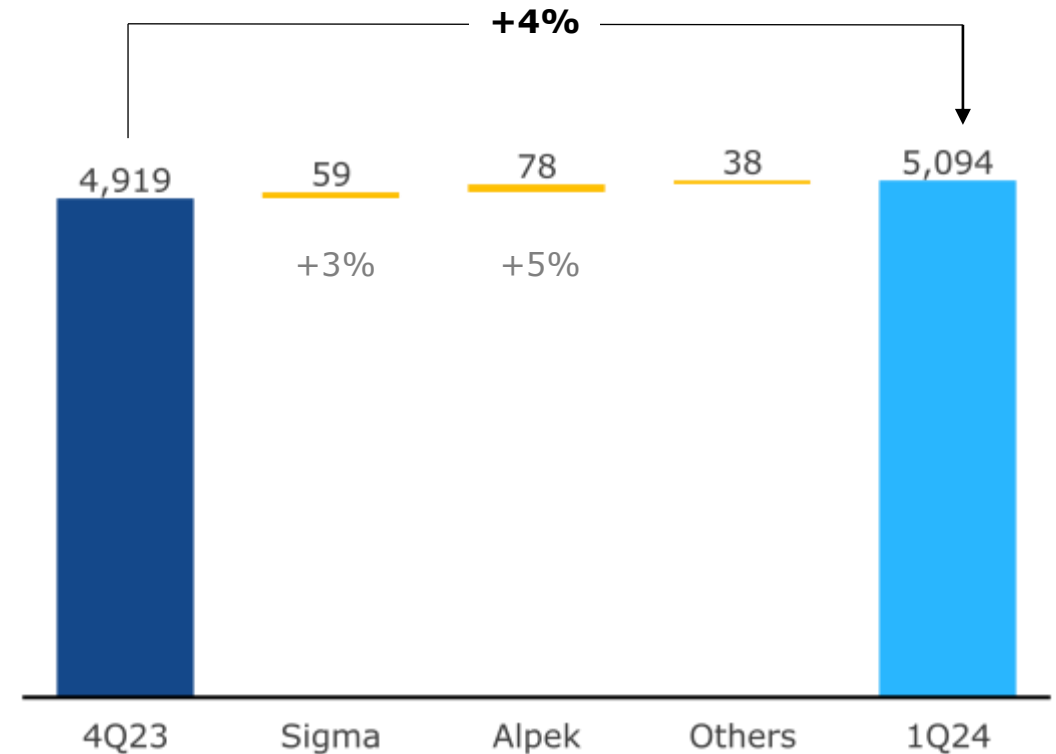
1 - Consolidated Net Debt excluding Alpek = Consolidated Net Debt ALFA - Net Debt Alpek
2 - ALFA includes corporate and minor subsidiaries' debt

ALFA Consolidated

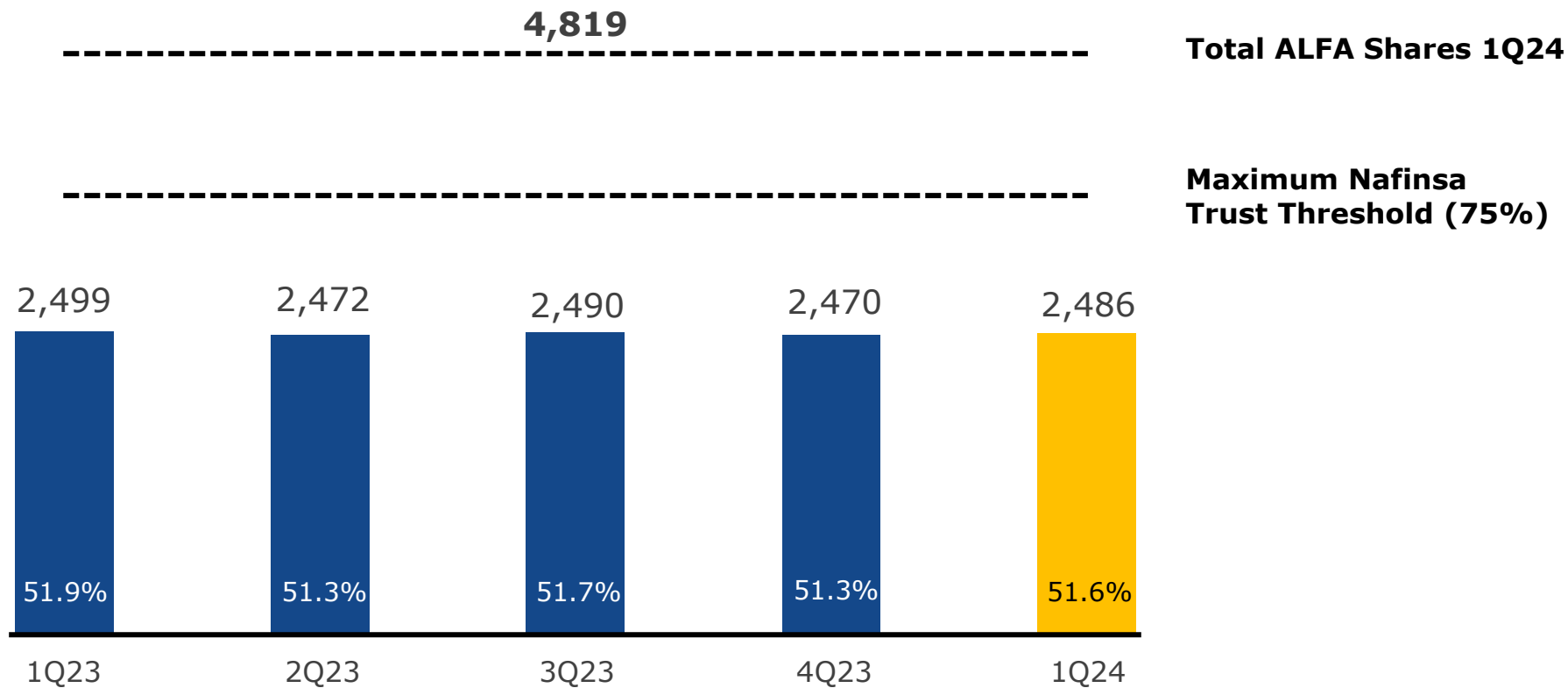
Change in Net Debt (US \$ Million)

	1Q24
EBITDA	425
Net Working Capital (NWC)	(276)
Capital Expenditures & Acq. (Capex)	(75)
Net Financial Expenses	(103)
Taxes	(91)
Dividends	(48)
Other Sources (Uses)	(7)
Decrease (Increase) in Net Debt	(175)

Change in Net Debt 4Q23 vs 1Q24 (US \$ Million)



ALFA Foreign Ownership
(Millions of shares)



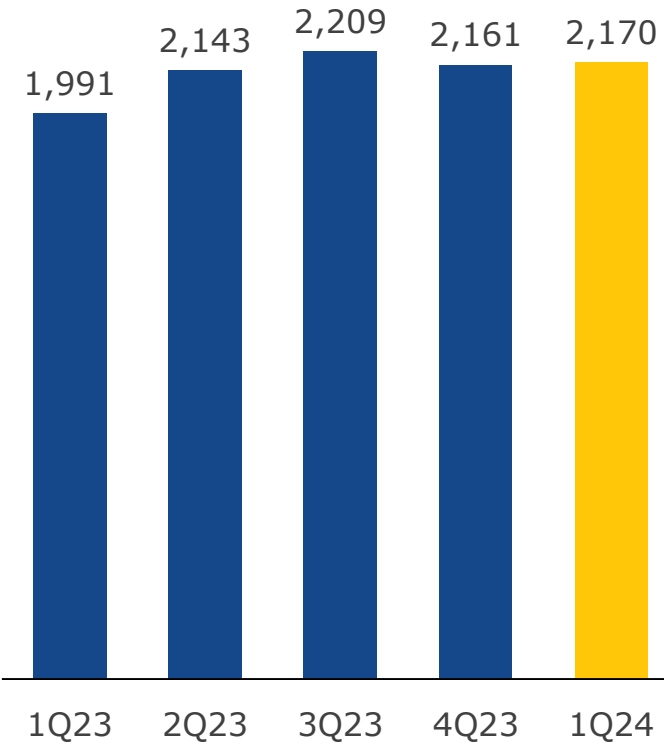
▼ Sigma Consolidated Results

- Twelfth consecutive quarter of year-on-year sales growth
- Record first quarter volume of 449 ktons, up 5% versus 1Q23
- All-time high quarterly EBITDA of US \$264 million, up 38% year-on-year
- Sustained improvement in Net Debt to EBITDA ratio (2.2x); lowest level in ten years

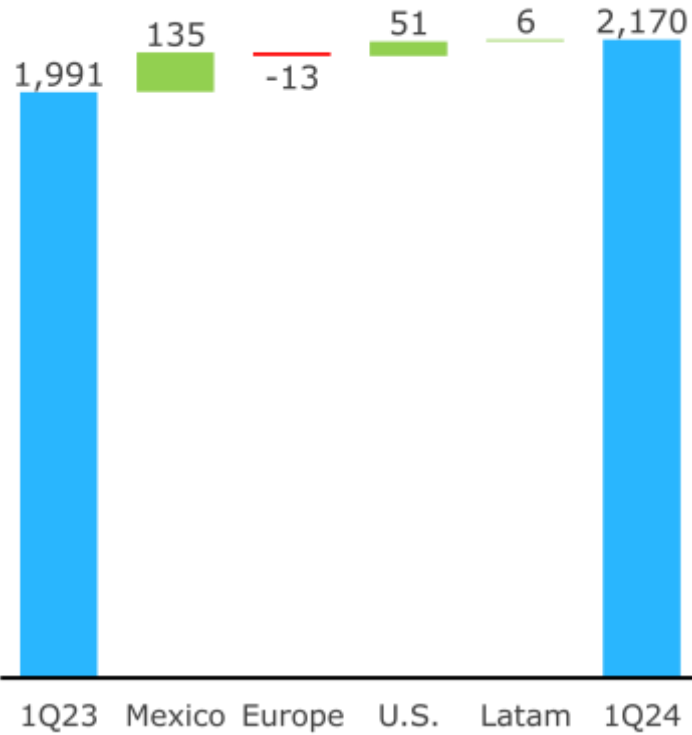
▼ Sigma Results by Region

- Mexico: Record quarterly Volume and Revenue, consistent growth across all categories and channels
- Europe: 1Q24 EBITDA growth of 52% year-on-year
- U.S.: All-time high quarterly EBITDA driven by Hispanic and Mainstream Brands, as well as the successful integration of Los Altos Foods
- Latam: Record high quarterly EBITDA driven by favorable performance in Central America and the Dominican Republic

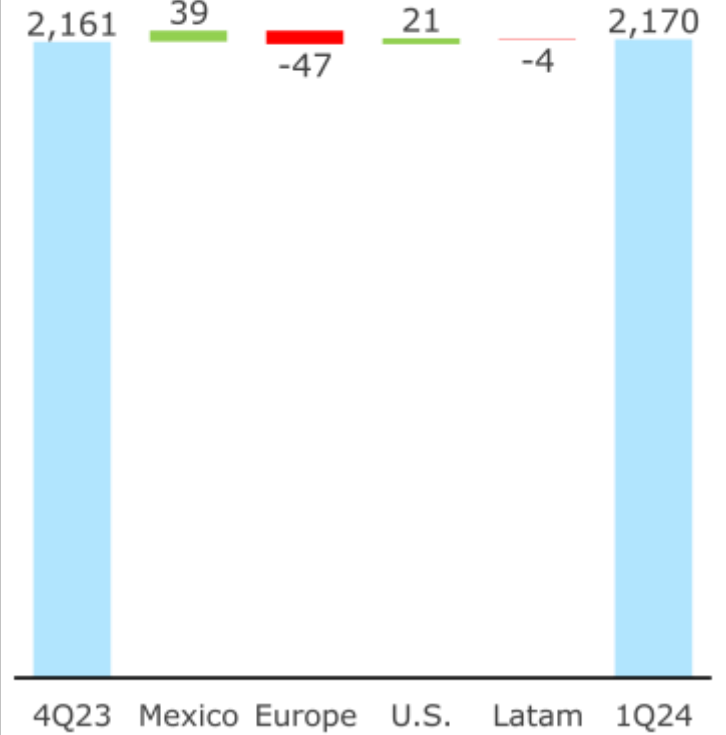
Revenues
(US \$ Million)

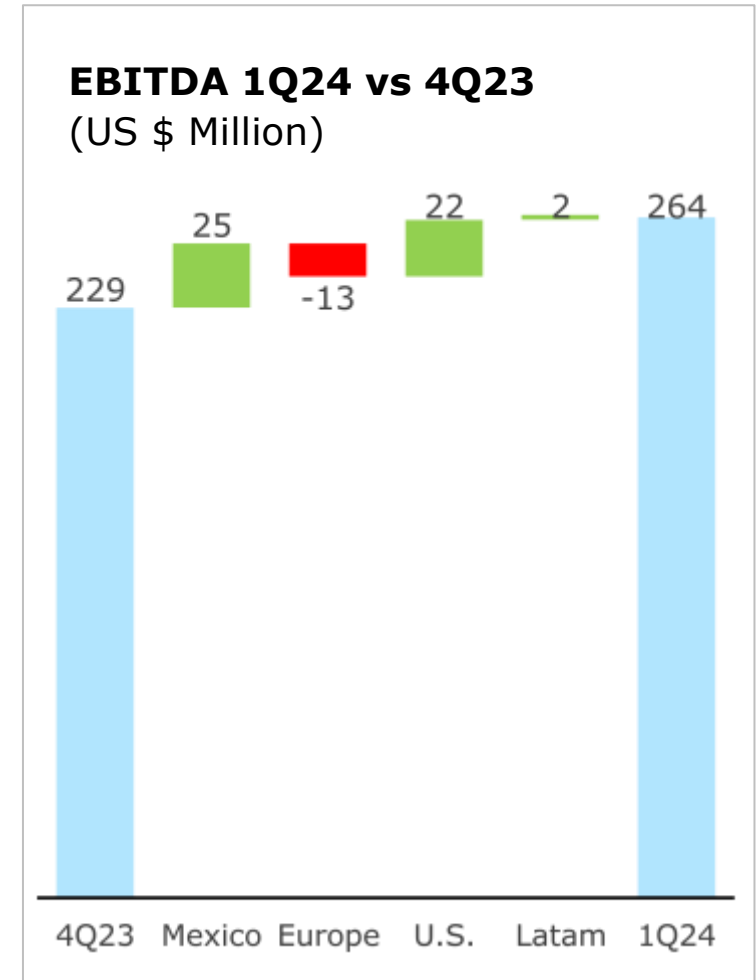
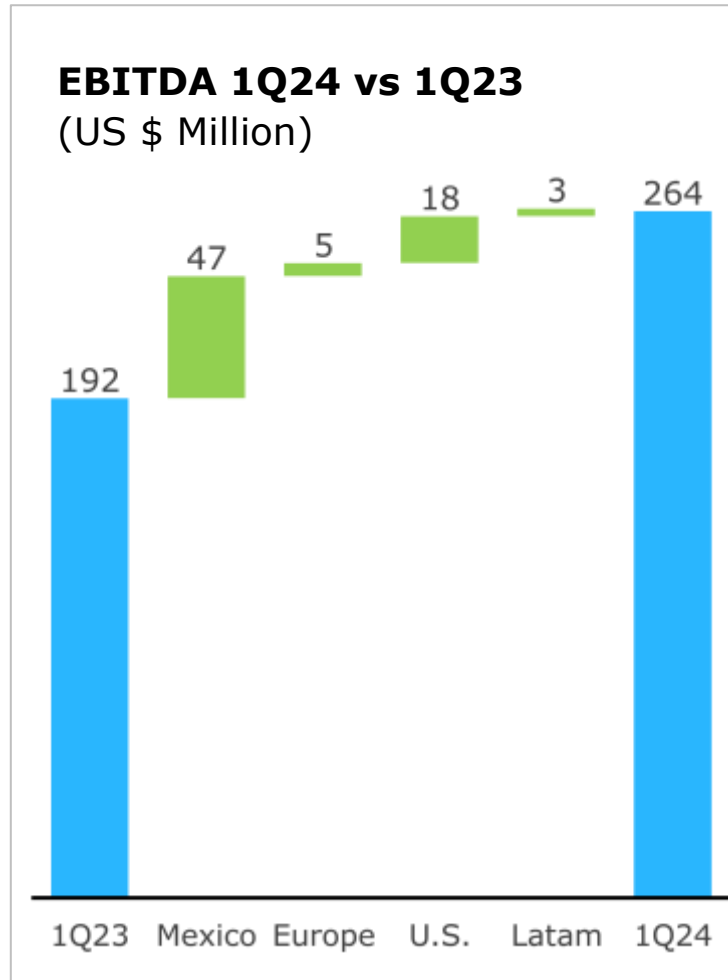
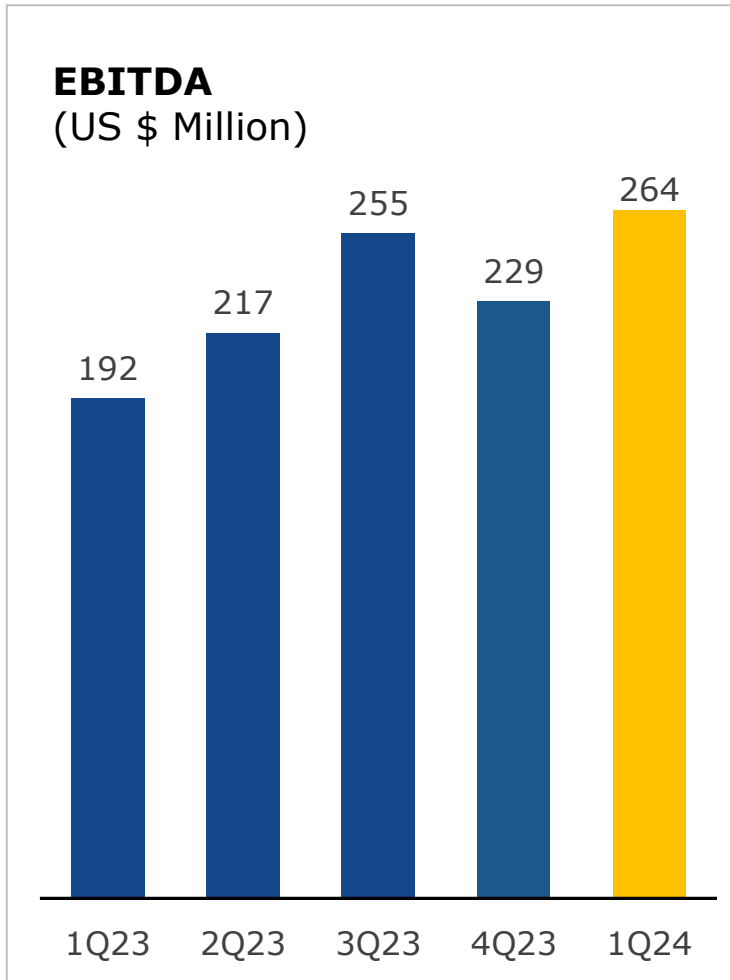


Revenues 1Q24 vs 1Q23
(US \$ Million)

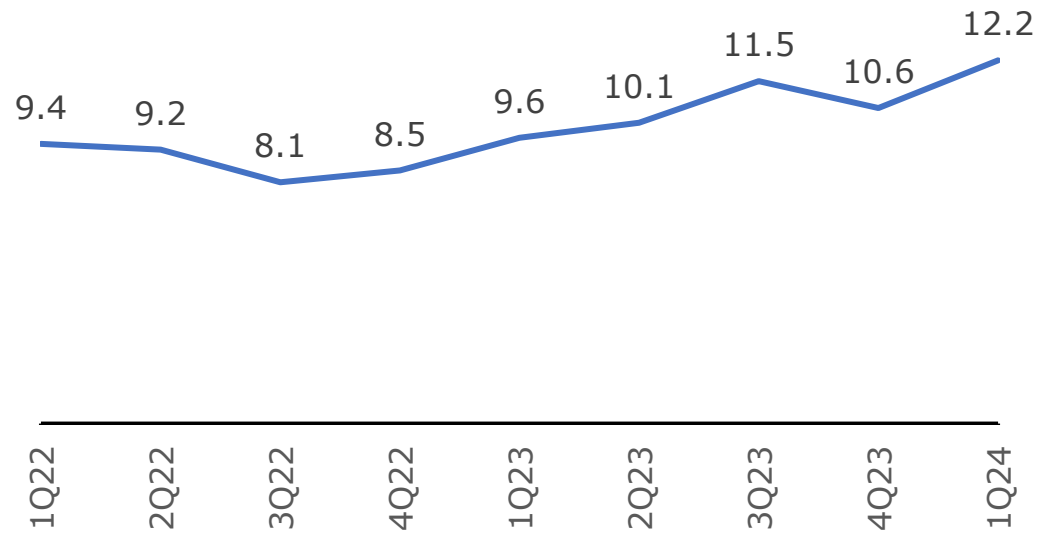


Revenues 1Q24 vs 4Q23
(US \$ Million)

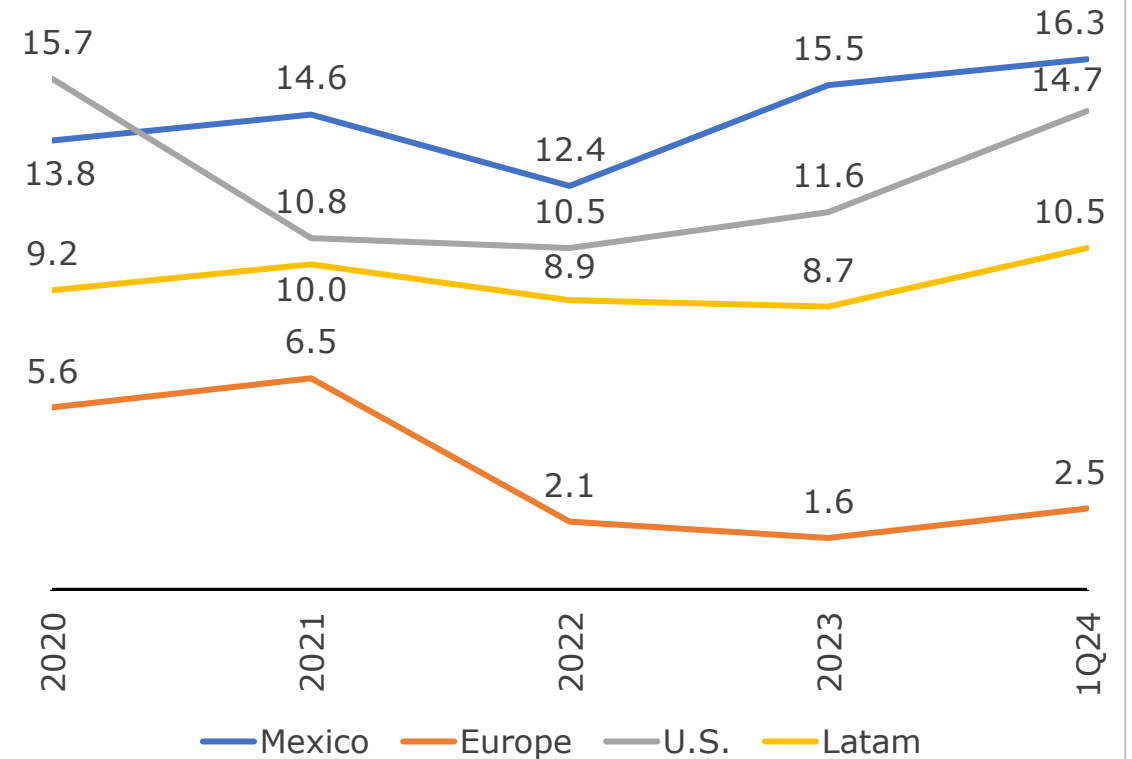




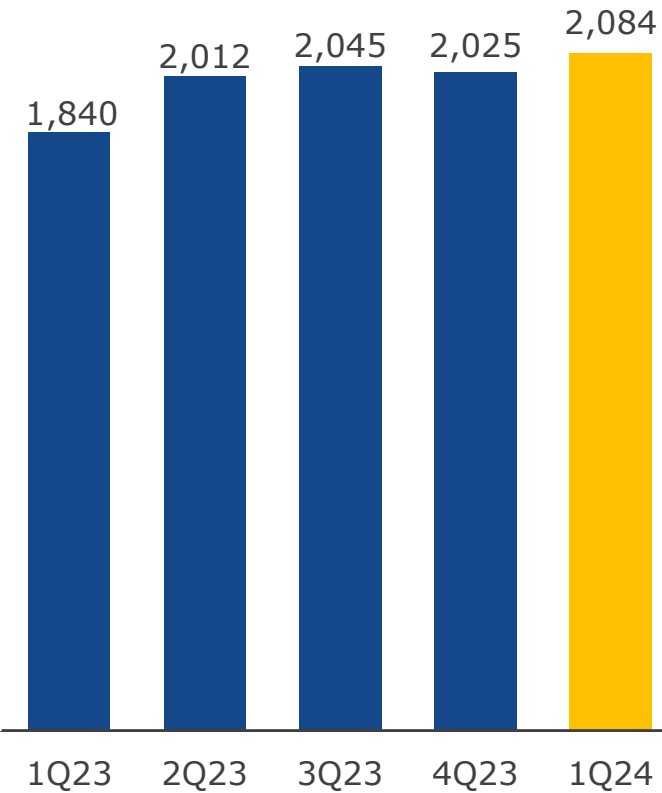
EBITDA Margin (%)



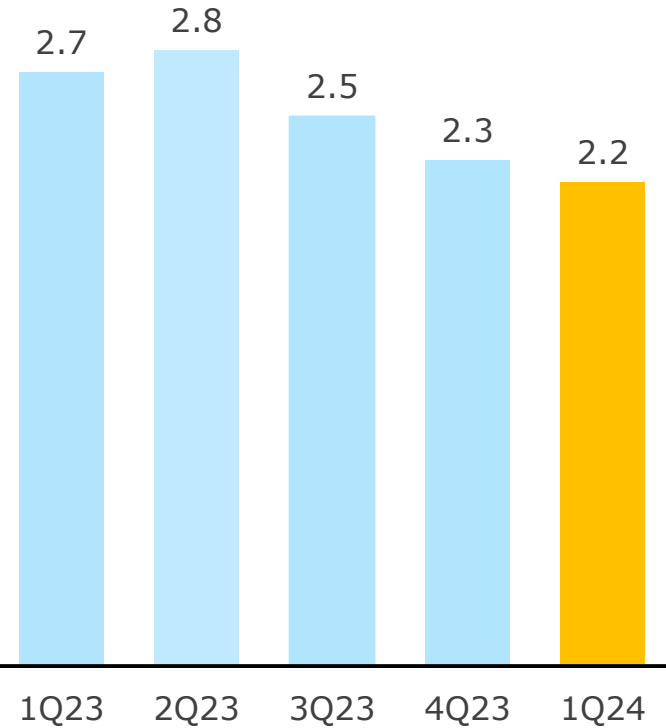
EBITDA Margin By Region (%)



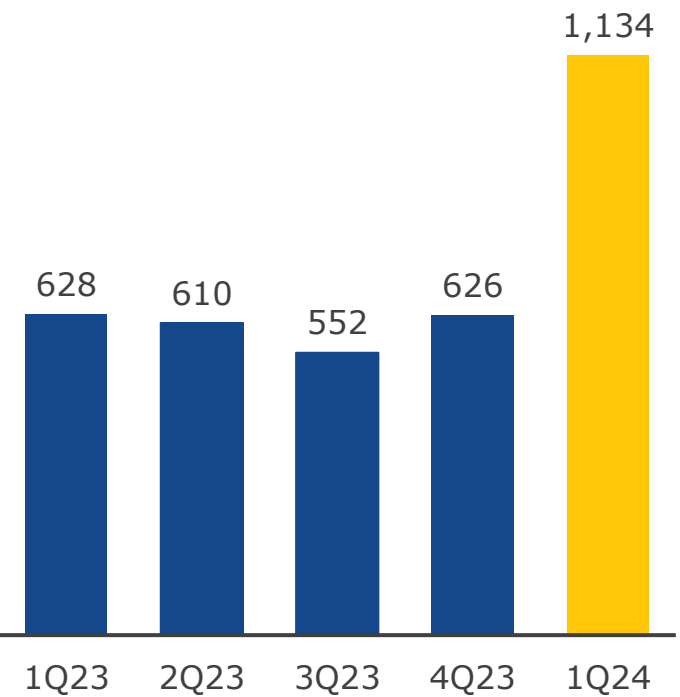
Net Debt
(US \$ Million)



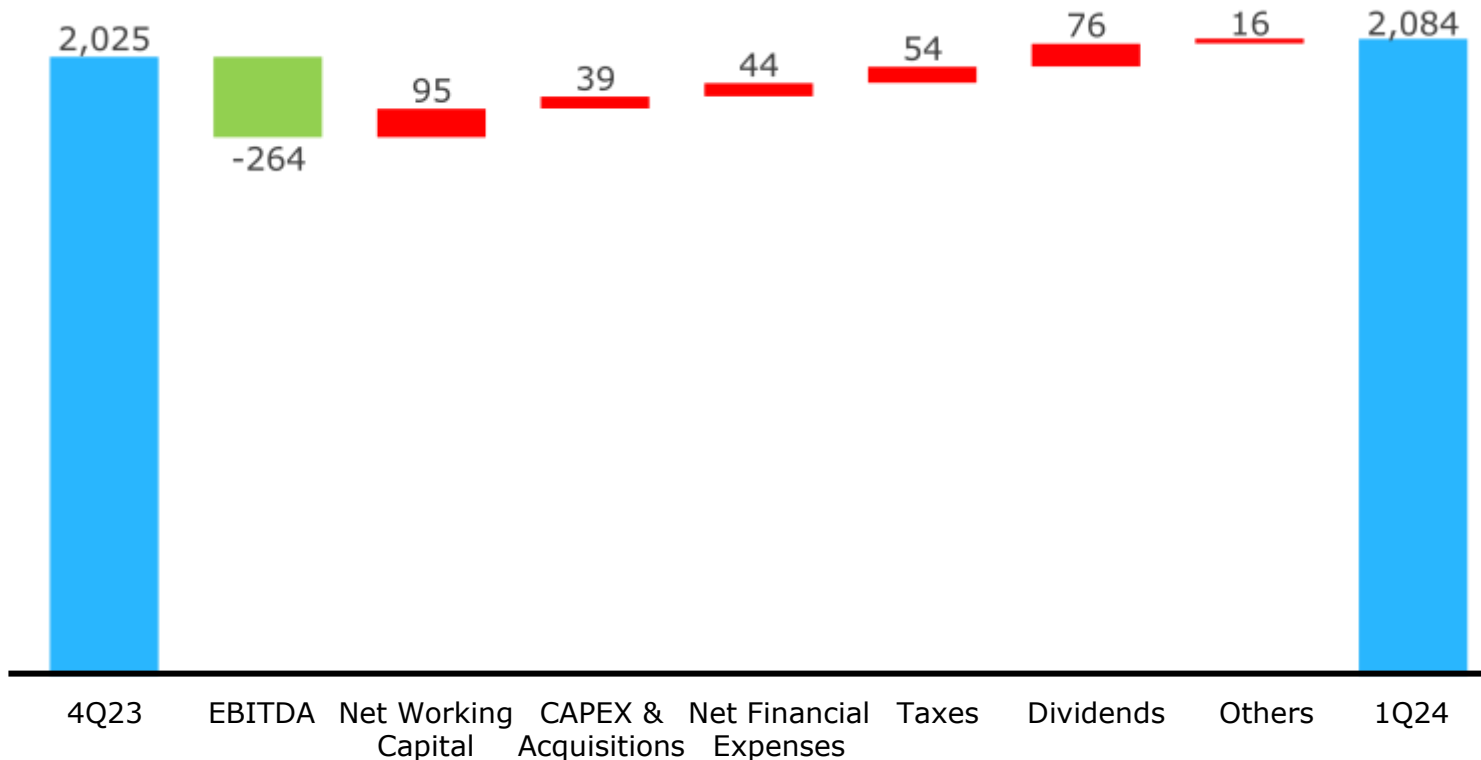
Net Leverage Ratio
(Net Debt/EBITDA)



Cash
(US \$ Million)



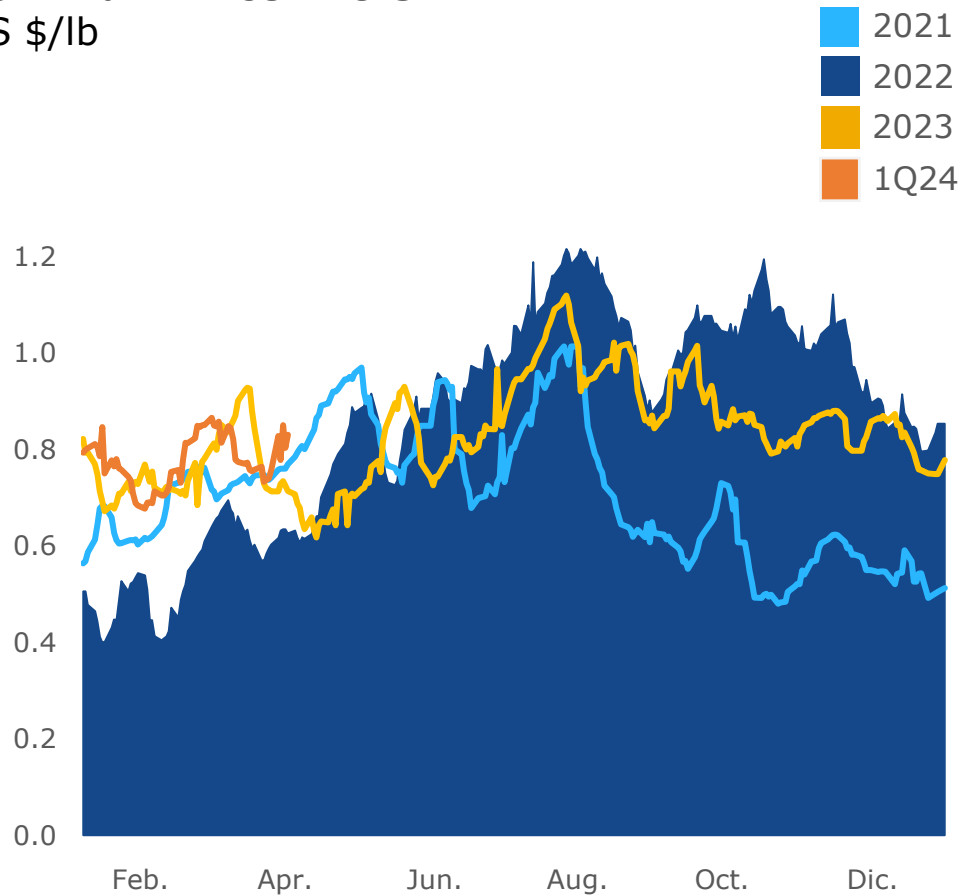
Change in Net Debt 1Q24 vs 4Q23
(US \$ Million)



- Net Debt increased by US \$59 million when compared to 4Q23
- ~67% of 1Q24 Capex was maintenance-related
- For 1Q24, currency forward contracts totaled US \$74 million with an average exchange rate of \$17.92 MXN/USD

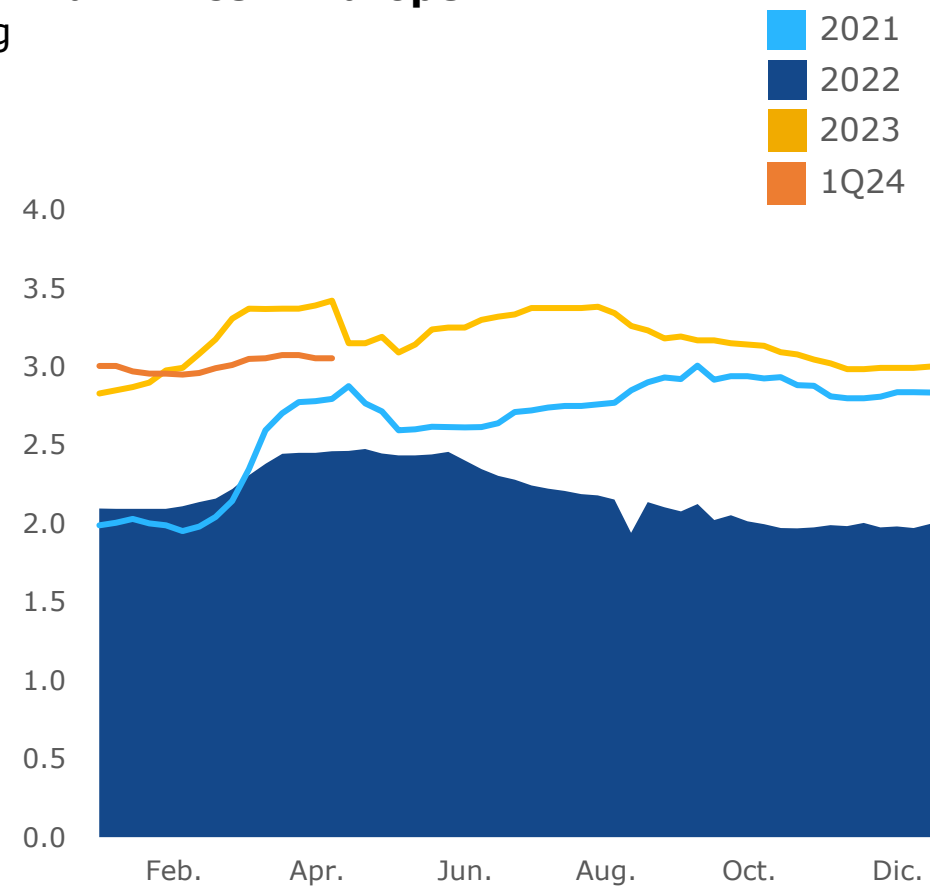
Pork Ham Price in U.S.

US \$/lb



Pork Ham Price in Europe

€/kg



2024 Euro bond refinancing

- Sigma paid its Euro Senior Notes due 2024 (February 2024)
- The total outstanding principal amount of €600 million was paid at maturity with funds from four bilateral, long-term bank loans

Mexican local Bond program

- Successful placement of Ps \$10,000 million (US ~\$600 million) in local notes, also known as *Certificados Bursátiles*, oversubscribed by nearly 2.7 times (March 2024)
- Consisted of two tranches, one comprised of Ps \$1,520 million with a 4-year term at a variable interest rate and the other tranche of Ps \$8,480 million with a 10-year term at a fixed interest rate
- Proceeds will be used to refinance a US \$600 million partial redemption of the Senior Notes due in 2026
- Following the planned redemption, average debt maturity will be extended to 4.6 years from 3.1 years

Brand Portfolio

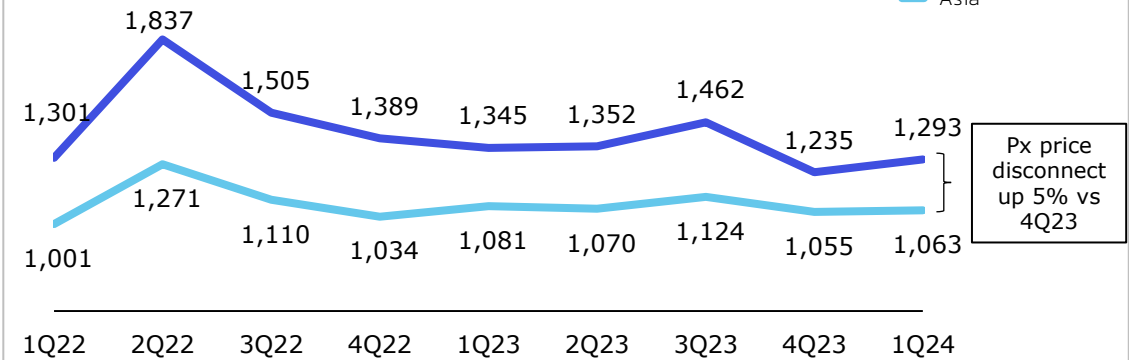
- Three of Sigma's dairy brands - La Chona®, Los Altos®, and Nochebuena® - achieved annual sales of more than US \$100 million, bringing the total number of brands that have achieved this important milestone to 14, up from 11



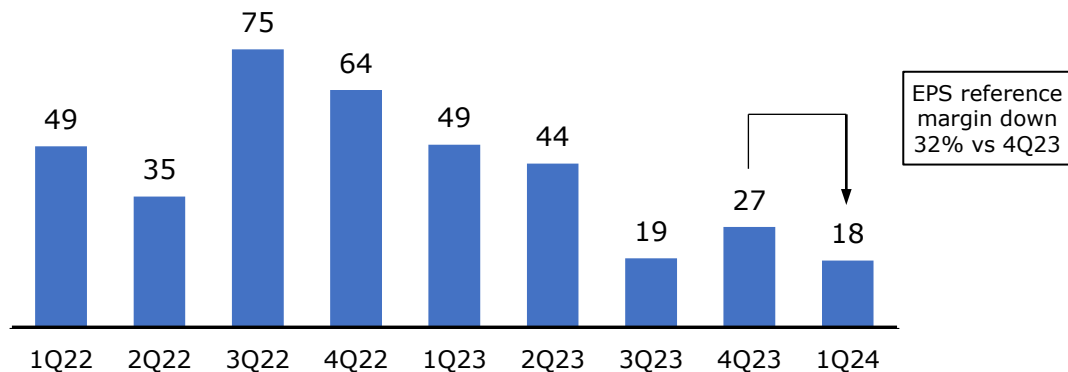
1Q24 Highlights

- Álvaro Fernández appointed Chairman of the Board
- 1Q24 volume up 4% year-on-year and 9% higher quarter-on-quarter, mainly driven by the Polyester segment
- Comparable EBITDA of US \$154 million, on track to reach full-year Guidance of US \$600 million
- Net Debt up 5% vs 4Q23 driven by investment in Net Working Cap; committed to reduce net leverage ratio towards 2.5x by year-end

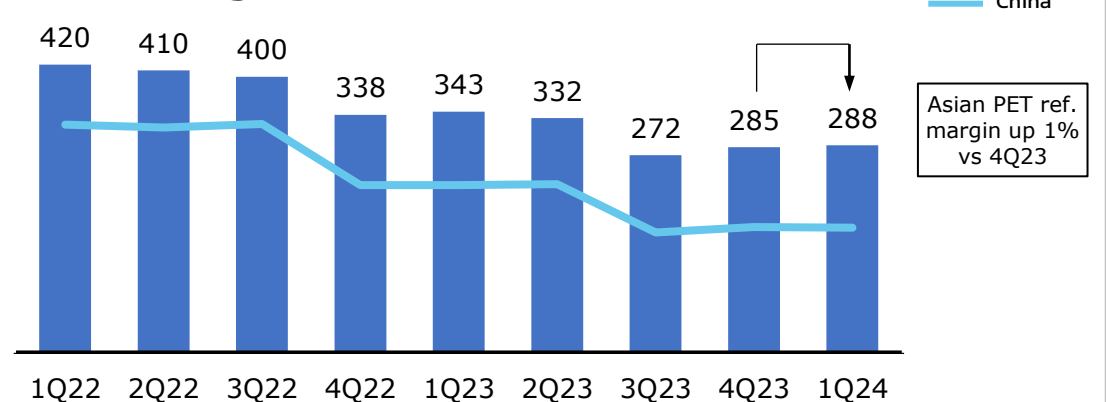
Paraxylene (North America vs Asia) (US\$/Ton)



North America EPS reference margins (US cpp)



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





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