



FIRST QUARTER 2021

EARNINGS WEBCAST

Today's Speakers



José de Jesús Valdez
CEO



José Carlos Pons
CFO



Alejandro Elizondo
IRO



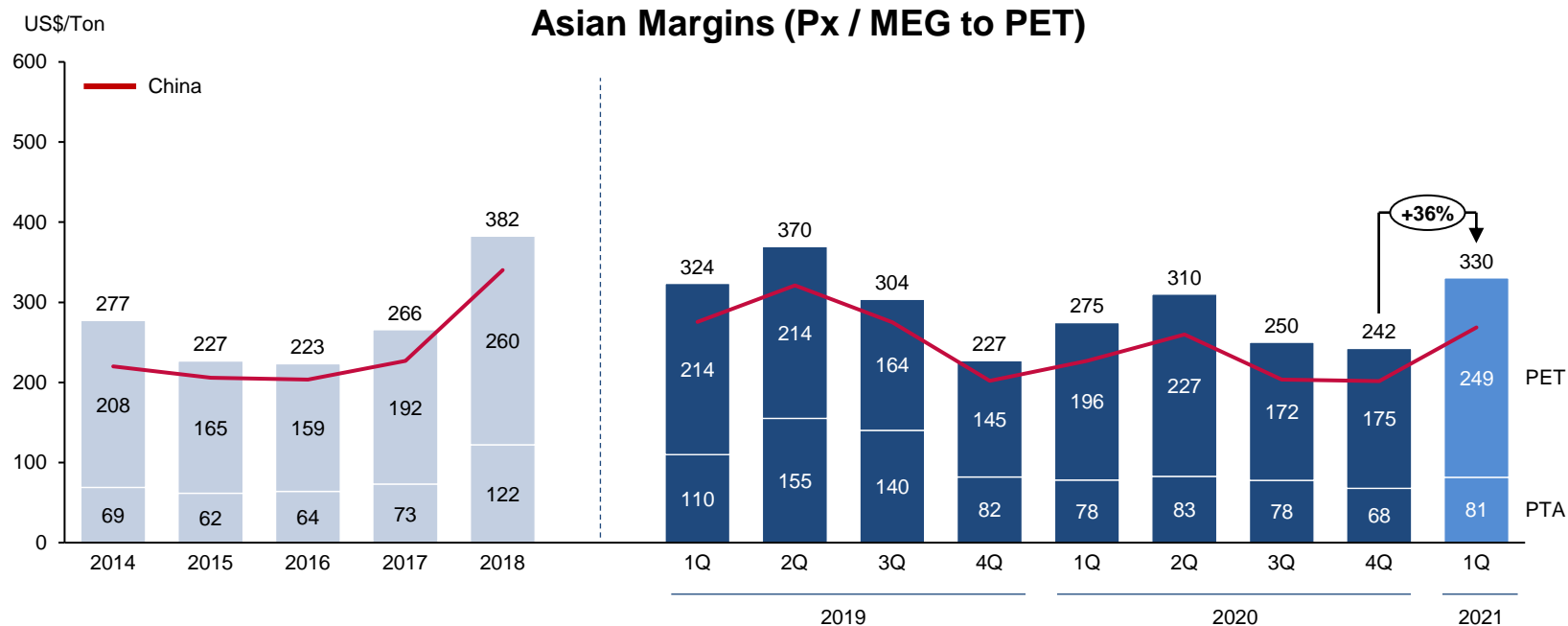
Topics for Today's Webcast

- I. Financial Performance**
- II. Alpek 2031 Bond**
- III. Guidance**



Integrated PET Margins

Margins increased by 36% QoQ due to strong demand



Texas Polar Vortex

Operations



- USGC producers impacted by lack of Power, Natural Gas and/or Feedstocks
- All Alpek sites continued operating as normal
- Producers of feedstocks (Ethylene, PGP, MEG, Styrene) & finished goods (NG, PP, EPS) offline

Demand



- Demand continued to be high, drawing inventories to low levels

Feedstock Prices



- Natural Gas price with two-week spike, reaching levels as high as US\$400/MMBtu at one point
- Average Propylene price increased to 73cpp

Margins



- PP Margins increased to 32cpp in 1Q21
- Alpek able to commercialize Natural Gas to 3rd party customers in México during polar vortex



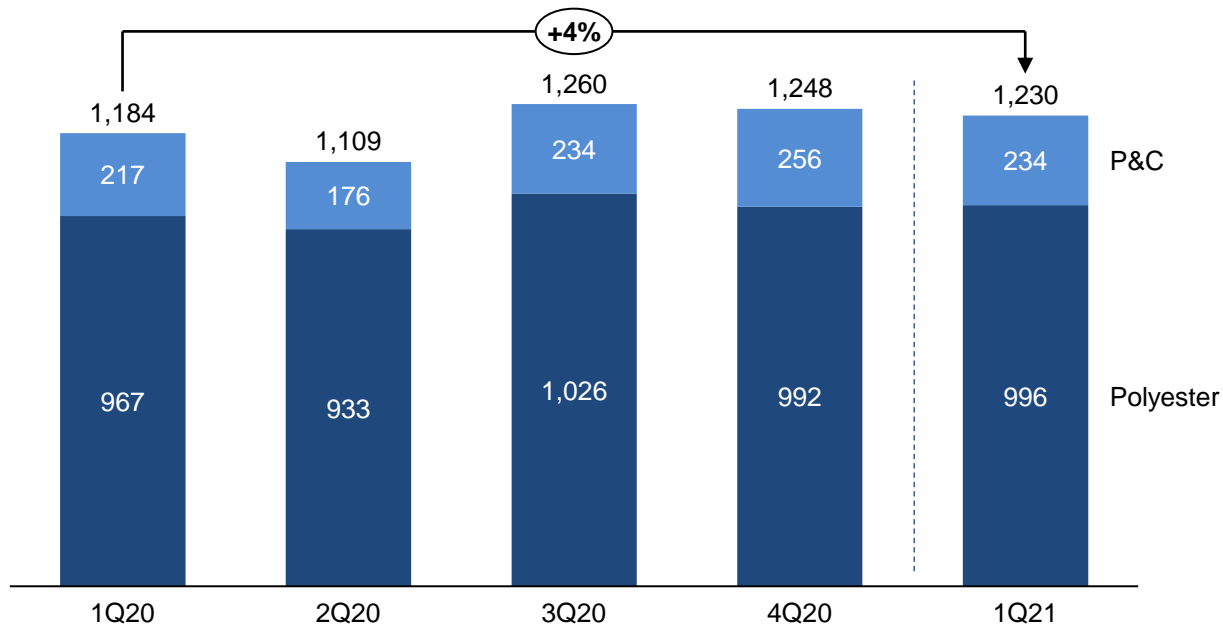
1Q21 Financial Highlights

- Record **high overall volume for any first quarter of 1.2 million tons** (+4% YoY) on track with Guidance
- Highest quarterly **Reported EBITDA ever of US\$324 million** excluding Badwill effect and/or asset sales (Cogen)
- Strong performance continued in 1Q21 with Comparable EBITDA of US\$203 million (+38% YoY) from **record 1Q volume** and **higher-than-expected margins**
- Successfully issued 10-year **U.S. \$600 million bond** with **record low annual coupon** (3.25%) & spread (200 bps)
- **Dividend to shareholders of U.S. \$126 million** approved at Annual Shareholders' Meeting to be paid in 2Q21
- **Leverage** improved to **1.6x** as Net Debt remained at U.S. \$1,219 million and LTM EBITDA increased
- **EBITDA Guidance revised** to **U.S. \$675 million** based on strong 1Q21 results & improving industry margins



Volume Evolution

Alpek Sales Volume (KTon)

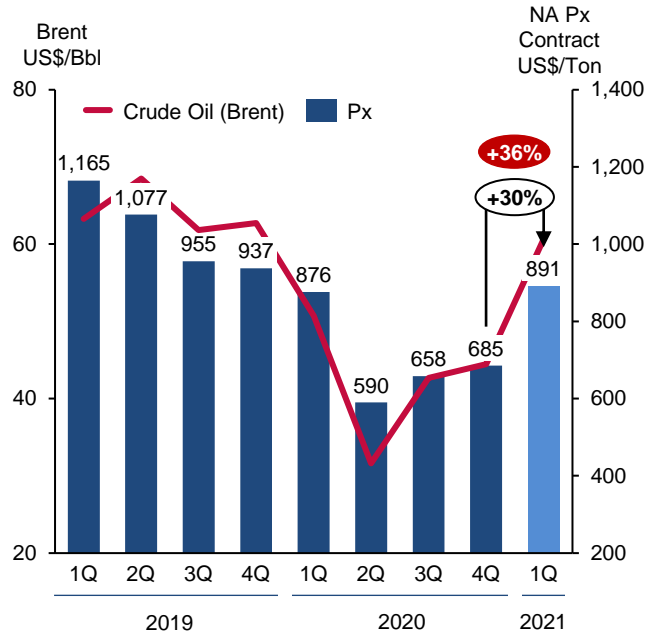


- PET volume YoY increase largely due to resilience of strong post-COVID-19 demand
- P&C volume increased YoY from acquisition of NOVA's Expandable Styrenics business (flat YoY excl. NOVA)

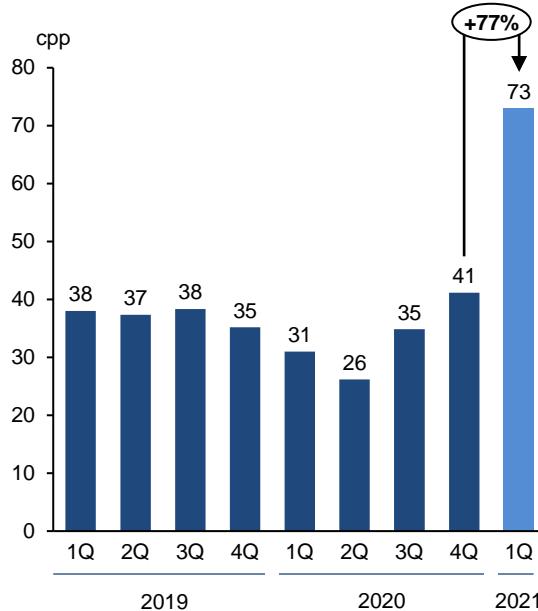


Feedstock Costs

Crude Oil and Paraxylene



NA Propylene Contract Price

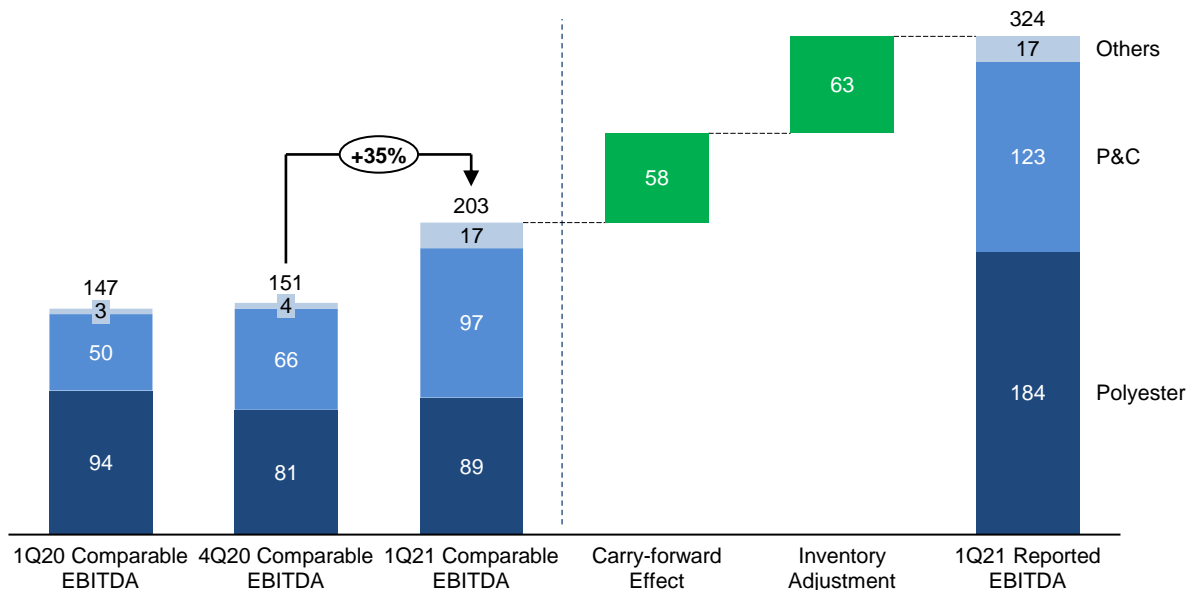


- Crude oil price increased 36% as global economy continues to recover, OPEC production quotas enforced, and demand for refined products continues to rise
- Paraxylene price rose (+30%) in line with Crude Oil price increase
- Strong increase to Propylene prices (+77%) caused by polar vortex in U.S. Gulf Coast, though beginning to normalize



EBITDA Breakdown

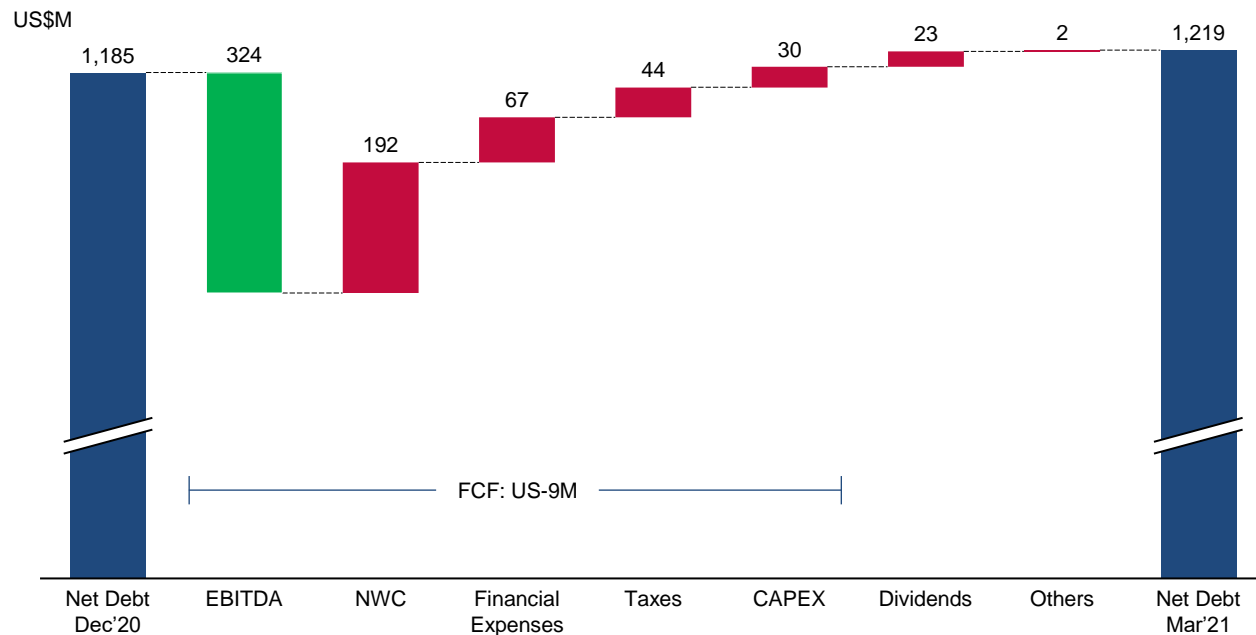
1Q21 EBITDA (US\$M)



- **Comparable EBITDA of US\$203M (+35% QoQ) in 1Q21**
- **Polyester Comp. EBITDA of US\$89M (+10% QoQ) from strong margins & volume**
- **P&C Comp. EBITDA of US\$97M (+48% QoQ) from higher PP margins due to polar vortex**
- **Positive Carry-forward & Inventory Adjustment effect as Px and Propylene prices increased**



Free Cash Flow Generation

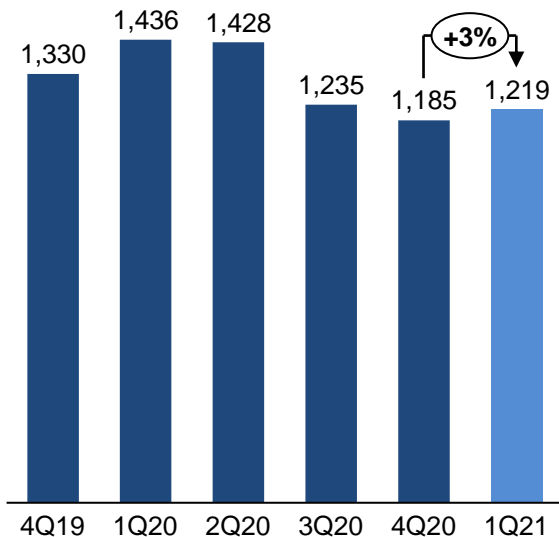


- NWC of -US\$192M due to feedstock prices increase caused by crude oil (Px) & polar vortex (Propylene)
- Financial expenses of -US\$67M due to one-time tender cost of Alpek's 2022 Bond totaling -US\$42M
- FCF of -US\$9M in 1Q21 as strong EBITDA was offset by NWC and Financial Expenses

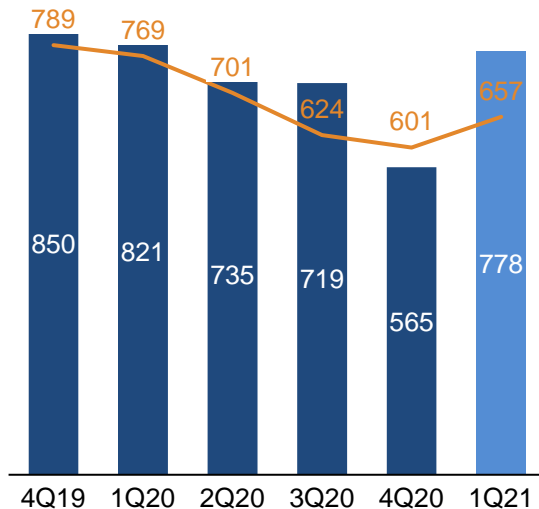


Net Debt & Leverage

Net Debt (US\$M)

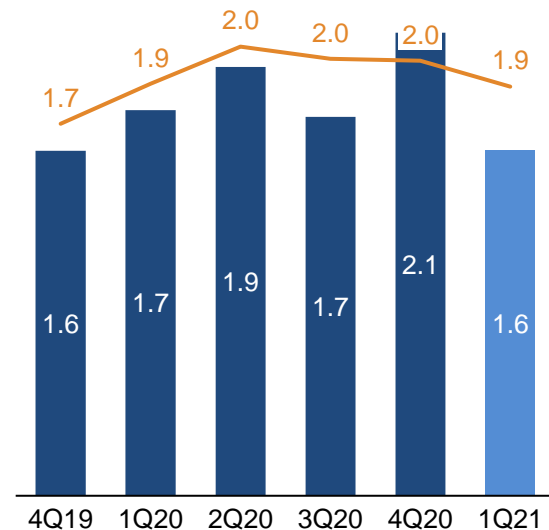


LTM EBITDA (US\$M)



— Comp. EBITDA

Net Debt/EBITDA (Times)



— Net Debt / Comp. EBITDA





Alpek 2031 Bond Emission

Principal Amount	US\$600M
Maturity	Feb. 2031 (10 Years)
Coupon	3.25% (-1.00% vs. '29 Bond)
Spread	200bps (-55bps vs. '29 Bond)
US 10 Yr T.	1.28% (vs. ~1.68% on April 1)
Order Book	US\$5.4B (9.0x Over-subscribed)
Other Notes	Strong participation from ESG-dedicated funds

Revised 2021 Guidance & Key Assumptions

			Revised '21 Guidance	Previous '21 Guidance	2020	Change (% vs. '20)
Market	Crude Oil	US\$/Bbl	63	48	42	48
	Asia PTA/PET Margin	US\$/Ton	285	245	269	6
	MXN / USD (Avg.)	MXN	21.1	21.1	21.5	(2)
Financials	Reported EBITDA	US\$M	750	561	565	33
	Comparable EBITDA ¹	US\$M	675	561	601	12

(1) Excludes inventory adjustments and carry-forward effects



Q&A



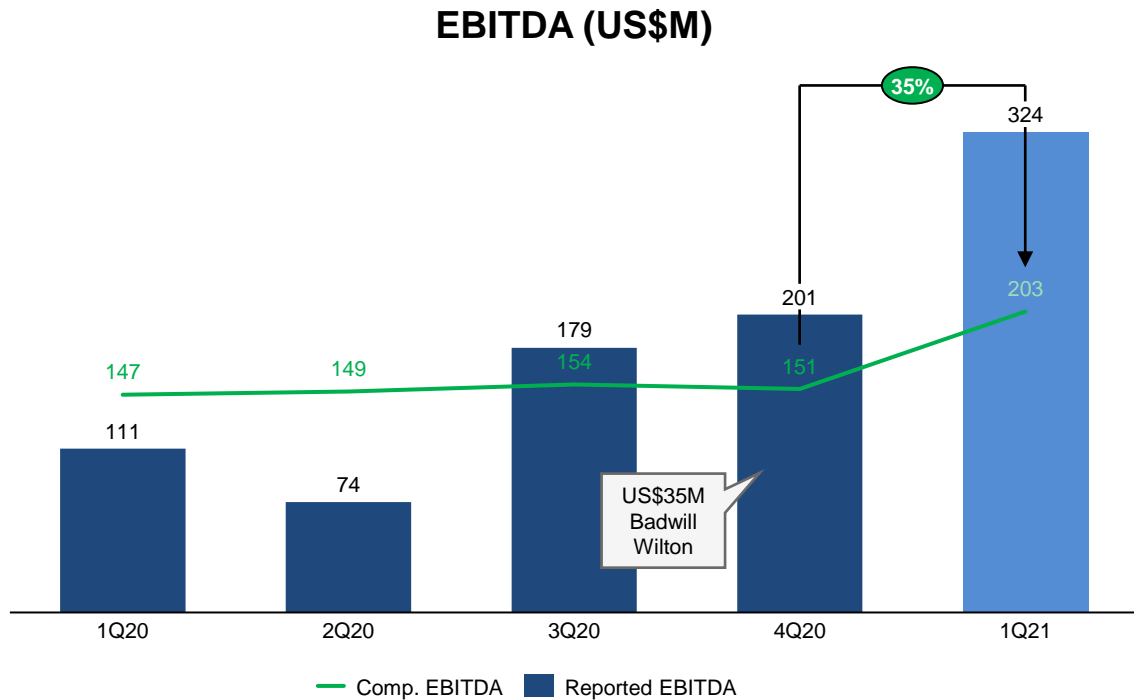
José de Jesús Valdez
CEO



José Carlos Pons
CFO



EBITDA Evolution



- 1Q21 Comparable EBITDA of US\$203M (+35% QoQ)
- Increase largely due to better polyester margins, solid EPS performance and one-time benefits to PP margins & natural gas commercialization from polar vortex
- Reported EBITDA of US\$324M up (+193% YoY) due to better Comp. EBITDA and positive inventory adjustment & carry-forward effects vs. 2020



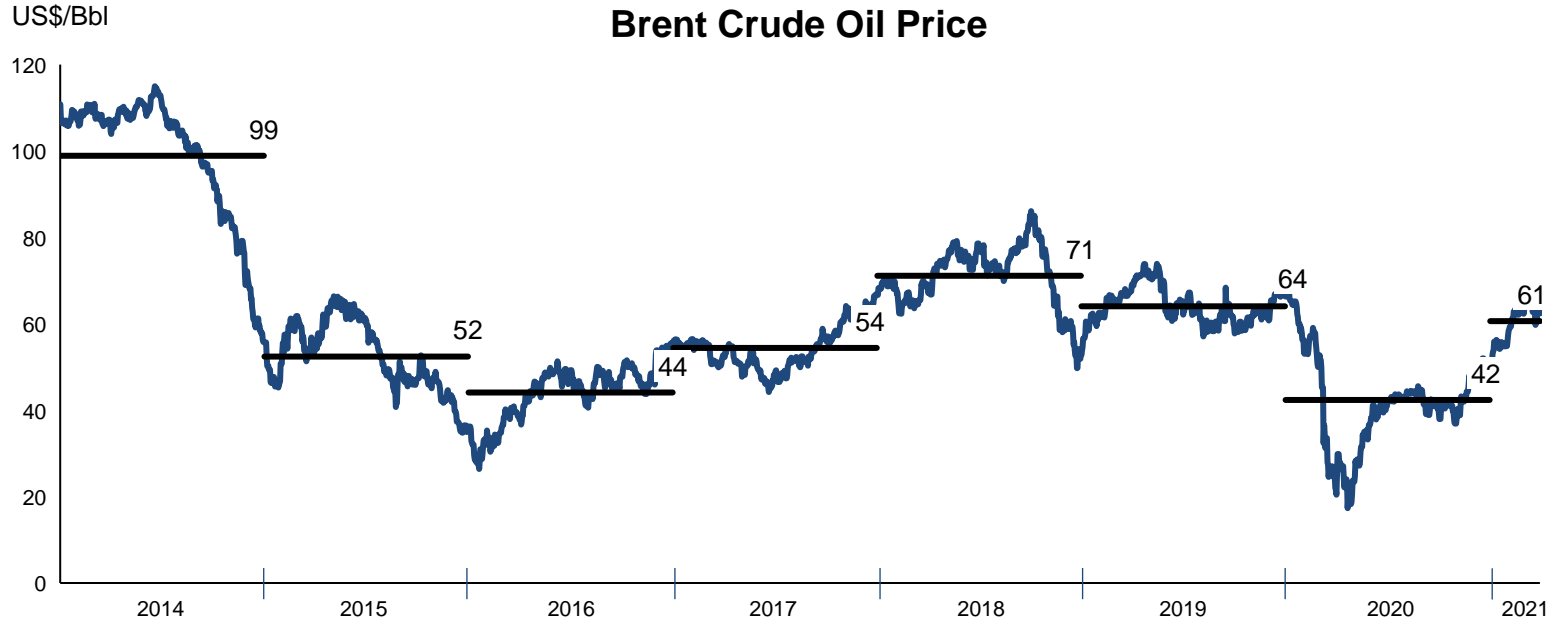
Breakdown of Extraordinary Effects

M dls	2021	2020		Delta	
	1Q	1Q	4Q	1Q	4Q
Reported EBITDA	324	111	201	214	123
Inventory Adjustment	(63)	17	(9)	(80)	(54)
Carry-Forward Effect	(58)	20	(9)	(78)	(49)
Others	-	-	(33)	-	33
Comparable EBITDA	203	147	151	56	52



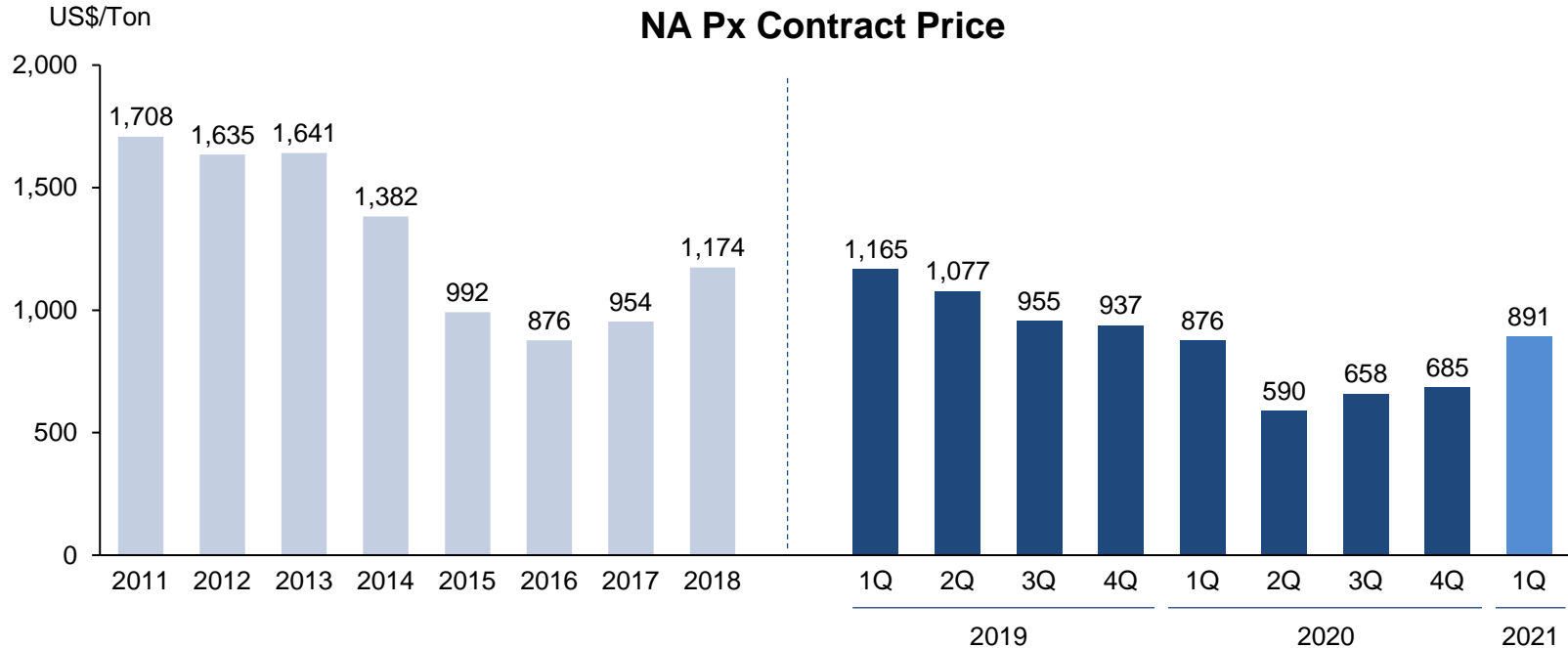
Relevant References: Crude Oil

Price increased during 1Q21 as quotas met & demand for refined products rose



Relevant References: Paraxylene

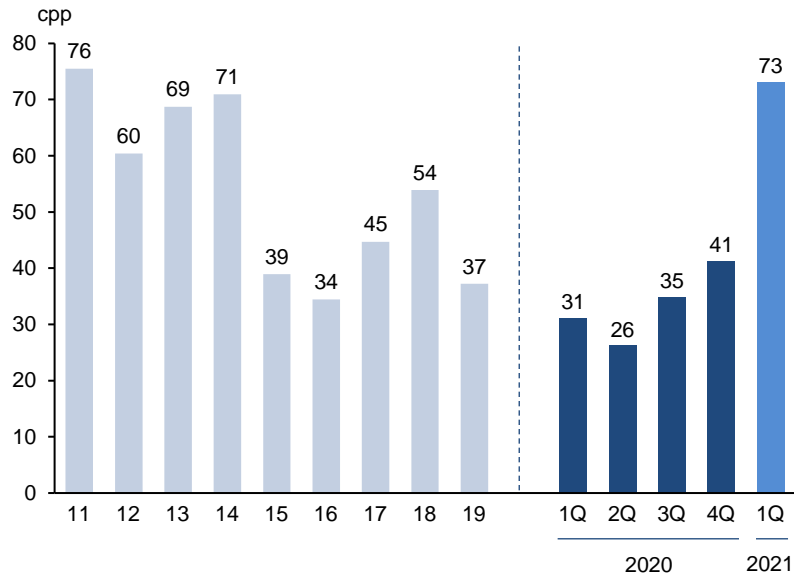
Px prices increased by 30% in line with Crude Oil price (+36%)



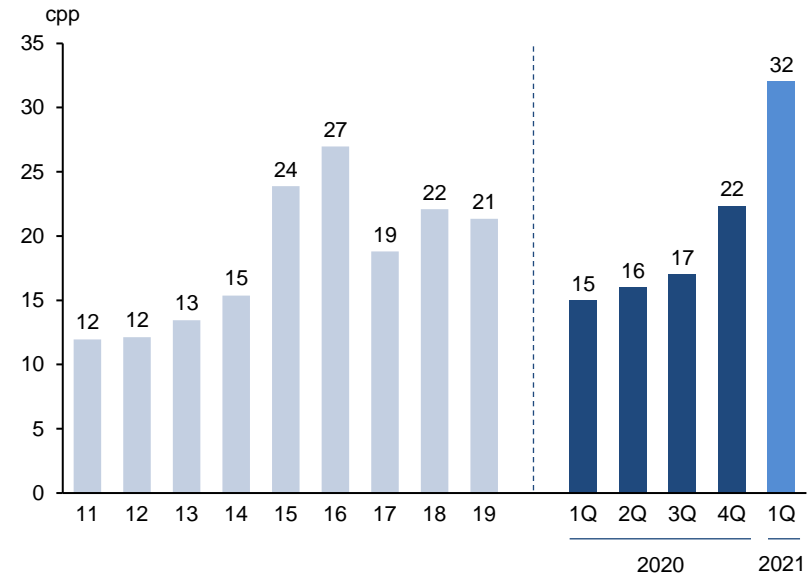
Relevant References: Propylene & Polypropylene

Increase in both PGP contract prices and PP margins due to polar vortex

NA Propylene Contract Price (PGP)



NA Polypropylene Margin (PP to PGP)



For Additional Information

Email: IR@alpek.com / Phone: +52 (818) 748-1146



**Alejandro
Elizondo**
IRO

aelizondo@alpek.com

- 10 Years at Alfa/Alpek
- Previously held roles as Director of Logistics & Procurement at Indelpro, Director of Energy Markets at Alfa, and Project Leader at The Boston Consulting Group
- BS in Industrial Engineering from Cornell University and MBA from Stanford Graduate School of Business



**Alejandra
Bustamante**
IR Manager

abustamante@alpek.com

- 9 Years at Alfa/Alpek
- Previously held roles in Human Capital, Talent & Culture at Alfa and Axtel
- BA in International Relations from ITESM



Disclaimer

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