alpek

SECOND QUARTER 2023

EARNINGS WEBCAST

TODAY'S SPEAKERS

JORGE YOUNG
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AGENDA FOR TODAY'S WEBCAST

1. Overview & Relevant Events
2. Financial Performance
3. Revised Guidance
4. Q&A

OVERVIEW

INTEGRATED PET REFERENCE MARGINS

Asian reference margins averaged

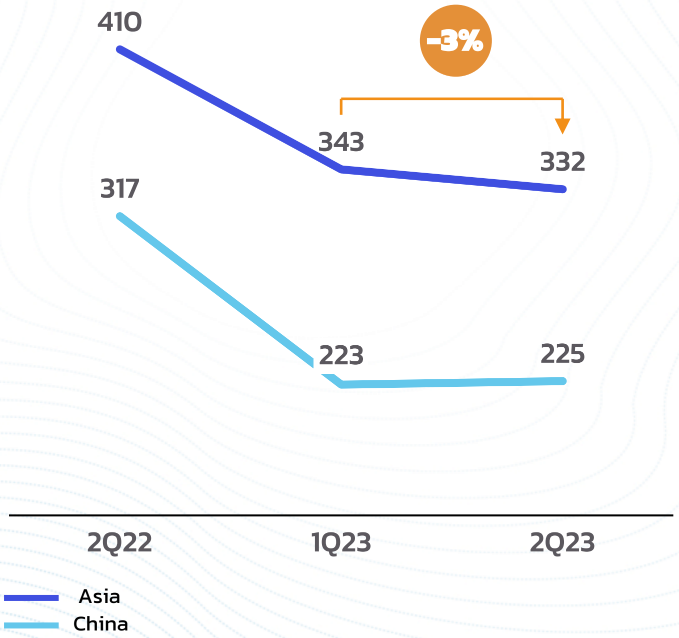
US$332

per ton

Chinese reference margins averaged

US$225

per ton



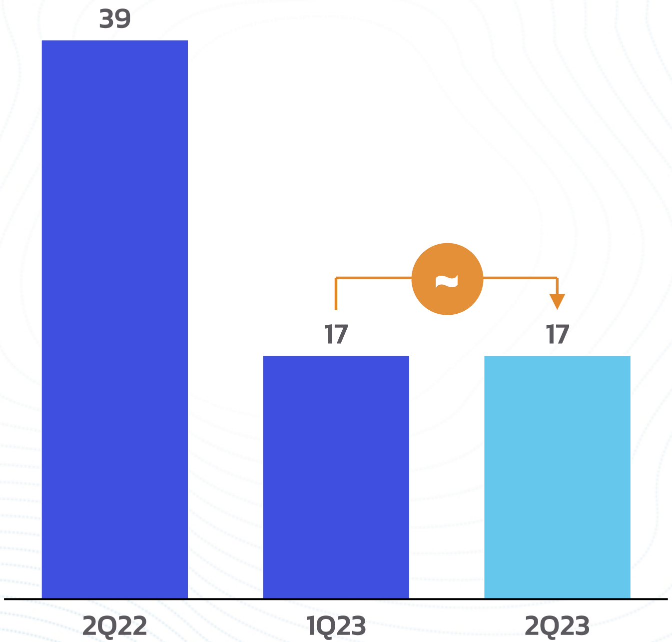
Px / MEG to PET (US$/Ton)

NA POLYPROPYLENE REFERENCE MARGINS

17 cents

per pound

New supply has ramped up and margins have stabilized



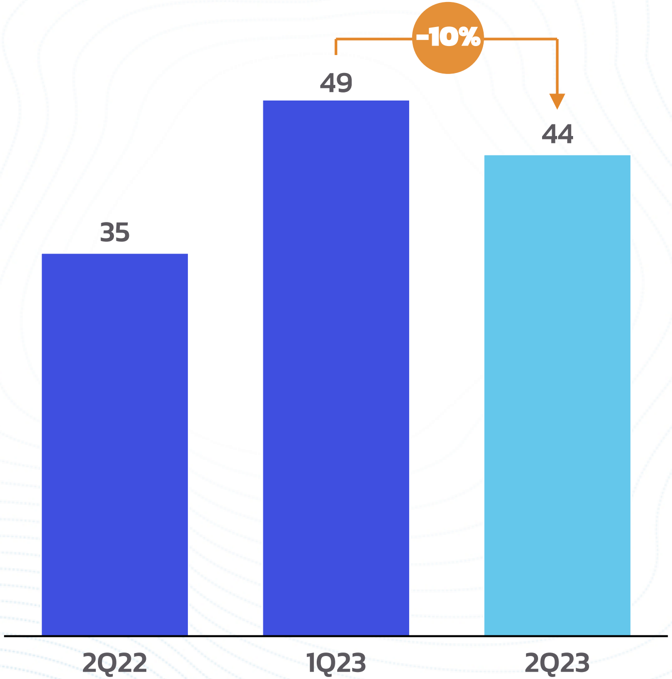
PP to PGP (cpp)

NA EPS REFERENCE MARGINS

44 cents

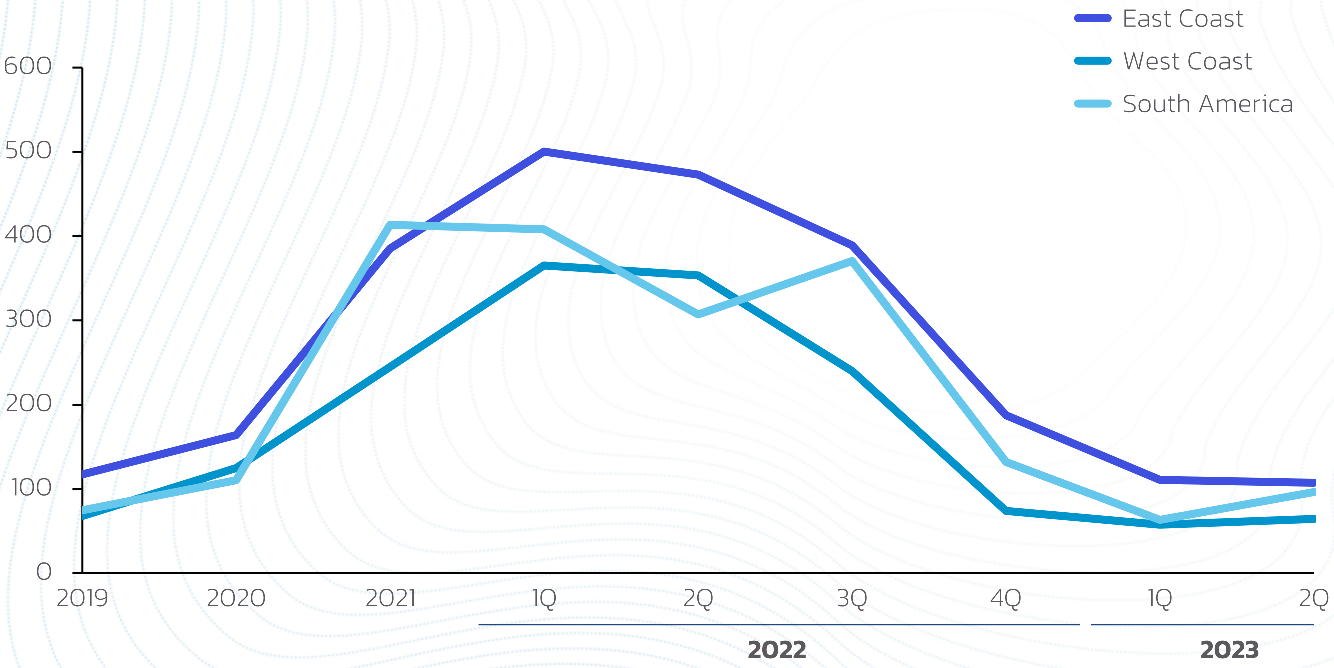
per pound

Due primarily to lower ocean freight costs leading to more competitive imports



EPS to Styrene (cpp)

OCEAN FREIGHT PRICES



Asia – Americas Spot Ocean Freight Rate (US$/Ton)
Source: SCFI, prices based on 20-foot containers with 24-ton capacity from Shanghai to U.S. East Coast, West Coast & South America

FIRST ESG TRANSACTION

SUSTAINABILITY-LINKED LOAN

US$200 M


EPS RECYCLING

2Q23 FINANCIAL HIGHLIGHTS

VOLUME	COMPARABLE EBITDA	FREE CASH FLOW
1.2M TONS	**US$201M**	**US$216M**

VOLUME — 1.2M TONS

- Slight demand increase
- Soft Markets in Americas
- Influence from Asian imports

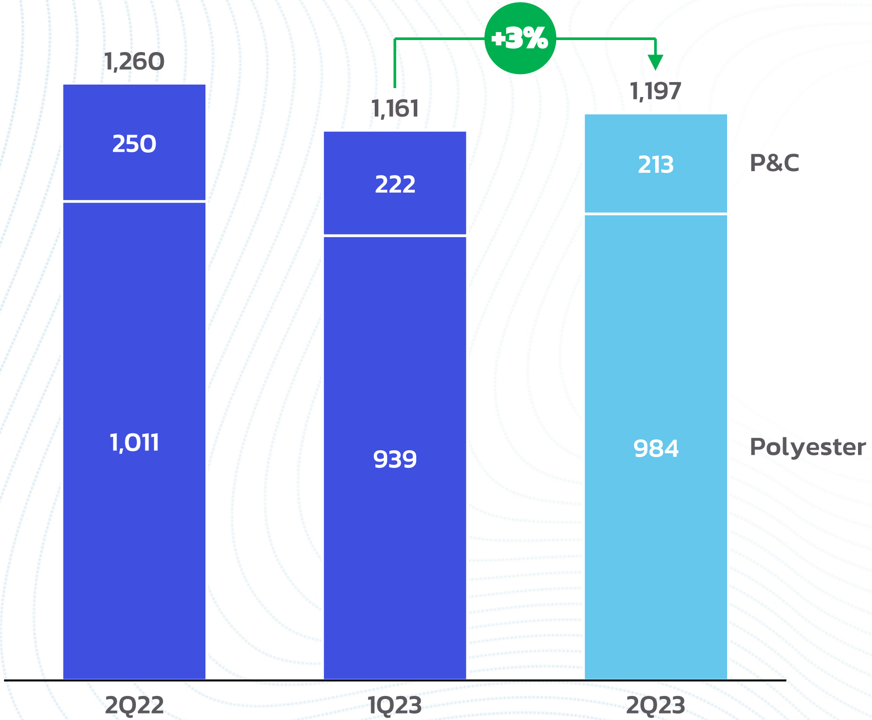
COMPARABLE EBITDA — US$201M

- Decrease PET ref. margins
- Lower EPS ref. margins
- Higher feedstock costs

FREE CASH FLOW — US$216M

- Net Working Capital significantly improved by US$284 M

VOLUME EVOLUTION



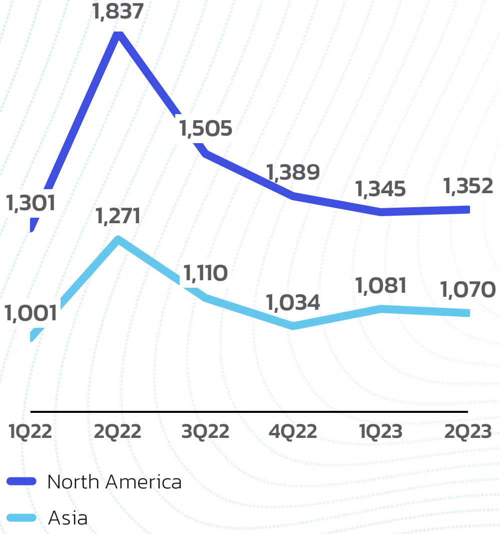
Polyester: 984K tons
(+5% QoQ)
Slight improvement, yet below expectation

P&C: 213K tons
(-4% QoQ)
PP: oversupply impacting demand
EPS: competitive imports

Quarterly sales volume (ktons)

FEEDSTOCK COSTS

Paraxylene



NA Px price increased to an average of

US$1,352

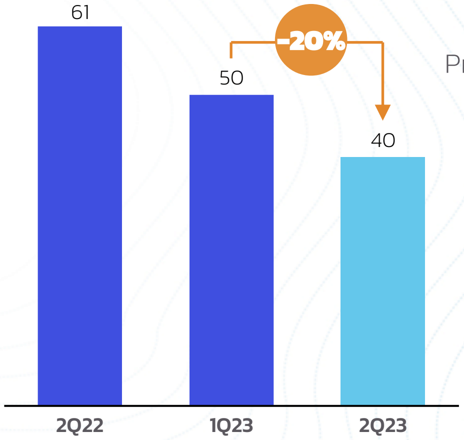
per ton

Disconnect increased to

US$282

per ton

NA Propylene Contract Price



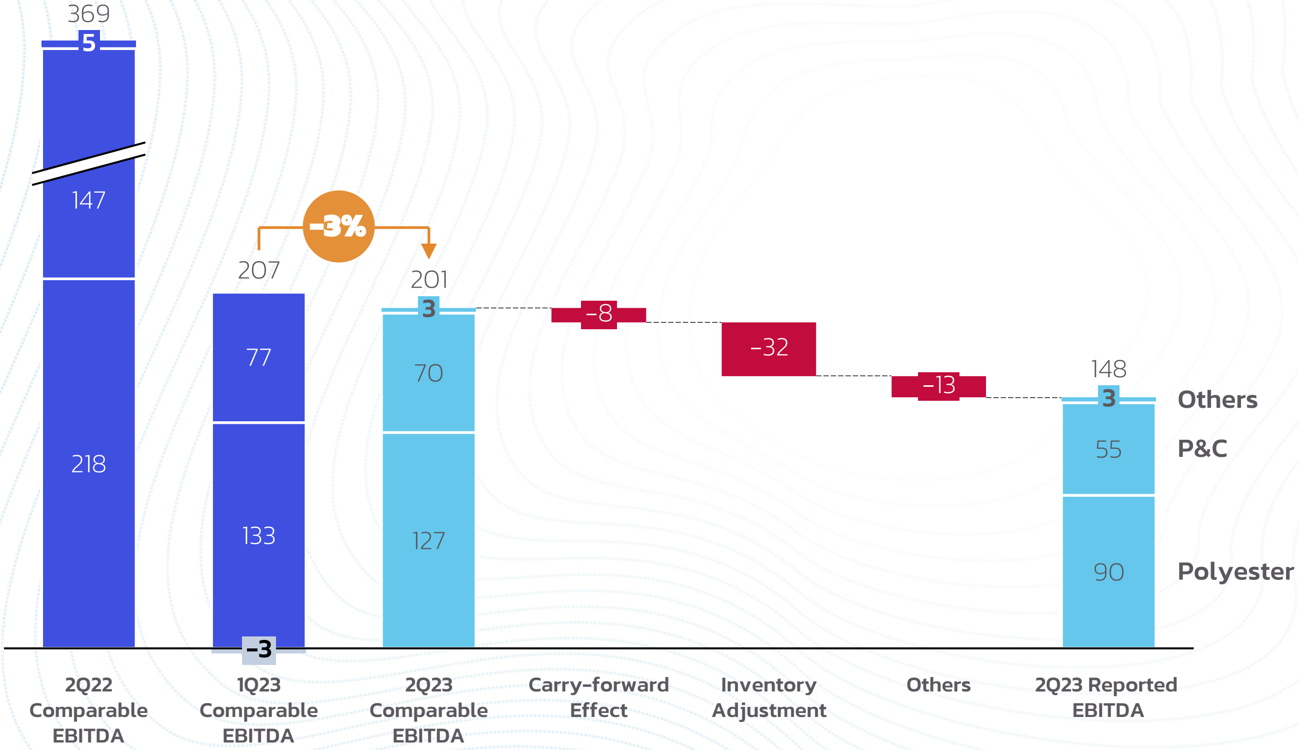
Propylene prices decreased to an average of

40 cents

per pound

NA Px Contract US$/Ton | Asia Px Contract US$/Ton
NA PGP Contract CPP

EBITDA BREAKDOWN



2Q23 EBITDA (US$M)

Comparable EBITDA

Overall

US$201 M

Polyester

US$127 M

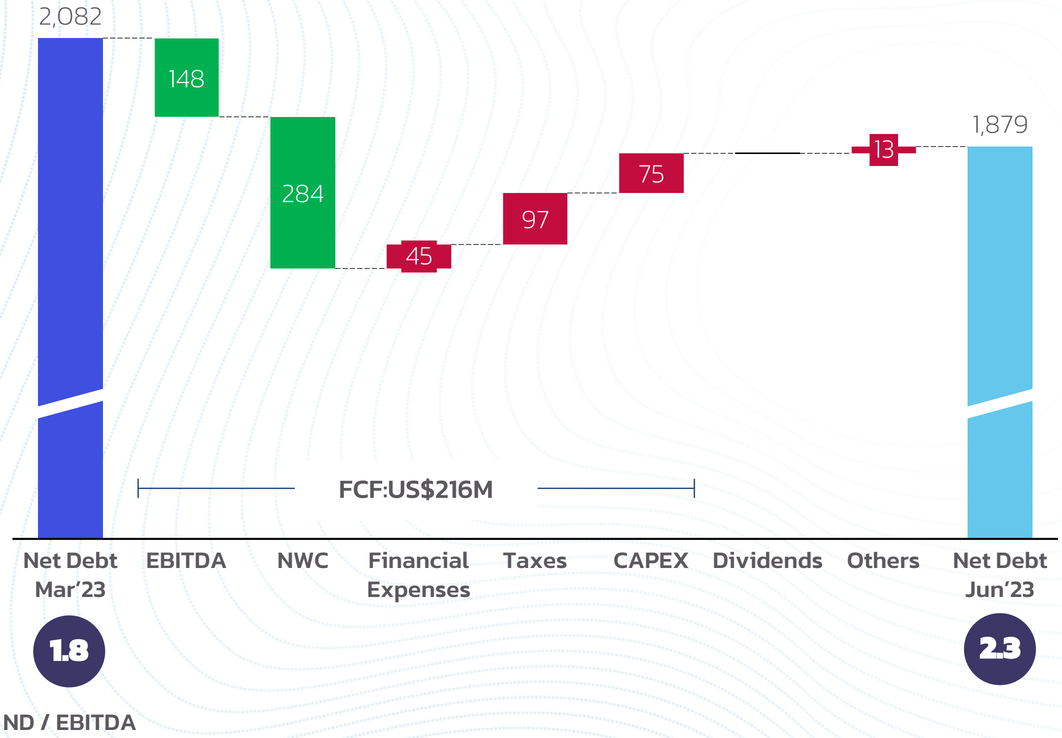
(-4% QoQ)

P&C

US$70 M

(-9% QoQ)

FREE CASH FLOW GENERATION



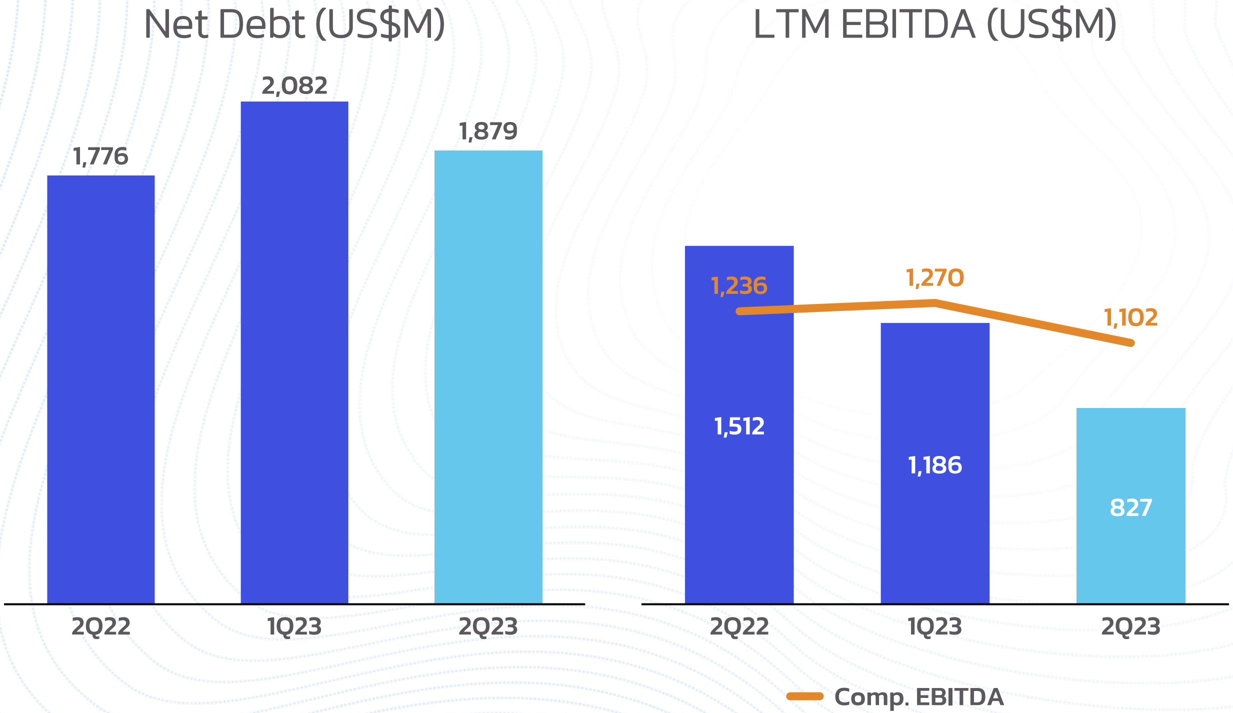
Quarterly Free Cash Flow (US$M)

NWC: US$284M
Improvement in inventory management

CAPEX: US$75M
Mainly from CCP & maintenance

Income tax: US$97M
Mainly from fiscal payments

NET DEBT & LEVERAGE



LEVERAGE: 2.3 TIMES

2023 REVISED GUIDANCE & KEY ASSUMPTIONS

			Revised '23 Guidance	Previous '23 Guidance	Change (% vs. '23)
MARKET	Crude Oil	US$/Bbl	80	90	*(11)*
	Asia PTA/PET Margin	US$/Ton	320	320	–
FINANCIALS	Volume	Mtons	4.65	4.90	*(5)*
	Comparable EBITDA[1]	US$M	770	920	*(16)*
	Net Sales	US$M	7,700	9,170	*(16)*
	CAPEX	US$M	300	335	*(10)*

(1) Excludes inventory adjustments and carry-forward effects
(2) CAPEX was revised in 1Q23.

Q&A

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