



SECOND QUARTER 2021

EARNINGS WEBCAST

Today's Speakers



José de Jesús Valdez
CEO



José Carlos Pons
CFO



Alejandro Elizondo
IRO



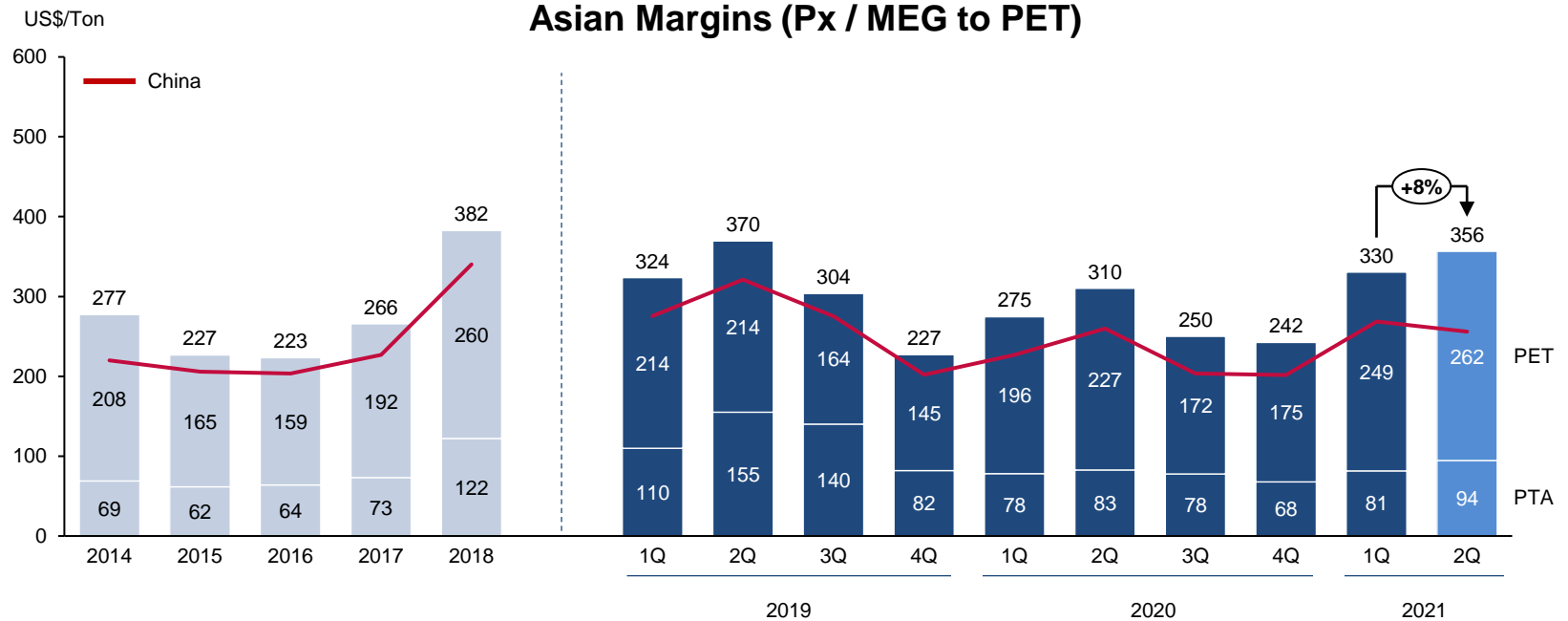
Topics for Today's Webcast

- I. Financial Performance**
- II. CarbonLITE rPET Acquisition**
- III. ESG Improvement & Index**
- IV. Revised Guidance**



Integrated PET Margins

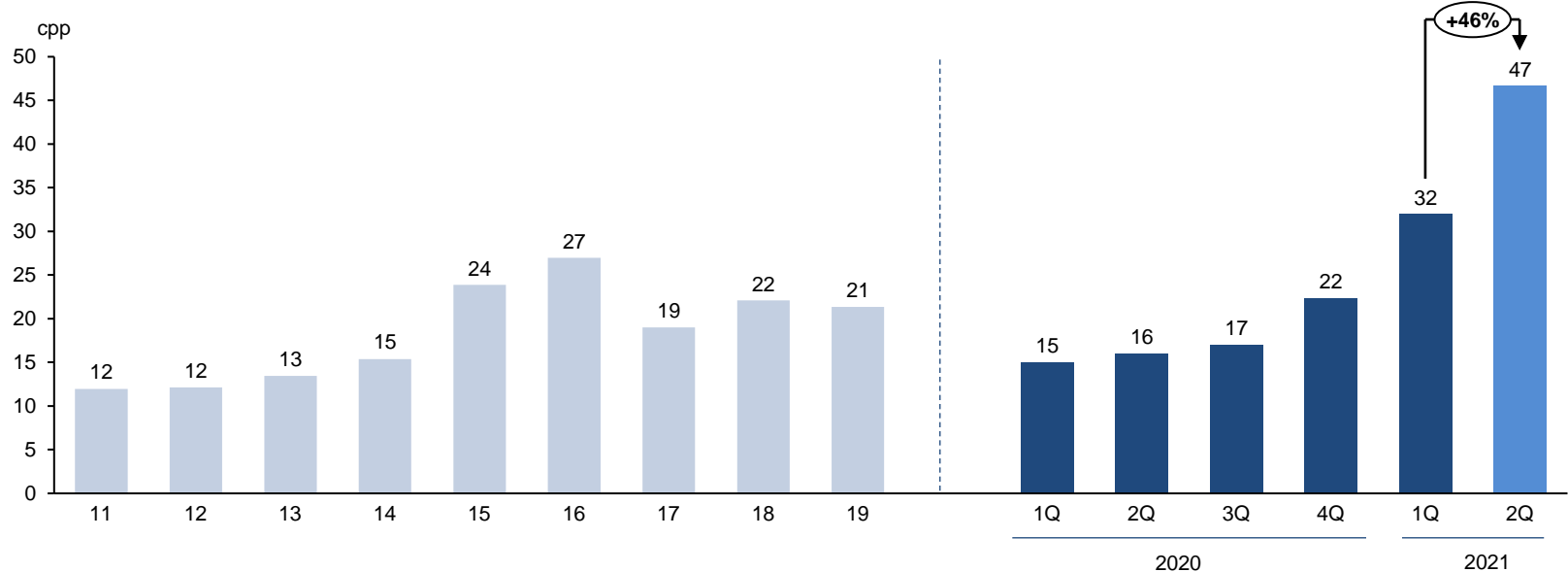
Margins increased by 8% QoQ due to continued demand strength



Relevant References: Polypropylene Margins

PP margins remain high as effect from polar vortex persists

NA Polypropylene Margin (PP to PGP)



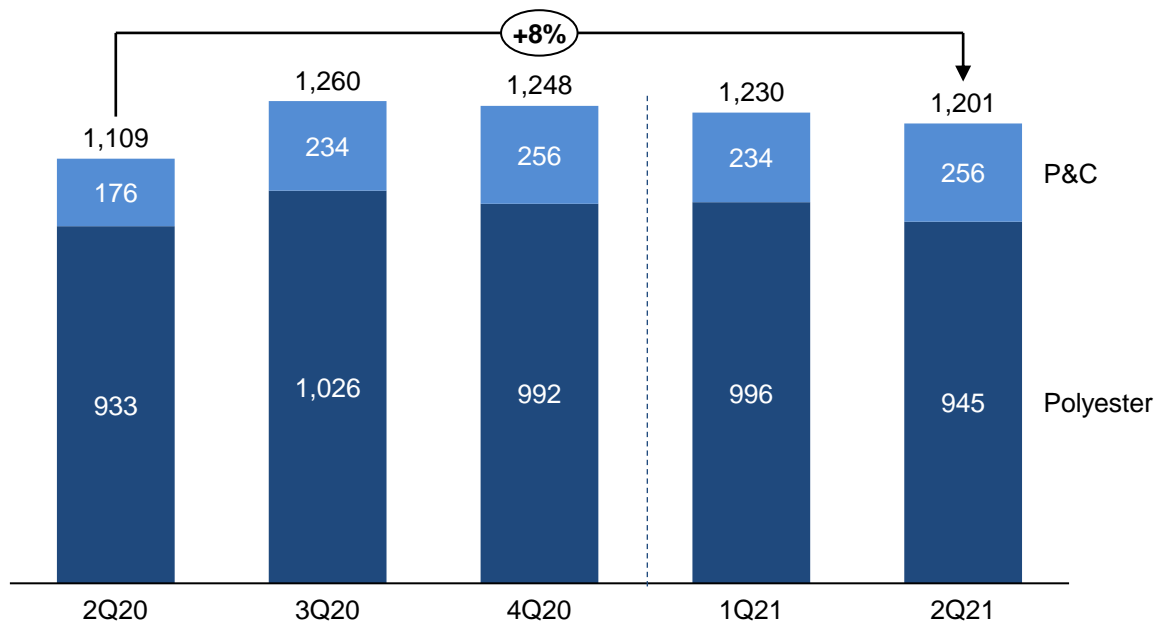
2Q21 Financial Highlights

- Record **high second quarter volume of 1.2 million tons** (+8% YoY) on track with Guidance estimate
- Comparable EBITDA of **US \$225 million** (+51% YoY) due to **record 2Q volume** & **strengthened margins**
- **Dividend** payment of **US \$128 million** approved at Annual Shareholders' Meeting, paid during **2Q21**
- Leverage improved to **1.3x** as Net Debt was **U.S. \$1,247 million**, and in spite of 2Q21 CAPEX & Dividends
- **Finalized acquisition of** CarbonLITE's state-of-the-art integrated **rPET facility for US \$96 million**
- **Comparable EBITDA Guidance** raised to **US \$765 million (+27%)** due to strong 2Q21 & continued expectations for volume and margin strength



Volume Evolution

Alpek Sales Volume (KTon)

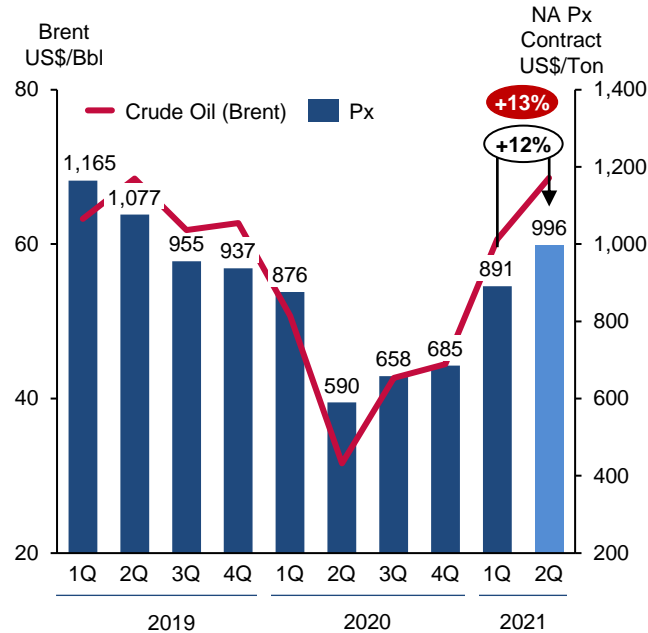


- **Highest second quarter volume in Alpek's history**
- **Polyester volume increased YoY (+1%) due to strengthened demand**
- **Slight Polyester volume decrease QoQ as temporary drought in Altamira affected PTA production**
- **Record quarterly volume for P&C as demand for PP and EPS has strengthened**

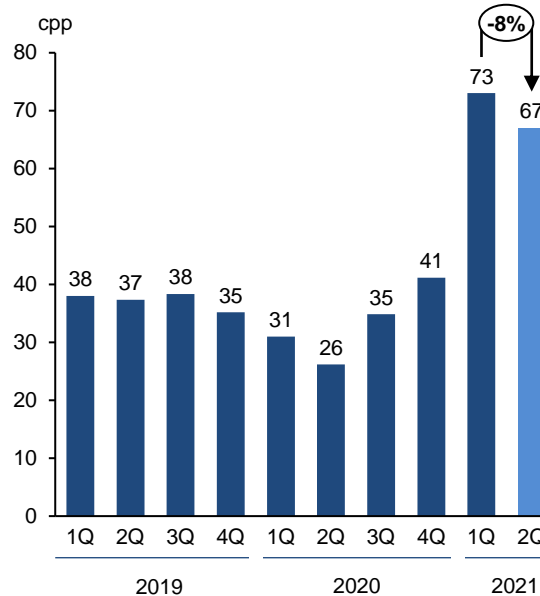


Feedstock Costs

Crude Oil and Paraxylene



NA Propylene Contract Price

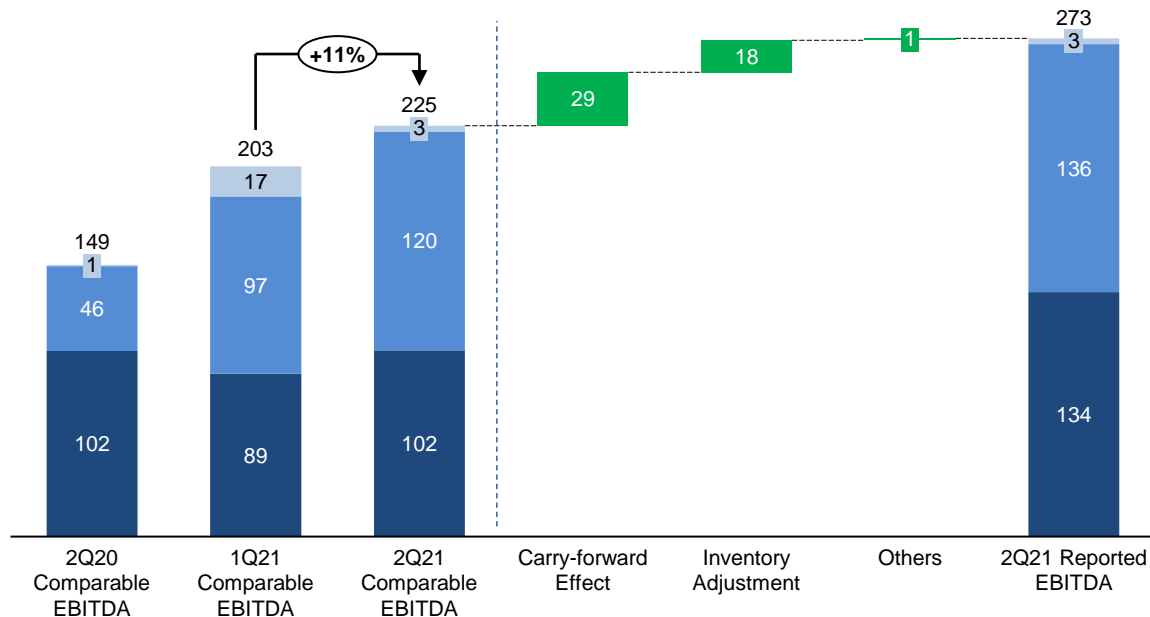


- Crude oil price increased (+13%) as a result of rising demand for refined products
- Paraxylene price rose (+12%) in line with Crude Oil price increase
- Decrease in quarterly Propylene prices (-8%) despite closing higher at 74cpp



EBITDA Breakdown

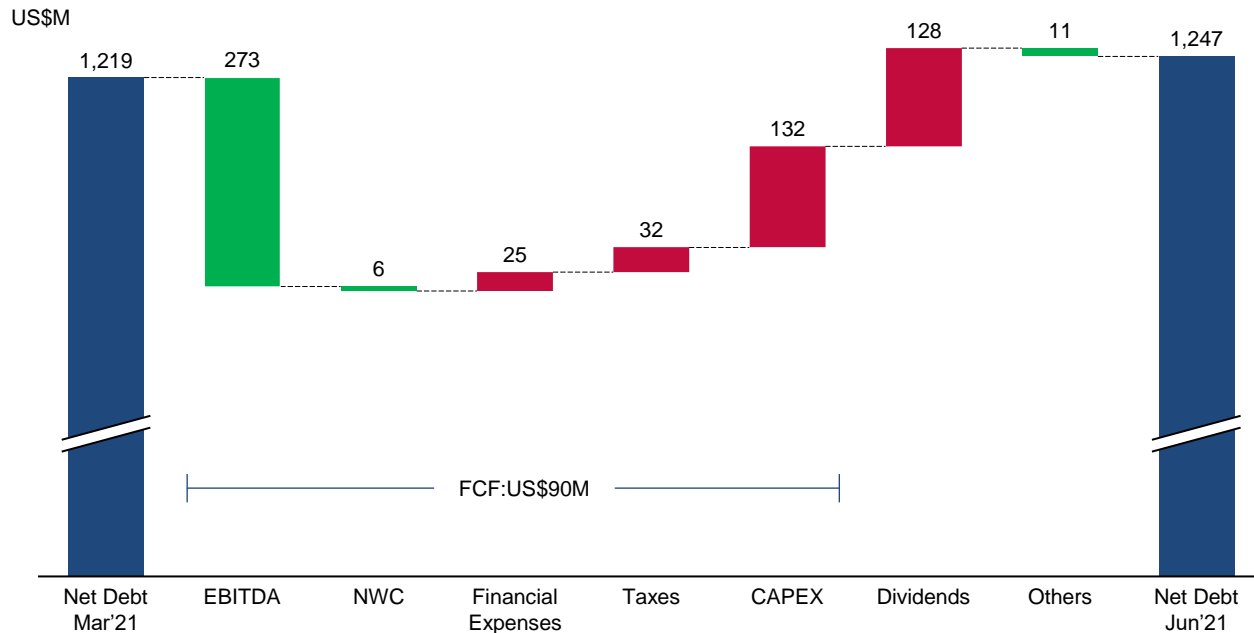
2Q21 EBITDA (US\$M)



- Comparable EBITDA of US\$225M (+11% QoQ) in 2Q21
- Polyester Comp. EBITDA of US\$102M (+14% QoQ) as margins were strengthened
- P&C Comp. EBITDA of US\$120M (+23% QoQ) from higher PP margins due to longer-than-expected polar vortex effects
- Positive Carry-forward & Inventory Adjustment effect as Px and Propylene prices rose towards quarter-end



Free Cash Flow Generation

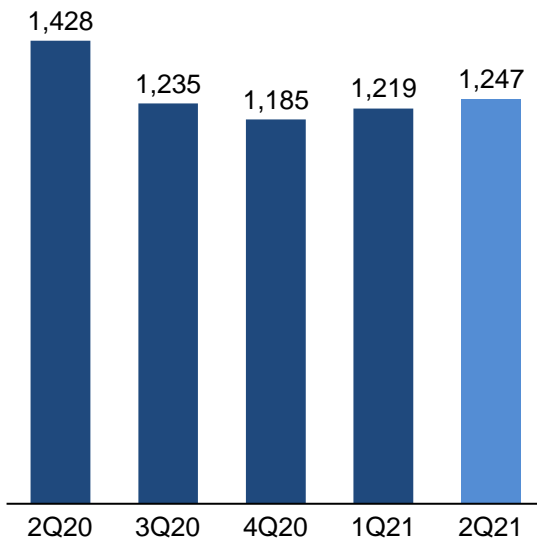


- NWC gain of US\$6M as increase in raw material prices offset by supplier credit terms
- Total CAPEX of US\$132M includes US\$96 million from the acquisition of CarbonLITE's rPET site
- Strong FCF of US\$90M in 2Q21 as higher CAPEX was offset by strong EBITDA
- Paid US\$128M Dividend approved during the Annual Shareholders' Meeting

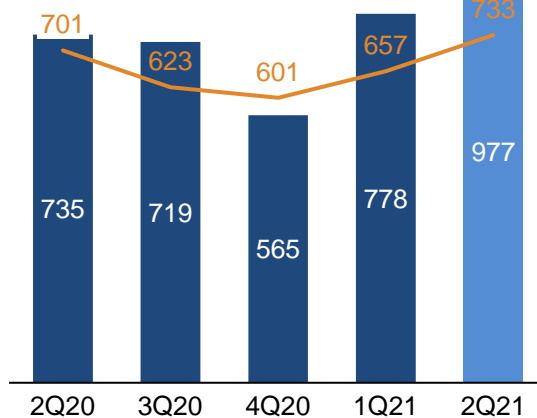


Net Debt & Leverage

Net Debt (US\$M)

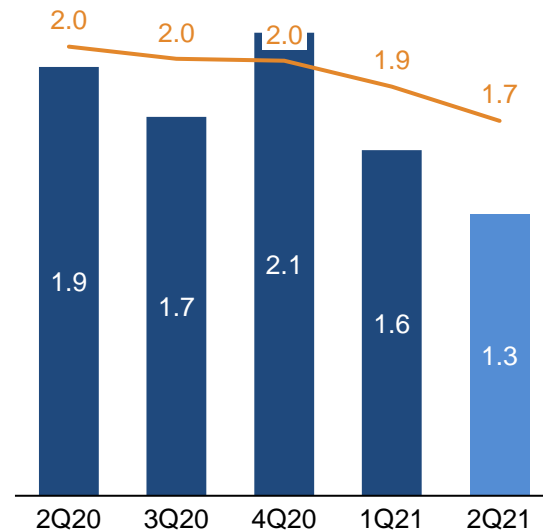


LTM EBITDA (US\$M)



— Comp. EBITDA

Net Debt/EBITDA (Times)

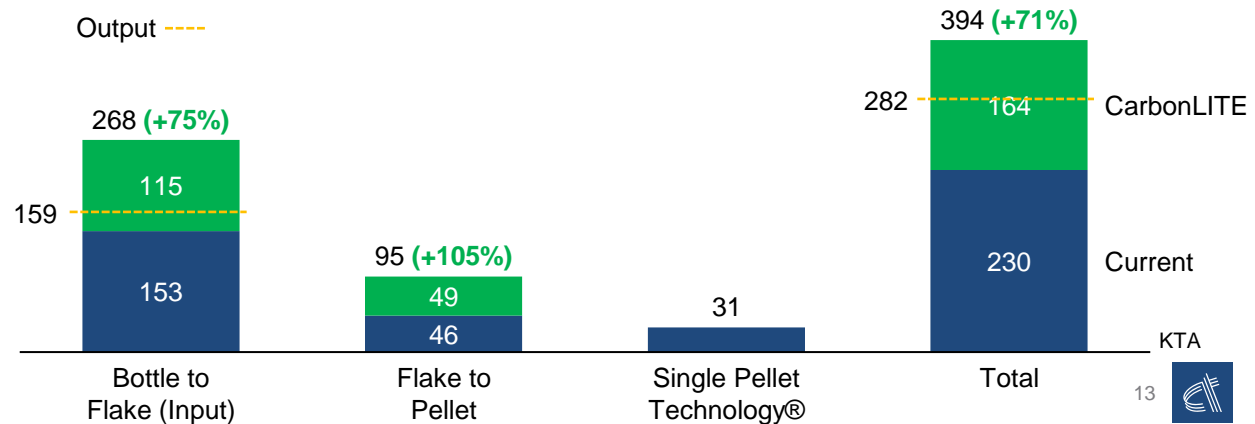


— Net Debt / Comp. EBITDA



Acquisition of CarbonLITE's rPET facility

- Reaffirming Alpek's position as **largest PET recycler** in The Americas
- **Achieves goal** of supplying customers **25% recycled content** by 2025
- **Brand-new assets** and state-of-the-art technology
- Winning bid of **US\$96M** on a debt-free basis
- Strategically located asset in Reading, PA, USA to start-up in **3Q21**



ESG: Improvement & Index

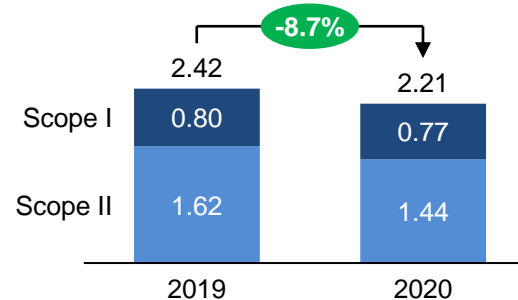
S&P Dow Jones
Indices

A Division of S&P Global

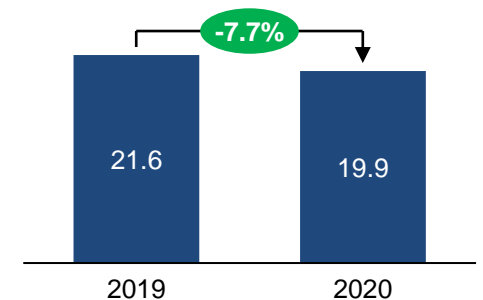


- Strong **improvement** in Alpek's 2020 **ESG performance & ratings**
- Alpek was added to the **S&P / BMV Total Mexico ESG Index**
- Participants' **commitment to ESG** translates into **higher returns**

CO₂ Emissions (M Tons)



Water Consumption (M m³)



Revised 2021 Guidance & Key Assumptions

			Revised '21 Guidance	Previous '21 Guidance	2020	Change (% vs. '20)
Market	Crude Oil	US\$/Bbl	70	63	42	67
	Asia PTA/PET Margin	US\$/Ton	300	285	269	12
	MXN / USD (Avg.)	MXN	21.1	21.1	21.5	(2)
Financials	Reported EBITDA	US\$M	880	750	565	56
	Comparable EBITDA ¹	US\$M	765	675	601	27

(1) Excludes inventory adjustments and carry-forward effects



Q&A



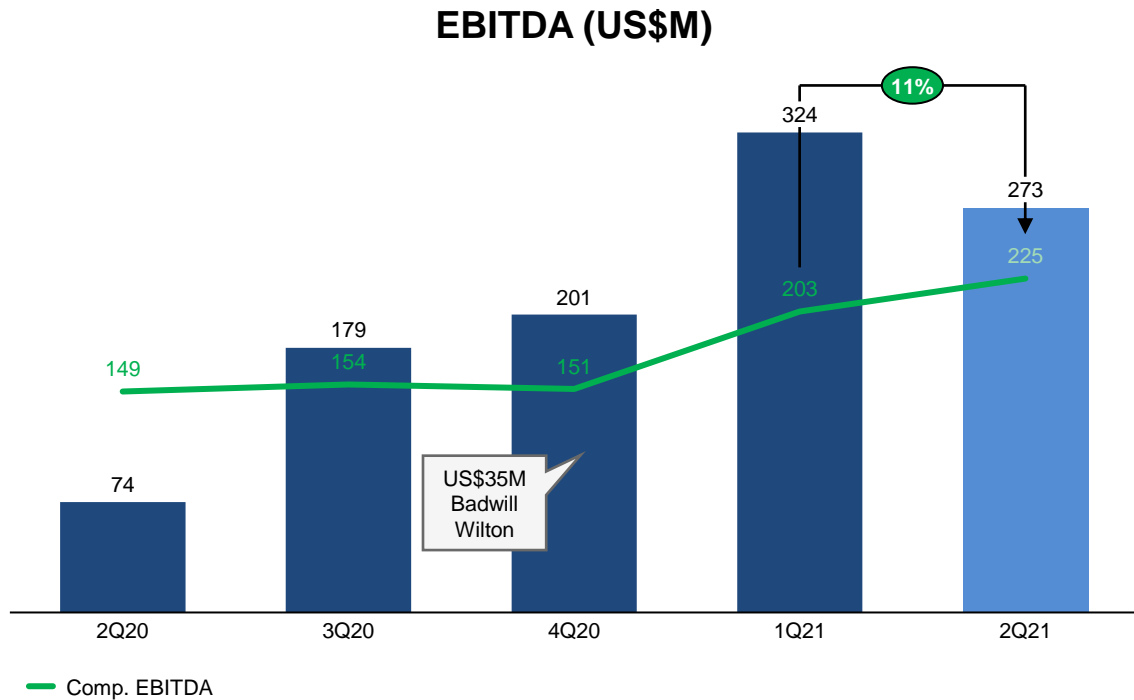
José de Jesús Valdez
CEO



José Carlos Pons
CFO



EBITDA Evolution



- 2Q21 Comparable EBITDA of US\$225M (+11% QoQ)
- Increase largely due to better polyester margins, solid EPS performance and higher PP margins
- Reported EBITDA of US\$273M up (+268% YoY) due to better Comp. EBITDA
- Smaller positive inventory adjustment & carry-forward effects vs. 1Q21



Breakdown of Extraordinary Effects

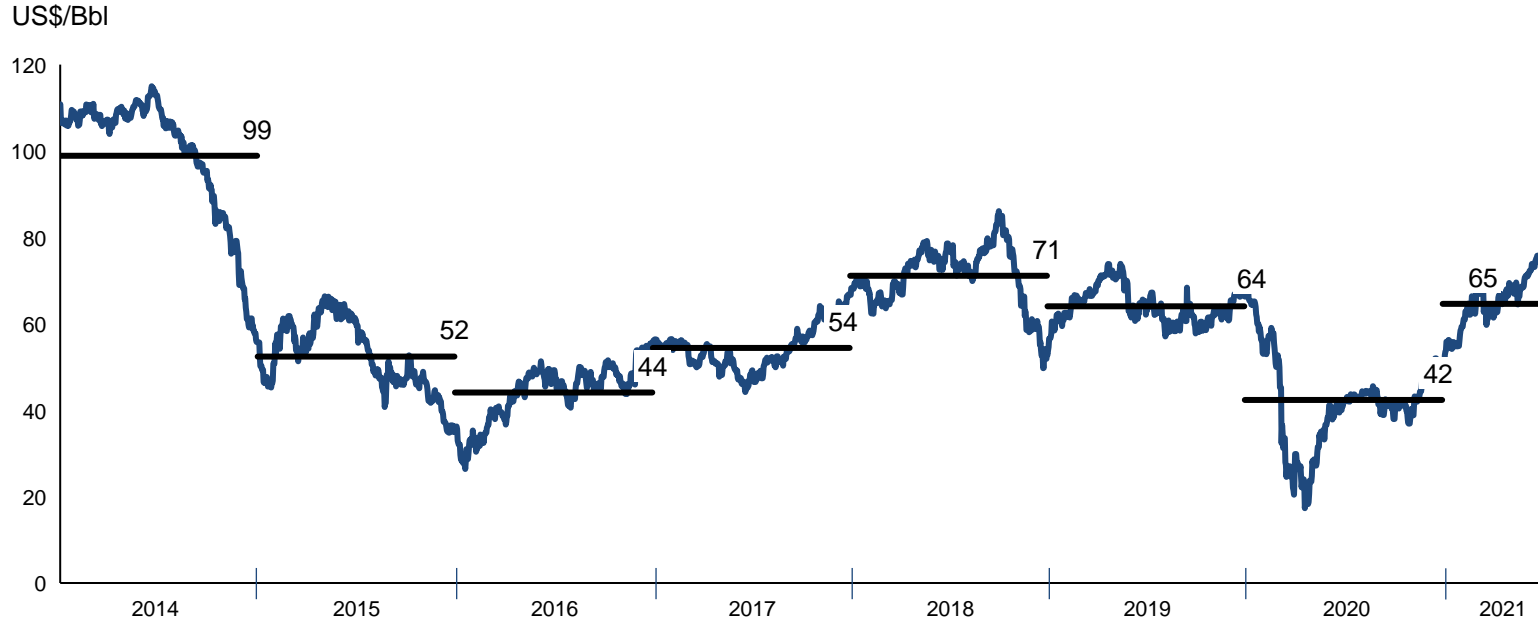
	2021			2020			Delta		
M dls	1Q	2Q	YTD	1Q	2Q	YTD	1Q	2Q	YTD
Reported EBITDA	324	273	597	111	74	185	214	199	413
Inventory Adjustment	(63)	(18)	(81)	17	42	59	(80)	(60)	(140)
Carry-forward Effect	(58)	(29)	(87)	20	39	59	(78)	(68)	(146)
Others	0	(1)	(1)	0	(6)	(6)	0	5	6
Comparable EBITDA	203	225	429	147	149	296	56	76	133



Relevant References: Crude Oil

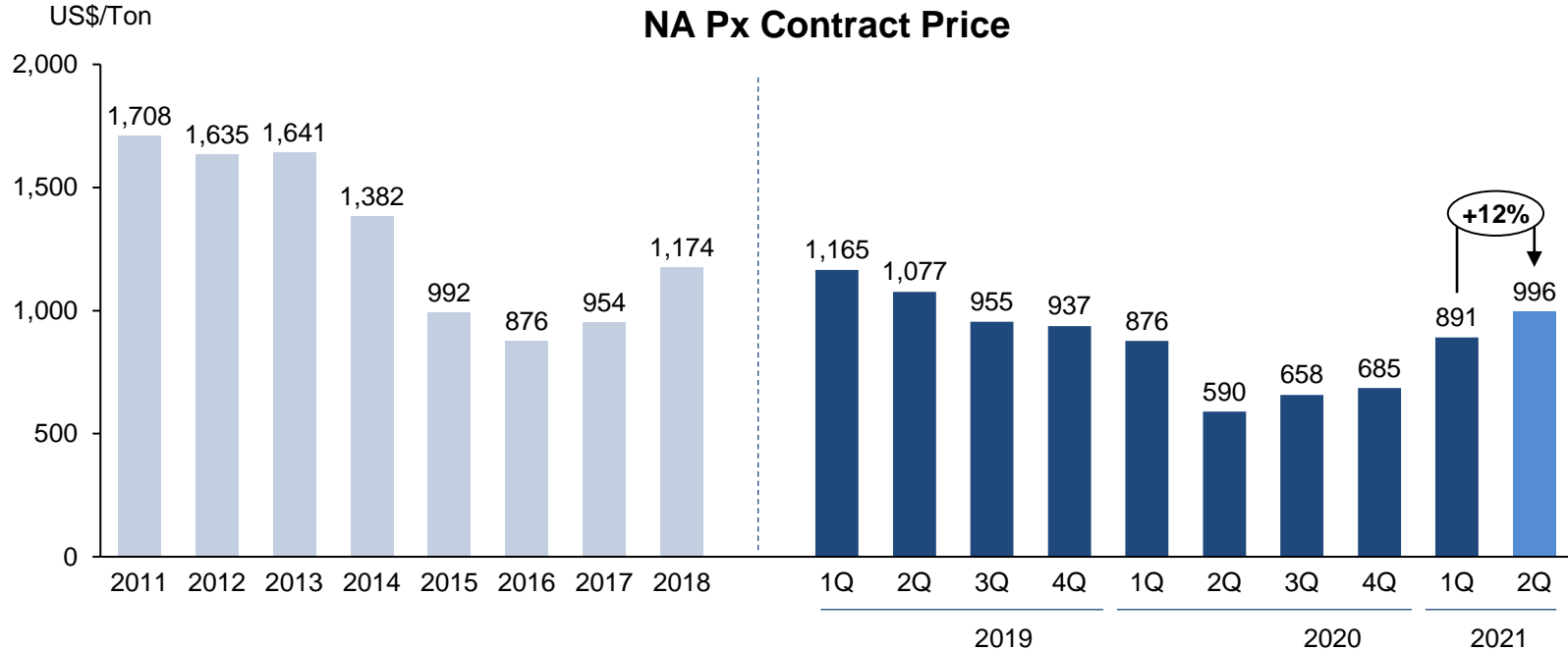
Price continues to increase in line with demand for refined products

Brent Crude Oil Price



Relevant References: Paraxylene

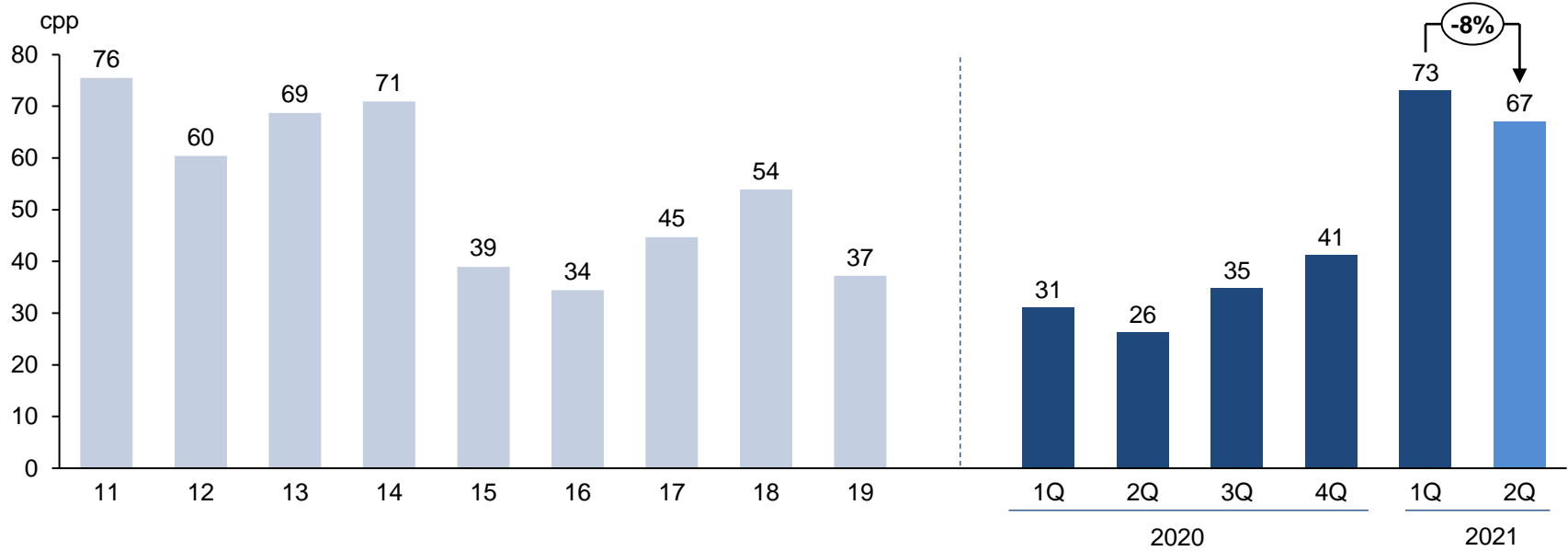
Px prices increased by 12% largely in line with Crude Oil price (+13%)



Relevant References: Propylene

PGP contract prices have remained high as demand strength has continued

NA Propylene Contract Price (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

This presentation contains, or may be deemed to contain, “forward-looking statements”. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The future results of Alpek, S.A.B. de C.V. and its subsidiaries may differ from the results expressed in, or implied by the forward-looking statements set out herein, possibly to a material degree.





SECOND QUARTER 2021

EARNINGS WEBCAST